

ROANE COUNTY PURCHASING  
200 EAST RACE STREET, SUITE #3  
KINGSTON, TENNESSEE 37763  
PHONE 865-376-4317 – FAX 865-376-4318

ADVERTISEMENT FOR BIDS

Sealed bids are invited for Hot Mix Asphalt in Place construction for Roane County Highway Department.

All bidders must be licensed Contractors as required by the Contractors Licensing Act of 1976, as currently amended.

Project: Hot Mix Asphalt in Place, Roane County Roads

Bids Received By: Lynn Farnham, Purchasing Agent  
Roane County Courthouse  
200 East Race Street, Suite #3  
Kingston, Tennessee 37763

Until: 2:00 p.m. on Thursday, May 26, 2016  
Bids will be publicly opened & read aloud.

Specifications: May be obtained in the Roane County Purchasing Dept.

## **ROANE COUNTY PURCHASING DEPARTMENT INVITATION TO BID**

Roane County is inviting sealed bids for the service(s) listed below, subject to the terms and conditions of the Invitation to Bid, the accompanying specifications, and the Roane County Purchasing Manual.

At the appointed time bids will be publicly opened in the office of the Roane County Purchasing Agent at the above address. Bids arriving in the Purchasing Department past the appointed date and time will be considered late and will not be opened.

**Deliver Bids To:**

**ROANE COUNTY PURCHASING DEPARTMENT  
200 EAST RACE STREET, SUITE #3  
KINGSTON, TENNESSEE 37763**

**Bid Number: 2016-4003-131  
HOT MIX ASPHALT IN PLACE**

**Open Date & Time: MAY 26, 2016 at 2:00 p.m. (Eastern Time Zone)**

**The Bid Envelope must show the Bid Number, Name & Opening Date.**

### **PURCHASING CONTACT INFORMATION**

**Lynn Farnham, CPPO, CPPB  
Purchasing Agent  
Phone: 865-376-4317  
Fax: 865-376-4318  
Email: [lynn.farnham@roanecountytn.gov](mailto:lynn.farnham@roanecountytn.gov)**

### **GENERAL TERMS & CONDITIONS**

Attached are instructions and conditions for submitting a bid for Roane County Government. The objective of this bid is to select suppliers in such a manner as to provide for open and free competition and comparability.

## **BID PREPARATION & SUBMISSION**

1. Bidders are expected to examine specifications, terms and conditions, general or special conditions, schedules and all instructions for the purpose of this bid. Failure to do so will be at the bidder's risk.
2. All bids shall be in accordance with the instructions to bidders and specifications included in this ITB. Specifications are intended to be open and non-restrictive.
3. All pricing submitted in the bid document must be completed in ink or typewritten. The bottom line total must also be printed in ink or typewritten on the proposal form. No erasures shall be permitted. Errors may be crossed out and corrections printed in ink or typewritten and must be initialed in ink by the person signing the bid.
4. All bids must meet or exceed the enclosed specifications.
5. It shall be the sole responsibility of the bidder to make certain that all bids in proper form are submitted to the Purchasing Department as described below.
6. All original forms must be signed by a person with authority to bind the bid. The bid must be sealed in an envelope that is labeled according to the directions stated below.
7. On the outside of the envelope/package mark the bid as follows:
  - Vendor Name & Address
  - Bid Number
  - Bid Date & Time
8. The bid must then be in a sealed envelope/package mailed or delivered to the following address:

Roane County Purchasing Department  
200 East Race Street, Suite #3  
Kingston, Tennessee 37763

**Please note that Roane County does not receive a guaranteed delivery time for express mail and/or packages. Please mail accordingly.**

12. Sealed written bids will be received at the time and place specified on the Invitation to Bid. Postmark on the Bid by this date will not suffice. Bid must be received on or before the date and time stated. Faxed bid documents will not be accepted.

