

**From:** Graham, Jeffrey [mailto:Jeffrey.Graham@fhwa.dot.gov]  
**Sent:** Thursday, March 29, 2007 9:44 AM  
**To:** MCCANNA Scott M  
**Cc:** RIEDL John J  
**Subject:** RE: ODOT Traffic Control - Incentive/Disincentive Calculator

Scott,

Thank you for your letter explaining the methodology that is proposed for use in calculating road user cost to support incentive/disincentive (I/D) clauses in ODOT contracts. FHWA is aware that ODOT is developing a model for use in determining I/D amounts for construction contracts.

In order to establish the amount of I/D payment a baseline of anticipated speed through the work zone must be used in order to determine the road user cost. Your letter describes observed travel speeds through work zones on high-speed, high volume freeway facilities. These observed travel speeds appear reasonable to use as baseline speeds for applicable freeway sections in order to determine the road user cost and establish the I/D amount. Construction contracts that include a clause for I/D payments based on this methodology will be eligible for reimbursement with Federal-aid funds.

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**From:** MCCANNA Scott M [mailto:Scott.M.MCCANNA@odot.state.or.us]  
**Sent:** Wednesday, March 21, 2007 9:37 AM  
**To:** Graham, Jeffrey  
**Cc:** RIEDL John J  
**Subject:** ODOT Traffic Control - Incentive/Disincentive Calculator

Good morning, Jeff.

As requested, here is a brief memo with some background information regarding our development of a calculating methodology for our Incentive/Disincentive clauses being used in our highway construction contracts. Please let me know if you have any additional questions.

<<MemoToJeffGraham.doc>>

Thank you.

**Scott M. McCanna, P.E.**

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