

901 MOBILIZATION

Mobilization is a contract item established to compensate the Contractor for move-in costs and certain other startup costs incurred as the project work begins. The item is set up so that partial payments are made as the work progresses.

There are four milestones that trigger mobilization partial payments:

1. The preconstruction conference/partnering workshop.
2. The point when there is a significant amount of equipment on the project site.
3. When 5% of the contract is completed.
4. When 10% of the contract is completed.

The first milestone is not reached until the preconstruction conference has been held and all the documentation required by Subsection 108.03 is submitted complete enough for review. The table in Subsection 108.03 of this manual lists all the submittals required at the preconstruction conference, including those specifically required by 108.03. The Special Provisions may have additional submittal requirements under 108.03. A satisfactory submittal should be one that can be reviewed by the Department without being sent back to the Contractor for incompleteness. For example, a generic safety plan that doesn't address some of the specific project safety hazards would be unsatisfactory and could be used as basis for withholding the first mobilization partial payment.

The Department considers the preconstruction submittal documents part of the Contractor's preparatory work paid for under mobilization. Thus, to get paid for mobilization, complete documents need to be submitted.

The second milestone occurs when a significant amount of equipment has been mobilized to the project site. What constitutes significant is left up to the interpretation of the Resident Engineer. However, to be consistent statewide the Resident Engineer should take into consideration the size of the project and how much equipment will be needed initially to complete the first 5 percent of the contract work. Setting up a trailer and installing fences and signs for the Contractor's yard does not qualify for this mobilization milestone. Nor does parking a single piece of equipment, like a frontend loader, to be used much later in the project qualify.

The third milestone is reached when 5 percent of the project work has been completed in terms of dollars paid to the Contractor. The 5 percent includes the two previous mobilization partial payments.

There is some confusion as to when the 5 percent should be paid, in the month that it is reached or in the following month? The 5 percent milestone is triggered when the work is completed in the field, not when the field office prepares the monthly estimate. The milestone can be reached at any time during the month and is not necessarily the end of the month. For example, if 10,000 cubic yards is needed to trigger the 5 percent mobilization payment, and this point is reached halfway through a given month, then the 5 percent mobilization would be paid on the estimate prepared at the end of that month (the "next" estimate after the 5 percent is reached). The "next estimate" provision was placed in the Standard Specifications to prevent the Contractor from requesting a supplemental estimate (see Subsection 109.06 of this manual) every time a mobilization milestone was reached

The same reasoning applies to the fourth and final mobilization partial payment, when 10 percent of the work is complete.

Although not explicitly stated in the Standard Specifications, the mobilization milestones must be paid in order: the second payment cannot be made before the first. The numbering of the milestones implies an order that should

be followed. A Contractor that has submitted incomplete documents required by Subsection 108.08 cannot receive the first or any subsequent mobilization partial payments until complete documents are submitted.

The mobilization pay item should not change due to changes in other work items or due to altered quantities.