To:

Regional Engineers

From:

Maureen M. Addis

Subject:

Special Provision for Bituminous Materials Cost Adjustments

Date:

April 21, 2017

This special provision was developed by IDOT and Industry as a result of the volatility in the cost of bituminous materials. It has been revised to remove the form at the end of the special provision as this same form will now be electronically submitted during the bidding process.

This special provision should be included in projects with at least 1,200 tons (1,100 metric tons) of applicable bituminous work. The adjustments are applicable to permanent and temporary hot-mix asphalt (HMA) mixtures, bituminous surface treatments (cover and seal coats), and pavement preservation type surface treatments. The adjustments are not applicable to bituminous prime coats, tack coats, crack filling/sealing, or joint filling/sealing.

This special provision should not be included in alternate pavement bid projects.

The districts should include the BDE Check Sheet marked with the applicable special provisions for the August 4, 2017 and subsequent lettings. The Project Development and Implementation Section will include a copy in the contract.

This special provision will be available on the transfer directory April 21, 2017.

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BITUMINOUS MATERIALS COST ADJUSTMENTS (BDE)

Effective: November 2, 2006 Revised: August 1, 2017

<u>Description</u>. Bituminous material cost adjustments will be made to provide additional compensation to the Contractor, or credit to the Department, for fluctuations in the cost of bituminous materials when optioned by the Contractor. The bidder shall indicate with their bid whether or not this special provision will be part of the contract.

The adjustments shall apply to permanent and temporary hot-mix asphalt (HMA) mixtures, bituminous surface treatments (cover and seal coats), and preventative maintenance type surface treatments that are part of the original proposed construction, or added as extra work and paid for by agreed unit prices. The adjustments shall not apply to bituminous prime coats, tack coats, crack filling/sealing, joint filling/sealing, or extra work paid for at a lump sum price or by force account.

Method of Adjustment. Bituminous materials cost adjustments will be computed as follows.

 $CA = (BPI_P - BPI_L) \times (\%AC_V / 100) \times Q$

Where: CA = Cost Adjustment, \$.

BPI_P = Bituminous Price Index, as published by the Department for the month the work is performed, \$/ton (\$/metric ton).

BPI_L = Bituminous Price Index, as published by the Department for the month prior to the letting for work paid for at the contract price; or for the month the agreed unit price letter is submitted by the Contractor for extra work paid for by agreed unit price, \$/ton (\$/metric ton).

 $^{\circ}$ AC $_{V}$ = Percent of virgin Asphalt Cement in the Quantity being adjusted. For HMA mixtures, the $^{\circ}$ AC $_{V}$ will be determined from the adjusted job mix formula. For bituminous materials applied, a performance graded or cutback asphalt will be considered to be 100% AC $_{V}$ and undiluted emulsified asphalt will be considered to be 65% AC $_{V}$.

Q = Authorized construction Quantity, tons (metric tons) (see below).

For HMA mixtures measured in square yards: Q, tons = A x D x (G_{mb} x 46.8) / 2000. For HMA mixtures measured in square meters: Q, metric tons = A x D x (G_{mb} x 1) / 1000. When computing adjustments for full-depth HMA pavement, separate calculations will be made for the binder and surface courses to account for their different G_{mb} and % $AC_{V.}$

For bituminous materials measured in gallons: Q, tons = $V \times 8.33$ lb/gal x SG / 2000 For bituminous materials measured in liters: Q, metric tons = $V \times 1.0$ kg/L x SG / 1000

Where: A = Area of the HMA mixture, sq yd (sq m).

D = Depth of the HMA mixture, in. (mm).

 G_{mb} = Average bulk specific gravity of the mixture, from the approved mix design.

V = Volume of the bituminous material, gal (L).

SG = Specific Gravity of bituminous material as shown on the bill of lading.

<u>Basis of Payment</u>. Bituminous materials cost adjustments may be positive or negative but will only be made when there is a difference between the BPI_L and BPI_P in excess of five percent, as calculated by:

Percent Difference = $\{(BPI_L - BPI_P) \div BPI_L\} \times 100$

Bituminous materials cost adjustments will be calculated for each calendar month in which applicable bituminous material is placed; and will be paid or deducted when all other contract requirements for the work placed during the month are satisfied. The adjustments shall not apply during contract time subject to liquidated damages for completion of the entire contract.

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