## **LATE RECEIPT OF THE BID**

1. The bid and modifications or withdrawals thereof received after the time set for opening will not be considered, unless they are received before the award is made and it is determined by Roane County that failure to arrive on time was due solely to a delay in delivery for which the bidder has no responsibility. Roane County does not receive a guaranteed delivery time for express mail and/or packages. Please mail accordingly.
2. Bids must be in the Purchasing Department prior to 2:00 p.m. on the appointed date. Time will be determined by the clock in the Roane County Purchasing Department and once Purchasing Agent/or their designee determines the time is 2:00 p.m., no other bids will be accepted.

## **RESTRICTIVE OR AMBIGUOUS SPECIFICATIONS**

1. It is the responsibility of the bidder to review the entire Invitation to Bid document and to notify the Purchasing Agent if the Invitation to Bid is formulated in a manner that would unnecessarily restrict competition or if it is ambiguous in what is being requested.
2. Pursuant to TCA §12-4-126, questions regarding the specifications or bid procedures must be received by the Purchasing Agent and/or designer no less than ninety-six (96) hours before the bid opening date. No addenda will be issued within less than forty-eight (48) hours of the bid opening day, excluding weekends and legal holidays designated in §15-1-101 unless the bid opening is extended for a reasonable time as determined by the purchasing agent, which shall not be less than forty-eight (48) hours excluding weekends and legal holidays designated in §15-1-101, to allow for any necessary changes to the Invitation to Bid documents and to allow responders to resubmit their responses accordingly.
3. Any questions concerning this Invitation to Bid are to be faxed to the Purchasing Department. Questions will be answered via addenda. Information obtained from any office other than the Purchasing Office is not to be considered binding.

## **BID OPENING & AWARD**

1. Only the bottom line figure will be read at the bid opening. Bids will also be examined for compliance with specification and conditions outlined in the bid document.
2. Consideration will be given to all bids properly submitted. Bids will receive appropriate confidentiality before awarding. Upon award, bid documents and tabulations will be available for review. Errors discovered after public opening may not be corrected, and the bidder may be bound to honor bid as submitted. After investigation of the nature of the mistake, the Purchasing Agent may allow the bid to be withdrawn.
3. The contract will be awarded in writing to the most responsive bidder whose bid conforms best to the Invitation to Bid will be most advantageous to Roane County. It is the intent of Roane County to involve and utilize the best product/services at the best prices and provide small and minority firms, women's business enterprises and labor surplus area firms with increased opportunity to do business with the county. However, currently there are no set asides for small or minority firms.
4. Roane County reserves the right to accept or reject any or all bids and to waive informalities and minor irregularities in the bids received.
5. Roane County reserves the right to award the bid in its entirety or to divide the award in any way that will be more advantageous to the county.
6. Bid results will be posted on the County's website along with the bid tabulation.

## **PROTEST PROCEDURE**

1. If a prospective vendor does not agree with the bid award, they have the right to protest. Disputes arising from the award of this bid must be submitted in writing to the Roane County Purchasing Department no later than seven (7) days from date of bid award. The steps for dispute resolution may include:
  - A meeting with the Purchasing Agent, the requisitioning department's manager and representatives from the disputing party to discuss and resolve the complaint.
  - Information from the aforementioned meeting will be forwarded to the County Attorney for review.
  - A written decision letter stating the reasons for the decision will be prepared by the Purchasing Agent and submitted in writing to the protestor and all parties involved.
  - Purchases will not be allowed under this procurement until a final decision is rendered.
  - In the event that purchases must be made before a final decision is rendered, the emergency purchase procedures will be used.

## **APPROPRIATION**

1. In the event no funds are appropriated by Roane County for the goods or services in any fiscal year or insufficient funds exist to purchase the goods or services, then the contract shall expire upon the expenditure of previously appropriated funds or the end of the current fiscal year, whichever occurs first, with no further obligations owed to or by either party.

