

March 3, 2009

ASPHALT BINDER ADJUSTMENT INDEX

General: The Bidder is advised that the Department will apply Asphalt Binder Adjustments for *specified items of work* when the Index for Asphalt Binder (PG64-22) varies more than 5% from the Base Index price established for the contract.

Index: The Department maintains an Index for Asphalt Binder, which is an average of quotations from current asphalt binder suppliers, effective on the 1st and 17th of each month. The resulting Index is posted in spreadsheet form on the Department's Internet at <https://www.scdot.org/business/constructionletting-monthlyindex.aspx>.

Base Index: The Department sets a Base Index date for each contract subject to Asphalt Binder adjustments with the date set prior to the highway letting. The Index for Asphalt Binder on that Base Index date sets the framework of the 5% adjustment increments to be used for the contract. Tables showing the adjustment increments are displayed in the above noted spreadsheet (AC Binder Chart tab).

Asphalt Binder Content Factors: The following table shows the Asphalt Binder Content factor (tons of Asphalt Binder per unit of work) for SCDOT work items that are subject to this specification. In order to be eligible for index adjustments, the work item(s) must be specifically indicated in the Special Provisions of the Contract.

<u>Items of Work Eligible for A.C. Binder Adjustments</u>	Unit	AC Binder Tons
Liquid Asphalt Binder (PG64-22)	TON	1.0000
Liquid Asphalt Binder (PG76-22)	TON	1.0000
Full Depth Patching - 4" (AC Binder)	SY	0.0110
Full Depth Patching - 6" (AC Binder)	SY	0.0165
Full Depth Patching - 8" (AC Binder)	SY	0.0220
Full Depth Patching - 10" (AC Binder)	SY	0.0275
Full Depth Patching - 12" (AC Binder)	SY	0.0330
Single Treatment Type-1 (0.38 gal/sy AC)	SY	0.0016
Single Treatment Type-2 (0.38 gal/sy emulsion)	SY	0.0011
Single Treatment Type-3 (0.25 gal/sy emulsion)	SY	0.0007
Single Treatment Class-A (0.30 gal/sy emulsion)	SY	0.0008
Double Treatment Type-1 (0.82 gal/sy emulsion)	SY	0.0023
Double Treatment Type-2 (0.97 gal/sy emulsion)	SY	0.0027
Double Treatment Type-3 (0.55 gal/sy emulsion)	SY	0.0015
Double Treatment-Class A Special (0.66 gal/sy emulsion)	SY	0.0018
Triple Treatment-Type 1 (0.85 gal/sy emulsion)	SY	0.0024
Triple Treatment-Type 2 (0.71 gal/sy emulsion)	SY	0.0020
Triple Treatment-Type 4 (0.82 gal/sy emulsion)	SY	0.0023
Asph Surf Trmt - Single Treatment (0.28 gal/sy mod. Emulsion)	SY	0.0008
Asph Surf Trmt - Double Treatment (0.48 gal/sy mod. Emulsion)	SY	0.0013
Microsurfacing, Type II	SY	0.0007
Microsurfacing, Type II - Leveling	TON	0.0800
Emulsion for High Performance Chip Seal (Macrosurfacing)	Gal	0.0028

Per unit index adjustments are determined by multiplying the Asphalt Binder Content factor by the Asphalt Binder Index Change (minimum of incremented range). The resulting per unit amount is then applied to the construction estimate as a line item adjustment.

Additional Provisions:

- A. The Department will calculate and apply Asphalt Binder Index Adjustments to estimates based on Index values set at the beginning of the estimate period.
 - Districts 2, 3, and 5 - Estimate period begins on the 1st of the month and ends on the last day of the month. The 1st of the month Index will be compared to the contract Base Index to determine Index adjustments for the estimate period.
 - Districts 1, 4, 6, and 7 - Estimate period begins on the 17th of the month and ends on the 16th day of the following month. The 17th of the month Index will be compared to the contract Base Index to determine Index adjustments for the estimate period.
- B. In the event the work (on a contract item subject to asphalt binder adjustment) continues after expiration of the contract completion date, the asphalt binder index in effect on the contract completion date will become the ceiling (or maximum) of indexes to be applied for the work. Lower indexes will be applied, while higher indexes will be limited to the ceiling noted.
- C. This provision shall apply to supplemental agreements, overruns and extensions to this project for the specified item(s) to be adjusted.
- D. The Base Index, Current Index and Adjustments may be referenced directly on the Department's Index spreadsheet at <https://www.scdot.org/business/constructionletting-monthlyindex.aspx>.