

1 **(September 8, 2008)**

2 **Asphalt Cost Price Adjustment**

3 The Contracting Agency will make an Asphalt Cost Price Adjustment, either a credit or a
4 payment, for qualifying changes in the reference cost of asphalt binder. The adjustment
5 will be applied to partial payments made according to Section 1-09.9 for the following
6 bid items when they are included in the proposal:

7
8 "HMA Cl. ____ PG ____"

9 "HMA for Approach Cl. ____ PG ____"

10 "HMA for Preleveling Cl. ____ PG ____"

11 "HMA for Pavement Repair Cl. ____ PG ____"

12 "Commercial HMA"

13
14 The adjustment is not a guarantee of full compensation for changes in the cost of
15 asphalt binder. The Contracting Agency does not guarantee that asphalt binder will be
16 available at the reference cost.

17
18 The Contracting Agency will establish the asphalt binder reference cost twice each
19 month and post the information on the Agency website at:

20
21 <http://www.wsdot.wa.gov/biz/construction/AsphaltIndex.cfm>

22
23 The reference cost will be determined using posted prices furnished by Poten &
24 Partners, Inc. If the selected price source ceases to be available for any reason, then
25 the Contracting Agency will select a substitute price source to establish the reference
26 cost.

27
28 The base cost established for this contract is the reference cost posted on the Agency
29 website for the period immediately preceding the bid opening date.

30
31 Adjustments will be based on the most current reference cost for Western Washington
32 or Eastern Washington as posted on the Agency website, depending on where the work
33 is performed. For work completed after all authorized working days are used, the
34 adjustment will be based on the posted reference cost during which contract time was
35 exhausted. The adjustment will be calculated as follows:

36
37 No adjustment will be made if the reference cost is within 5% of the base cost.

38
39 If the reference cost is greater than or equal to 105% of the base cost, then
40 Adjustment = (Current Reference Cost – (1.05 x Base Cost)) x (Q x 0.056).

41
42 If the reference cost is less than or equal to 95% of the base cost, then
43 Adjustment = (Current Reference Cost – (0.95 x Base Cost)) x (Q x 0.056).

44
45 Where Q = total tons of all classes of HMA paid in the current month's progress
46 payment.

47
48 "Asphalt Cost Price Adjustment", by calculation.

49
50 "Asphalt Cost Price Adjustment" will be calculated and paid for as described in this
51 section. For the purpose of providing a common proposal for all bidders, the

1 Contracting Agency has entered an amount in the proposal to become a part of the total
2 bid by the Contractor.