## **INSURANCE**

1. The contractor will maintain, at their expense adequate insurance coverage to protect them from claims arising under the Worker's Compensation Act, from claims for damages resulting from bodily injuries and damage to their property, for Bodily Injury and Property Damage Liability in the amount of no less than \$1,000,000, for Products and Completed Operations Liability of no less than \$1,000,000 and from claims for damage to any Roane County property. Additional insurance requirements may be listed any Special Terms & Conditions or in the Bid Specifications. This insurance company shall have a Best's rating of A or better. Any deviations from the above requirements must be disclosed in the bid submission.
2. The successful bidder shall furnish a Certificate of Insurance issued by their insurance company showing that Roane County as an additional insured. Carrier will assume full common liability of all shipments.

## **COMPLIANCE WITH ALL LAWS**

1. Contractor is assumed to be familiar with and agrees to observe and comply with all federal, state, and local laws, statutes, ordinances, and regulations in any manner affecting the provision of goods and/or services, and all instructions and prohibitive orders issued regarding this work and shall obtain all necessary permits.

## **GOVERNING LAW**

1. This contract shall be governed by the laws of the State of Tennessee, and all obligations of the parties are performable in Roane County, Tennessee. The Courts in Roane County shall have exclusive and concurrent jurisdiction of any disputes which arise hereunder.

## **BUSINESS LICENSES**

1. Bidders located in Tennessee are required to have a current business license issued by the State of Tennessee at the time the bids are submitted. Vendors located outside Tennessee are required to obtain a business license issued by the State of Tennessee.
2. A Roane County Business License is required if a contractor is doing more than \$50,000 in business in the county.
3. A Business Tax & License Affidavit is required to be submitted with the bid.

## **INDEMNIFICATION/HOLD HARMLESS**

1. Contractor shall indemnify, defend, save and hold harmless all departments of Roane County Government and/or the Roane County Board of Education, its officers, agents and employees from all suits, claims, actions or damages of any nature brought because of, arising out of, or due to breach of the agreement by Contractor, its subcontractors, supplier, agents or employees or due to any negligent act or occurrence or any omission or commission of the contractor, its subcontractors, suppliers, agents or employees until the contract terminates.

## **VENDOR PERFORMANCE**

1. If the contractor fails in full or part to perform or comply with any provision of this Contract or the terms or conditions of any documents referenced and made a part hereof, Roane County may terminate this contract, in whole or in part, and may consider such failure or noncompliance a Breach of Contract. Contractors with poor performance will be notified at the time of such performance and be given opportunity to correct the problems. Documentation will be kept on file. Any contractor with continued poor performance will be removed from the potential vendor list for one year.
2. Roane County expressly retains all its rights and remedies provided by law in case of such breach, and no action by Roane County shall constitute a waiver of any such rights or remedies. In the event of termination for default, Roane County reserves the right to purchase its requirements elsewhere, with or without competitive bid.
3. Failure to deliver within the time specified or within a reasonable amount of time, or failure to make replacements of a rejected item immediately will constitute authority to purchase on the open market so as to replace the item(s) rejected and/or not received. On all such purchases, the Vendor agrees to promptly reimburse the county for excess costs incurred by such a purchase.

## **BREACH OF CONTRACT**

1. A party shall be deemed to have breached the contract if any of the following occurs:
  - Failure to provide the services that conform to contract requirements.
  - Failure to maintain/submit any report required hereunder.
  - Failure to perform in full or in part any of the other conditions of the contract.

## **CONTRACT TERMINATION FOR CAUSE**

1. If the contractor fails to properly perform its obligations under this contract in a timely or proper manner, or if the contractor violates any terms of this contract, the county shall have the right to terminate the contract and withhold payments in excess of fair compensation for completed services.
2. In the event the contract is terminated for due cause by the county, the county shall have the option of awarding the contact to the next lowest bidder or bidding again.

## **CONTRACT TERMINATION FOR CONVENIENCE**

1. The county may, by written notice to the contractor, terminate this contract without cause for any reason. Said termination shall not be deemed a Breach of Contract by the county. The county must give notice of termination to the vendor at least thirty (30) days prior to the effective date of termination. The contractor shall be entitled to receive compensation for satisfactory, authorized service completed as of the termination date, but in no event shall the county be liable to the contractor for compensation for any service which has not been rendered. Upon such termination, the vendor shall have no right to any actual general, special, incidental, consequential, or any other damages whatsoever of any description or amount.

