

**OKLAHOMA DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISIONS
FOR
PRICE ADJUSTMENT FOR ASPHALT BINDER**

These special provisions revise, amend, and where in conflict, supersede applicable sections of the 2009 Standard Specifications for Highway Construction, English and Metric.

(Add the following:)

109.12 PRICE ADJUSTMENT FOR ASPHALT BINDER

A price adjustment clause is included in this Contract to provide additional compensation to the Contractor or a credit to the Department for fluctuations in asphalt binder prices. This price adjustment is dependent upon a change in the average price of asphalt binder which results in an increase or decrease in the price of products utilized on this project.

A. Payment

Payment will be made to the Contractor for monthly fluctuation in the price of asphalt binder used in performing the applicable items of Asphalt Concrete work as listed in the table below when the asphalt binder price fluctuates by more than 3% from the base price defined below. Payments may be positive, negative, or nonexistent depending on the circumstances. Payments or deductions will only be calculated on that portion of the asphalt binder price fluctuation that exceeds the 3% specified above. Payments or deductions for the asphalt binder price adjustment will be included in the Contractor's progressive estimates; and the payment or deduction authorized for each estimate will be based upon the algebraic difference between the quantities for applicable items of work.

The Asphalt Binder Price Adjustment will be a dollar amount paid as compensation to the Contractor, or as a credit to the Department as reflected on the Progressive (or Final) Estimate Summary Report as Line Item Adjustments.

B. Asphalt Binder Price Adjustment (ABPA)

The Asphalt Binder Price Adjustment (ABPA) for the current estimate will be computed according to the following formula:

$$ABPA = Q \times F \times D$$

where

ABPA	=	Asphalt binder price adjustment, in dollars;
Q	=	The algebraic difference between the quantities for the applicable items on the current estimate and the quantities shown on the previous estimate, in tons of mix;
F	=	The Asphalt Binder Use Factor for the applicable items of work subject to this price adjustment, as listed in Table 109:1;
D	=	Allowable price differential, in dollars.

Table 109:1 Asphalt Binder Use Factor		
ITEM OF WORK	SPECIFICATION NUMBER	ASPHALT BINDER USE FACTOR PER UNIT (English and Metric units)
Ultra-Thin Bonded Wearing Course (Type A, B, and C)	404(G)	0.046 ton of binder per ton of mix
Permeable Friction Course	405	0.062 ton of binder per ton of mix
Open Graded Friction Surface Course	406	0.058 ton of binder per ton of mix
Asphalt Concrete, Type S-2	411(A)	0.037 ton of binder per ton of mix
Asphalt Concrete, Type S-3	411(B)	0.042 ton of binder per ton of mix
Asphalt Concrete, Type S-4	411(C)	0.048 ton of binder per ton of mix
Asphalt Concrete, Type S-5	411(D)	0.053 ton of binder per ton of mix
Asphalt Concrete, Type S-6	411(E)	0.058 ton of binder per ton of mix
SMA	411(F)	0.062 ton of binder per ton of mix
Asphalt Concrete, Type RBL	411(G)	0.054 ton of binder per ton of mix
Asphalt Concrete, Type RIL	411(J)	0.054 ton of binder per ton of mix

When the units of measure in this contract for the items of work listed in the table do not correspond with the units shown in the table (i.e. Asphalt Concrete paid by the square yard, etc.), those items will not be subject to the terms of this special provision or any asphalt binder price adjustment.

The allowable price differential, "D", for the current estimate will be computed according to the following formulas:

When the current price, P, is greater than the base price, P _(b) .
$D = P - [1.03 \times P_{(b)}]$, but not less than zero.
When the current price, P, is less than the base price, P _(b) .
$D = P - [0.97 \times P_{(b)}]$, but not greater than zero.
P, the asphalt binder current price in dollars per ton (mton), is the Monthly Asphalt Binder Price Index for the month in which the estimate pay period ends.
P _(b) , the asphalt binder base price in dollars per ton (mton), is the Monthly Asphalt Binder Price Index for the month in which the bids for the work were received.

The Department will establish the Monthly Asphalt Binder Price Index each month and post the information to the Department website at:

<http://www.okladot.state.ok.us/contractadmin/pdfs/binder-index.pdf>

C. Asphalt Binder Index Determination

The Monthly Asphalt Binder Price Index will be determined by calculating the average of the minimum and maximum prices for performance-graded binder using the Selling Price of PG64-22 paving grade, as listed under “Midwest/Mid-Continent Markets - MISSOURI/KANSAS/OKLAHOMA - Tulsa, Oklahoma/Southern Kansas”. The publication used to establish each Monthly Asphalt Binder Price Index will be the Asphalt Weekly Monitor® furnished by Poten & Partners, Inc. The issue of the Asphalt Weekly Monitor® used will be for the last full week in the previous month received by the Department prior to the first day of the index month. If the specified publication ceases to be available for any reason, the Department at its discretion will select and begin using a substitute price source or index to establish the Monthly Asphalt Binder Price Index.

D. Supplemental Items Subject to Adjustment

Items included in the contract that are listed in the table above are subject to adjustment in accordance with this provision, regardless of any amount of overrun to the plan quantity. Any new items of work added to the Contract by supplemental agreement that are listed in the table above, will be subject to the asphalt binder price adjustments in accordance with this provision. The base asphalt binder price, $P_{(b)}$, for any newly added eligible items will be the same $P_{(b)}$ as the eligible items in the Contract and the new unit price established by supplemental agreement will be determined accordingly.