



Connecticut DOT
 Bureau of Engineering and Construction

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ENGINEERING & CONSTRUCTION DIRECTIVE

 Chief Engineer

Updated Minimum Daily Liquidated Damages Rates

This Directive supersedes Engineering and Construction Directive ECD-2016-5 Minimum Daily Liquidated Damage Rates. Federal Regulations require that the Department periodically review and verify the liquidated damages (LD) rates utilized in construction contracts. Subsequent to a review of the daily construction-related incidental costs associated with construction contracts, the actual rates and minimum per diem LD rates are shown in the table below.

Estimated Contract Value (\$)	Average Daily Incidental Costs (2016-2017)	Recommended Minimum Daily LD rate
0 – 1,000,000	\$1,130	\$1,100 ¹
1,000,000 – 3,000,000	\$1,539	\$1,500 ¹
3,000,000 – 5,000,000	\$1,994	\$2,000 ¹
5,000,000 – 10,000,000	\$2,425	\$2,400 ¹
10,000,000 – 25,000,000	\$3,743	\$3,700 ^{1,2}
25,000,000 - Above	\$5,975	\$6,000 ^{1,2}

Notes:

- For projects that involve significant impacts to the travelling public and/or which involve loss of operational efficiency or revenue, the LD rate may, at the discretion of the Engineering Division Chief overseeing the project design, be reviewed to determine if user costs or costs associated with the loss of use of a facility, should be added to estimate a reasonable LD rate. In these cases, if federal funds are used, the staff preparing the LD rate estimate should review the applicable federal regulation.
- Department incidental costs related to projects over \$10 million in estimated construction costs vary widely. Therefore, computation of project-specific LD rates is recommended.