## **BOOKS AND RECORDS**

1. The contractor shall maintain all books, documents, accounting records and other evidence pertaining to the goods and services provided under this contract and make such materials available at its offices at all reasonable times during the contract period and for three (3) years from the date of the final payment under this agreement for inspection by county or by any other governmental entity or agency participating in the funding of this agreement, or any authorized agents thereof; copies of said records to be furnished if requested.

## **INVOICES AND PAYMENTS**

1. Payment will be made within 30 days after receipt of invoice and/or delivery of items included in this Invitation to Bid, whichever is later.
2. Roane County Government is not subject to taxation. A tax exemption certificate will be provided upon request.

## **NONDISCRIMINATION AND NON-CONFLICT STATEMENT**

1. Contractor agrees that no person on the grounds of handicap, age, race, color, religion, sex or national origin, shall be excluded from participation in, or be denied benefits of, or be otherwise subjected to discrimination in the performance of this agreement, or in the employment practices of vendor. Contractor shall upon request show proof of such nondiscrimination, and shall post in conspicuous places available to all employees and applicants notices of non-discrimination. Contractor covenants that it complies with the Fair Wage and Hour Laws, the National Labor Relations Act, and other federal and state employment laws as applicable. Contractor covenants that it does not engage in any illegal employment practices.
2. Contractor covenants that it has no public or private interest, and shall not acquire directly or indirectly any interest; that would conflict in any manner with the provision of its goods or performance of its services. The contractor warrants that no part of the total contract amount provided herein shall be paid directly or indirectly to any officer or employee of Roane County as wages, compensation, or gifts in exchange for acting as officer, agent, employee, subcontractor or consultant to contractor in connection with any goods provided or work contemplated or performed relative to the agreement.
3. No employee or member of the Roane County's governing bodies shall participate in the selection or award of a contract if a conflict of interest, real or apparent, would be involved.
4. Officers, employees or officials of the Roane County Government shall neither solicit nor accept gratuities, favors or anything of more than nominal monetary value from vendors or parties to subcontracts.



**2016-4003-131 – HOT MIX ASPHALT IN PLACE  
VENDOR INFORMATION SHEET**

(Please fill out completely)

By completing and signing this form you certify that you are an authorized representative of the company for which you are submitting a bid/proposal and that you have the authority to legally bind your company. Further, by completing and signing this form you certify that you agree to all the terms and conditions of this bid/proposal.

1. Vendor Name \_\_\_\_\_

2. Address \_\_\_\_\_

City \_\_\_\_\_ State \_\_\_\_\_ Zip Code \_\_\_\_\_

3. Contact Person (Please Print) \_\_\_\_\_

4. Telephone Number \_\_\_\_\_ Fax Number \_\_\_\_\_

5. Vendor's e-mail address \_\_\_\_\_

6. Authorizing Signature \_\_\_\_\_

7. Title of Person Signing Bid \_\_\_\_\_

8. If addenda were issued, please acknowledge the receipt of: (please write "yes" if you received one)  
Addendum 1 \_\_\_\_\_ Addendum 2 \_\_\_\_\_ Addendum 3 \_\_\_\_\_ Addendum 4 \_\_\_\_\_

9. If applicable, please indicate below if discounts will be allowed for prompt payment or if there is not discount offered:  
\_\_\_\_\_ % Net 10 Days; \_\_\_\_\_ % Net 20 Days; \_\_\_\_\_ % Net 30 Days; \_\_\_\_\_ No Discount

**COOPERATIVE PURCHASING** - Vendors are to indicate if it is permissible for other governmental agencies in the State of Tennessee to purchase these items or services at the same price. Freight charges may be adjusted to reflect differences in delivery costs to other locations. Please indicate the approval of Cooperative Purchasing.

