

STATE OF LOUISIANA DEPARTMENT OF TRANSPORTATION AND DEVELOPMENT

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BOBBY JINDAL GOVERNOR

June 10, 2009

STATE PROJECT NOS. 281-03-0022 and 454-04-0084 FEDERAL AID PROJECT NO. ARR-5204(528) LA 59 AT I-12 INTERCHANGE IMPROVEMENTS ROUTES LA 59 and I-12 ST. TAMMANY PARISH

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SUBJECT: ADDENDUM NO. 1 (CONSTRUCTION PROPOSAL REVISION)

Gentlemen:

The following proposal revision dated 06/10/2009 on the captioned project for which bids will be received on Wednesday, June 17, 2009 have been posted on http://www.dotd.la.gov/cgi-bin/construction.asp.

1. Added the Special Provision entitled, Payment Adjustment (Asphaltic Cements and Fuels). (5 pages)

Please note these revisions in the proposal and bid accordingly. Mandatory electronic bidding is required for this project, and electronic bids and electronic bid bonds must be submitted via www.bidx.com for this letting date.

Sincerely, Randal Dlander

RANDAL D. SANDERS, P. E.

CONTRACTS & SPECIFICATIONS ENGINEER

Attachments

ec: Mr. Brian Buckel

Ms. Connie Standige

Mr. Larry Sharp

Mr. Ryan Reviere

Mr. Eric Burges

Mr. Masood Rasoulian

PAYMENT ADJUSTMENT (12/08): Section 109, Measurement and Payment of the 2006 Standard Specifications and the supplemental specifications thereto, is amended to add the following.

This project is designated for payment adjustment for asphalt cements and fuels in accordance with Subsection 109.09 as follows.

109.09 PAYMENT ADJUSTMENT (ASPHALT CEMENTS AND FUELS).

(a) General: Payment for contract items indicated herein will be adjusted to compensate for cost differentials of Performance Graded (PG) asphalt cements, gasoline, and diesel fuel when such costs increase or decrease more than 5 percent from the Department's established base prices for these items. The base price indices for asphalt cements and fuels will be the monthly price indices in effect at the time bids are opened for the project. The base price indices for asphalt cements will be as stated in paragraph (b) below. The base price index for fuels will be as stated in paragraph (c) below.

Payment adjustments will be made each monthly estimate period when a price index for this period varies more than 5 percent from its respective base price index. The monthly price indices to be used with each monthly estimate will be the price indices for the month in which the estimate period begins.

If the project is placed in default, payment adjustments will be based on the monthly price indices used for the last monthly estimate period prior to the project being placed in default, unless a monthly price index decreases in which case the lower monthly price index will be used.

If it is determined after completion of work on any eligible item that the total quantity paid to date must be adjusted to reflect more accurate quantity determinations, the Department will prorate the additional quantity to be added or subtracted over all previous estimate periods in which the item of work was performed in order to determine additional payment adjustments. If payment adjustments were made during any of these partial estimate periods, this added or subtracted quantity that has been prorated will likewise have payment adjustments calculated and included.

(b) Performance Graded (PG) Asphalt Cements: The base price index will be the monthly price index in effect at the time of bid opening as shown elsewhere herein. The monthly price indices will be the average, excluding the extreme outliers, of the unit prices for PG 64-22, the average, excluding the extreme outliers, of the unit prices for PG 70-22m, and the average, excluding the extreme outliers, of the unit prices for PG 76-22m. The monthly prices for each of these asphalt materials will be F.O.B. refinery or terminal as determined from the quoted prices effective on the first calendar day of each month from suppliers of these materials. Suppliers considered are those who have requested to participate in the liquid asphalt index determination and have supplied materials on DOTD projects within the past twelve months. These suppliers and materials shall be listed on the Department's Qualified Products List (QPL 41) and must be marketed in Louisiana. For Asphalt Cements not listed above, the following shall be considered equivalent for payment adjustments:

Pay Item Equivalents Eligible for Asphalt Pay Adjustment

Performance Graded Asphalt	Equivalent PG Asphalt Cement for Payment Adjustment		
Cement			
PG 58-28	PG 64-22		
PG 64-22	PG 64-22		
PG 70-22m	PG 70-22m		
PG 76-22m	PG 76-22m		
PG 82-22rm	PG 64-22		

Payment adjustments will be made in accordance with the following formulas:

If Monthly Price Index exceeds Base Price Index,

$$P_a = (A - 1.05B) \times C \times D \times (1.00 + T)$$

If Base Price Index exceeds Monthly Price Index,

$$P_a = (0.95B - A) \times C \times D \times (1.00 + T)$$

Wher	e:	
P_a	=	Price adjustment (increase or decrease) for asphalt cement.
Α	=	Monthly Price Index for respective PG 64-22, PG 70-22m, or PG 76-22m
		in dollars per ton/megagram.
В	=	Base Price Index for respective PG 64-22, PG 70-22m, or PG 76-22m in
		dollars per ton/megagram.
C	=	Tons/megagrams of asphaltic concrete.
D	=	Percent of respective asphalt cement, per job mix formula, in decimals.
T		Louisiana sales tax percentage, in decimals.
		(Note: Local tax is not considered)