\_\_\_\_\_ Yes \_\_\_\_\_ No

**SCHOOL CONTRACTS ONLY**

**CRIMINAL HISTORY RECORDS CHECK** – Do you agree to comply with Public Chapter 587 of 2007 which requires all contractors to facilitate a criminal history check, including fingerprinting, conducted by the Tennessee Bureau of Investigation and the Federal Bureau of Investigation for each employee or subcontractor personnel before permitting the employee or subcontractor personnel to have contact with students or enter school grounds?

\_\_\_\_\_ Yes \_\_\_\_\_ No

**2016-4003-131 – HOT MIX ASPHALT IN PLACE  
NON –COLLUSION, INDEPENDENT PRICE DETERMINATION,  
NON-DISCRIMINATION, NON-DEBARMENT & LOBBYING AFFIDAVIT**

I do hereby certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a bid for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud.

I understand that collusive pricing is a violation of State and Federal law and can result in fines, prison sentences, and civil damage awards and that no collusion with another firm was used in preparation of this bid.

I also certify that this firm does not discriminate against any employee or applicant for employment on the grounds of race, color, national origin or sex; and does not and will not maintain or provide for his employees any segregated facilities at any of its establishments, and further, that the firm does not and will not permit their employees to perform their services at any location under this contract where segregated facilities are maintained.

By submission of this bid, the bidder certifies that neither it or its principals is presently debarred, suspended, proposed for debarment, declared ineligible or voluntarily excluded from participation in this transaction by any Federal or State department or agency.

I further certify that during the Invitation to Bid solicitation and/or during the performance of this contract that neither it nor its principals will participate in lobbying activities in conjunction with this project.

I agree to abide by all terms and conditions of this Invitation to Bid and certify that I am authorized to sign this affidavit for the vendor.

Please indicate which of the following apply to your company. This information is requested for information purposes only. Roane County currently has no policy that allows for set asides or preferences for woman owned or minority owned businesses.

African American Owned  
 Caucasian Owned  
 Native American Owned  
 Other Owned

Asian Owned  
 Hispanic Owned  
 Woman Owned

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Title

**2016-4003-131 – HOT MIX ASPHALT IN PLACE  
DRUG-FREE WORKPLACE AFFIDAVIT**

STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

The undersigned, principal officer of \_\_\_\_\_, an employer of five (5) or more employees contracting with Roane County Government to provide construction services, hereby states under oath as follows:

1. The undersigned is a principal officer of \_\_\_\_\_ (hereinafter referred to as the "Company"), and is duly authorized to execute this Affidavit on behalf of the Company.
2. The Company submits this Affidavit pursuant to T.C.A. § 50-9-113, which requires each employer with no less than five (5) employees receiving pay who contracts with the state or any local government to provide construction services to submit an affidavit stating that such employer has a drug-free workplace program that complies with Title 50, Chapter 9, of the *Tennessee Code Annotated*.
3. The Company is in compliance with T.C.A. § 50-9-113.

Further affiant saith not.

\_\_\_\_\_  
Principal Officer

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STATE OF \_\_\_\_\_

COUNTY OF \_\_\_\_\_

Before me personally appeared \_\_\_\_\_, with whom I am personally acquainted (or proved to me on the basis of satisfactory evidence), and who acknowledged that such person executed the foregoing affidavit for the purposes therein contained.

Witness my hand and seal at office this \_\_\_\_\_ day of \_\_\_\_\_, 20\_\_\_\_.

\_\_\_\_\_  
Notary Public

My commission expires \_\_\_\_\_.



**2016-4003-131 – HOT MIX ASPHALT IN PLACE  
BUSINESS TAX & LICENSE AFFIDAVIT**

The undersigned, ("Affiant"), states that he/she has legal authority to swear this on behalf of \_\_\_\_\_ ("Contractor"); that Contractor is not in any manner in violation of *Tennessee Code Annotated, §5-14-108(l)* which provides that "no purchase shall be made or purchase order or contract of purchase issued for tangible personal property or services by county officials or employees, acting in their official capacity, from any firm or individual whose business tax or license is delinquent".

Affiant affirms and warrants that Contractor's licenses are currently valid and all business taxes have been paid and are current as of the date of this affidavit. Contractor is licensed and pays business taxes in \_\_\_\_\_ County, Tennessee.

**AFFIANT**

By: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Witness: \_\_\_\_\_

Date: \_\_\_\_\_

**2016-4003-131 – HOT MIX ASPHALT IN PLACE  
INVITATION TO BID  
SPECIFICATIONS**

Roane County is inviting bids for Hot Mix Asphalt in Place for the Roane County Highway Department, as per these specifications.

**SCOPE OF WORK**

Hot Mix Asphalt must meet Tennessee Department of Transportation's (TDOT) specifications.

The contractor will be required to prepare base, patching, taking and spot leveling damaged pavement area as directed by the Roane County Road Supervisor.

The contractor shall furnish all materials, labor and equipment (including paving machine) to complete the paving job. The owner will provide the striping and shoulder stone.

The grade of asphalt and the amount per square yard of asphalt will be determined by the Road Supervisor based on individual projects.

All bidders must be licensed contractors to perform the type construction herein described as required by TCA 62-6-102 and 62-6-111. All bidders must be on the approved list of contractors for TDOT.

**DELIVERABILITY**

Roane County reserves the right to go to the next low bidder should the contractor with the low bid be unable to supply asphalt when needed.

Further, Roane County reserves the right to purchase asphalt on the open market should a situation arise that none of the contractors awarded the bid are able to supply asphalt when needed.

**GENERAL INFORMATION**

Any questions concerning bid specifications must be submitted in writing via email or fax to the Purchasing Department. Information obtained from any source other than the Purchasing Department is not considered binding. (Email – [lynn.farnham@roanecountytn.gov](mailto:lynn.farnham@roanecountytn.gov) or fax 865-376-4318)

Bidders are to provide one original and one copy of the bid being submitted. Any costs associated with the preparation or delivery of the bid is at the Vendor's cost with no cost to Roane County.

**REQUIRED DOCUMENTS**

Bidders must use the envelope cover sheet included herein.

The following documents must be returned in the bid envelope:

- Vendor Information Sheet
- Non-Collusion, Independent Price Determination, Non-Discrimination, Non-Debarment & Lobbying Affidavit
- Drug-Free Workplace Affidavit
- Statement of Compliance Certificate of Illegal Immigrants
- Business Tax & License Affidavit
- Certificate of Insurance issued by the Contractor's Insurance Company.

## **TERM OF THE CONTRACT**

The term of the contract is for fiscal year beginning July 1, 2016 through June 30, 2017.

## **BID RENEWAL**

Roane County reserves the right to renew all aspects of the bid one year at a time for an additional two (2) years based on a firm fixed price. Roane County Purchasing will notify the vendor of their intent to renew this contract prior to June 1 of the proposed renewal year. This renewal is not automatic and will be based on an annual review of the contract. Renewal fiscal years would be 2017-18 & 2018-19.

Roane County reserves the right to purchase these items/services from other sources if the need arises. Roane County reserves the right to revoke the award if a pattern of unavailability arises with the vendor. Should Roane County desire not to renew, no reason needs to be given.

## **PRICING**

Pricing is to be based on the most recent base price as is possible for price calculation. For the purpose of this bid, bidders are to use the price published for Bituminous Index per ton that is used with Special Provision 109B and dated April 2016.

Any fluctuation of the base price, up or down, greater than five percent (5%) shall result in a price increase or decrease for those items affected by the fluctuation. The method for determination of any price increase or decrease is to be the same method as established by the Tennessee Department of Transportation using the Special Provision Regarding Payment Adjustment for Bituminous Material (SP109B). A copy of this document is enclosed.

This bid may be used for any grant related work that might be necessary throughout the contract period(s).