The engineer will furnish the weights (mass) of asphaltic concrete placed during the monthly estimate period with the respective asphalt cement content, excluding the asphalt content in reclaimed asphaltic pavement (RAP) as per job mix formula. If the asphalt cement content changes during the estimate period, the respective weight (mass) of asphaltic concrete produced at each cement content will be reported.

All contract pay items using PG 58-28, PG 64-22, PG 70-22m, PG 76-22m, and PG 82-22rm shall be eligible for payment adjustments of asphalt materials; except no payment adjustment will be made for contract pay items under Subsection 510-01, "Payement Patching". Section 507, "Asphaltic Surface Treatment", nor for any emulsions of cutbacks.

Item 510-02, Pavement Widening, and all contract pay items under Sections 502 and 508. will be eligible for payment adjustments of asphalt materials. No payment adjustment will be made for other asphalt materials, including emulsions and cutbacks.

The base price indices for asphalt cements and fuels will be posted on the DOTD internet website before the 10th calendar day of each month at the following URL: www.dotd.louisiana.gov/lettings/lac price index/priceindices.asp.

(c) Fuels: The base price index for this project will be the monthly price index in effect when bids are opened for the project. The monthly price index will be the minimum price quotations for unleaded gasoline and No. 2 diesel fuel listed for the New Orleans area in *Platt's Oilgram and Price Report* effective on the first calendar day of each month.

Payment adjustment will be made in accordance with the following formulas:

If Monthly Price Index exceeds Base Price Index,

$$P_a = (A - 1.05B) \times Q \times F$$

If Base Price Index exceeds Monthly Price Index, $P_a = (0.95B - A) \times Q \times F$

Whe	ere:	
P_a	=	Price adjustment.
A	=	Monthly Price Index in dollars per gallon/liter.
В	=	Base Price Index in dollars per gallon/liter.
Q	=	Pay Item Quantity (Pay Units).
F		Fuel Usage Factor Gal (L)/Pay Unit.

The following is a listing of contract pay items that are eligible for payment adjustment and the fuel usage factors that will be used in making such adjustment. Contract items that expand the items listed herein by use of letter or number designations are also eligible for fuel price adjustments; for example:

Item 601-01-G, Portland Cement Concrete Pavement 8 inches (200 mm) thick.

ELIGIBLE CONTRACT PAY ITEMS & FUEL USAGE FACTORS FOR FUEL PAYMENT ADJUSTMENT⁷

ITEM NO.	PAY ITEM	UNITS	MIN. ORIGINAL CONTRACT	FUEL USAC	FUEL USAGE FACTORS	
	,		QUANTITY FOR PAY ADJUSTMENT	Diesel ²	Gasoline	
203-01 ¹	General Excavation	gal/cu yd	10,000 cu yd	0.29	0.15	
203-02	Drainage Excavation	gal/cu yd	10,000 cu yd	0.29	0.15	
203-03 ¹	Embankment	gal/cu yd	10,000 cu yd	0.29	0.15	
203-04	Nonplastic Embankment	gal/cu yd	10,000 cu yd	0.29	0.15	
203-07	Borrow (Vehicular Measurement)	gal/cu yd	10,000 cu yd	0.29	0.15	
301-01	Class I Base Course	gal/cu yd	3,000 cu yd	0.88	0.57	
301-02	Class I Base Course (" Thick)	gal/sq yd	50,000 sq yd	0.04	0.03	
302-01	Class II Base Course	gal/cu yd	3,000 cu yd	0.88	0.57	
302-02	Class II Base Course (" Thick)	gal/sq yd	50,000 sq yd	0.04	0.03	
303-01	In-Place Cement Stabilized Base Course	gal/sq yd	50,000 sq yd	0.04	0.03	
304-02	Lime Treatment (Type B)	gal/sq yd	50,000 sq yd	0.04	0.03	
304-03	Lime Treatment (Type C)	gal/sq yd	50,000 sq yd	0.04	0.03	
304-04	Lime Treatment (Type D)	gal/sq yd	50,000 sq yd	0.04	0.03	
305-01	Subgrade Layer (" Thick)	gal/sq yd	50,000 sq yd	0.04	0.03	
308-01	In-Place Cement Treated Base Course	gal/sq yd	50,000 sq yd	0.04	0.03	
401-01	Aggregate Surface Course (Net Section)	gal/cu yd	3,000 cu yd	0.88	0.57	
401-02	Aggregate Surface Course (Adjusted Vehicular Measurement)	gal/cu yd	3,000 cu yd	0.88	0.57	
502-01	Superpave Asphaltic Concrete	gal/ton	1000 ton	2.40^{3}	0.2	
502-02	Superpave Asphaltic Concrete	gal/cu yd	500 cu yd	4.80 ⁴	0.4	
502-03	Superpave Asphaltic Concrete ("Thick)	gal/sq yd	10,000 sq yd	0.13 ^{5,6}	0.01 ⁶	
508-01	Asphaltic Concrete (SMA)	gal/ton	1000 ton	2.40 ³	0.2	
510-02	Pavement Widening	gal/sq yd	3,000 sq yd	0.86	0.24	
601-01	Portland Cement Concrete Pavement (" Thick)	gal/sq yd	15,000 sq yd	0.11	0.15	