**HOT MIX ASPHALT IN PLACE  
PRICE SHEET**

<b>DESCRIPTION</b>	<b>PRICE PER TON</b>
<b>E – MIX ASPHALT</b>	
1-10 MILES	
11-20 MILES	
21-30 MILES	
31 MILES & UP	
<b>CS - MIX</b>	
1-10 MILES	
11-20 MILES	
21-30 MILES	
31 MILES & UP	
<b>CW – MIX WITH 20% NATURAL SAND</b>	
1-10 MILES	
11-20 MILES	
21-30 MILES	
31 MILES & UP	
<b>C - MIX</b>	
1-10 MILES	
11-20 MILES	
21-30 MILES	
31 MILES & UP	
<b>BINDER – 307 BM</b>	
1-10 MILES	
11-20 MILES	
21-30 MILES	
31 MILES & UP	



# BID ENVELOPE COVER SHEET

**Project:**                    **HOT MIX ASPHALT IN PLACE**

Roane County Roads  
Roane County, Tennessee

**Bid Date & Time:**   **Thursday, May 26, 2016**  
                                  **2:00 p.m. (Eastern Time Zone)**

**Bids must be delivered prior to the aforementioned date to:**

Roane County Purchasing  
200 East Race Street  
Suite #3  
Kingston, Tennessee 37763

Bidder Name & Address: _____	
_____	
_____	
TN License Number: _____	Limit: _____
Expiration Date: _____	Classification: _____

**STATE**

**OF**

**TENNESSEE**

(Rev. 06-01-00)  
(Rev. 08-01-00)  
(Rev. 08-02-00)  
(Rev. 01-07-13)

January 1, 2015

**SPECIAL PROVISION**

**REGARDING**

**PAYMENT ADJUSTMENT FOR BITUMINOUS MATERIAL**

This Special Provision covers the method of payment adjustment for bituminous materials.

**100% Virgin Bituminous Material**

A payment adjustment will be made to compensate for increases and decreases of 5% or more in the contractor's bituminous material cost. The normal bid items in the contract covering the bituminous material shall not be changed. Payment adjustments (+/-) shall be paid under "Payment Adjustment for Bituminous Material" and calculated as described herein:

A "Basic Bituminous Material Index" will be established by the Tennessee Department of Transportation prior to the time the bids are opened. This "Basic Bituminous Material Index" is the average of the current quotations on P.G. 64-22 from suppliers furnishing asphalt cement to contractors in the State of Tennessee. These quotations are the cost per ton f.o.b. supplier's terminal.

The "Basic Bituminous Material Index" for this project is \_\_\_\_\_ per ton.

The "Monthly Bituminous Material Index" is also established on the first day of each month by the same method. A payment adjustment shall be made provided the "Monthly Bituminous Material Index" varies 5% or more (+/-) from the "Basic Bituminous Material Index".

Where the price index varies 5% or more, the payment adjustment will be made as follows:

$$PA = [Ic - Ib] \times T$$

Where:

- PA = Price Adjustment for Adjustment Month
- Ib = Basic Bituminous Material Index
- Ic = Monthly Bituminous Material Index
- T = Tons bituminous material for Adjustment Month

Payment adjustment will be applied to all asphalt cement, asphalt emulsion, or bituminous material used for paving on this project.

Upon the expiration of the allocated working time, as set forth in the original contract or as extended by Change Order, payment adjustments for bituminous material will continue to be

made only when the "Monthly Bituminous Material Index" is **less** than the "Basic Bituminous Material Index" and varies 5% or more.

Payment adjustment, for bituminous material used after the expiration of the allocated working time and where the "Monthly Bituminous Material Index" **exceeds** the "Basic Bituminous Material Index", will **not** be made until after the contract records have been approved by Final Records (FR)/Materials & Tests (MT) and a Final Estimate is ready to be processed. Upon contract record approval by FR/MT, payment adjustments for bituminous material shall be calculated for each month where the allocated working time has expired, the "Monthly Bituminous Material Index" **exceeds** the "Basic Bituminous Material Index", and the indices vary 5% or more. The calculation of the bituminous payment adjustment shall be made using the "Monthly Bituminous Material Index" or the "Bituminous Material Index for Contract Completion Date" in accordance with the following formulas:

The "Bituminous Material Index for Contract Completion Date" is the Monthly Bituminous Material Index in effect on the allocated Contract Completion Date or on the completion date as extended by Change Order.

The "Monthly Bituminous Material Index" is **less** than the "Bituminous Material Index for Contract Completion Date".

$$PA = [Ic - Ib] \times T$$

The "Monthly Bituminous Material Index" is **greater** than the "Bituminous Material Index for Contract Completion Date".

$$PA = [Icd - Ib] \times T$$

Where:

- PA = Price Adjustment for Adjustment Month
- Ib = Basic Bituminous Material Index
- Ic = Monthly Bituminous Material Index
- Icd = Bituminous Material Index for Contract Completion Date (or as extended by Change Order)
- T = Tons

**Mixes Containing Recycled Bituminous Material**

The quantity of virgin asphalt cement in tons subject to payment adjustment in recycled mixes shall be the product of the total tons of each mix multiplied by the difference between (1) the percent of asphalt cement specified for bidding purposes and (2) the percent of asphalt cement obtained from the recycled asphaltic material (RAP) used in each mix. No payment adjustment under this special provision for increases and decreases in the contractor's cost for virgin asphalt cement in recycled mixes will be allowed for asphalt cement content in excess of the percent specified for bidding purposes, as all payment adjustments for asphalt cement in the

mix design of recycled mixes in excess of the percent of asphalt cement specified for bidding purposes will be made in accordance with the Standard Specifications.

No payment adjustment for bituminous material containing RAP shall be made unless the "Monthly Bituminous Material Index" varies 5% or more from the "Basic Bituminous Material Index" indicated in this Special Provision.

Where the price index varies 5% or more, the payment adjustment will be made as follows:

$$PA = \frac{[Ic - Ib] \times [BA - RA]}{100} \times Tm$$

- PA = Price Adjustment for Adjustment Month
- Ib = Basic Bituminous Material Index
- Ic = Monthly Bituminous Material Index
- BA = Percent asphalt specified for bidding purposes
- RA = Percent asphalt obtained from recycled asphaltic material used in each mix
- Tm = Tons asphalt mix for adjustment month

Upon the expiration of the allocated working time, as set forth in the original contract or as extended by Change Order, payment adjustments for bituminous material containing RAP will continue to be made only when the "Monthly Bituminous Material Index" is **less** than the "Basic Bituminous Material Index" and varies 5% or more.

Payment adjustment, for bituminous material containing RAP provided after the expiration of the allocated working time and where the "Monthly Bituminous Material Index" **exceeds** the "Basic Bituminous Material Index", shall **not** be made until after the contract records have been approved by Final Records (FR)/Materials & Tests (MT) and a Final Estimate is ready to be processed. Upon contract record approval by FR/MT, payment adjustments for bituminous material containing RAP shall be calculated for each month where the allocated working time has expired, the "Monthly Bituminous Material Index" **exceeds** the "Basic Bituminous Material Index", and the indices vary 5% or more. The calculation of the bituminous payment adjustment shall be made using the "Monthly Bituminous Material Index" or the "Bituminous Material Index for Contract Completion Date" in accordance with the following formulas:

The "Bituminous Material Index for Contract Completion Date" is the Monthly Bituminous Material Index in effect on the allocated Contract Completion Date or on the completion date as extended by Change Order.

The "Monthly Bituminous Material Index" is **less** than the "Bituminous Material Index for Contract Completion Date".

$$PA = \frac{[Icd - Ib] \times [BA - RA]}{100} \times Tm$$

The “Monthly Bituminous Material Index” is **greater** than the “Bituminous Material Index for Contract Completion Date”.

$$PA = \frac{[Ic - Ib] \times [BA - RA] \times Tm}{100}$$

Where:

PA =	Price Adjustment for Adjustment Month
Ib =	Basic Bituminous Material Index
Ic =	Monthly Bituminous Material Index
Icd =	Bituminous Material Index for Contract Completion Date (or as extended by Change Order)
BA =	Percent asphalt specified for bidding purposes
RA =	Percent asphalt obtained from recycled asphaltic material used in each mix
Tm =	Tons asphalt mix for adjustment month