¹ If project has both 203-01 & 203-03, only the item with larger quantity is eligible.

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² For fuel adjustment purposes, the term "diesel" shall represent No. 2 or No. 4 fuel oils or any of the liquified petroleum gases, such as propane or butane.

If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 1.67 gal/ton.

⁴ If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 13.34 gal/cu yd.

⁵ If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 0.09 gal/sq yd.

⁶ Per inch of thickness.

⁷ No fuel adjustment will be allowed for waste oil.

ELIGIBLE CONTRACT PAY ITEMS & FUEL USAGE FACTORS FOR FUEL PAYMENT ADJUSTMENT (METRIC)⁷

ITEM NO.	PAY ITEM	UNITS	MIN. ORIGINAL CONTRACT	FUEL USAGE FACTORS	
			QUANTITY FOR PAY ADJUSTMENT	Diesel ²	Gasoline
203-01 ¹	General Excavation	1/m³	7,600 m ³	1.44	0.74
203-02	Drainage Excavation	1/m³	7,600 m ³	1.44	0.74
203-03 ¹	Embankment	1/m ³	$7,600 \text{ m}^3$	1.44	0.74
203-04	Nonplastic Embankment	1/m³	7,600 m ³	1.44	0.74
203-07	Borrow (Vehicular Measurement)	l/m³	7,600 m ³	1.44	0.74
301-01	Class I Base Course	1/m ³	2,300 m ³	4.36	2.82
301-02	Class I Base Course (mm Thick)	l/m²	41,800 m ²	0.18	0.14
302-01	Class II Base Course	1/m ³	2,300 m ³	4.36	2.82
302-02	Class II Base Course (mm Thick)	l/m^2	41,800 m ²	0.18	0.14
303-01	In-Place Cement Stabilized Base Course	1/m ²	41,800 m ²	0.18	0.14
304-02	Lime Treatment (Type B)	l/m^2	$41,800 \text{ m}^2$	0.18	0.14
304-03	Lime Treatment (Type C)	l/m^2	41,800 m ²	0.18	0.14
304-04	Lime Treatment (Type D)	$1/m^2$	$41,800 \text{ m}^2$	0.18	0.14
305-01	Subgrade Layer (mm Thick)	1/m ²	$41,800 \text{ m}^2$	0.18	0.14
308-01	In-Place Cement Stabilized Base Course	l/m²	41,800 m ²	0.18	0.14
401-01	Aggregate Surface Course (Net Section)	l/m^3	2,300 m ³	4.36	2.82
401-02	Aggregate Surface Course (Adjusted Vehicular Measurement)	1/m ³	2,300 m ³	4.36	2.82
502-01	Superpave Asphaltic Concrete	l/Mg	900 Mg	10.01 ³	0.83
502-02	Superpave Asphaltic Concrete	I/m^3	400 m ³	23.774	1.98
502-03	Superpave Asphaltic Concrete (mm Thick)	l/m²	8,400 m ²	0.59 ^{5,6}	0.45 ⁶
508-01	Asphaltic Concrete (SMA)	l/Mg	900 Mg 2,500 m ²	10.01 ³	0.83
510-02	Pavement Widening	l/m ²	2,500 m ²	3.89	1.09
601-01	Portland Cement Concrete Pavement (mm Thick)	l/m²	12,500 m ²	0.5	0.68

- 1 If project has both 203-01 & 203-03, only the item with larger quantity is eligible.
- 2 For fuel adjustment purposes, the term "diesel" shall represent No. 2 or No. 4 fuel oils or any of the liquified petroleum gases, such as propane or butane.
- If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 6.97 l/mg.
- 4 If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 16.53 1/m³.
- 5 If natural gas or coal is used instead of diesel for aggregate drying and heating the fuel usage factor shall be 0.41 l/m².
- 6 Per mm of thickness.
- 7 No fuel adjustment will be allowed for waste oil.