Special Provision No. 103S20

March 2012

Payment Adjustment for Asphalt Cement Content and Changes in the Asphalt Cement Price Index

313.10 BASIS OF PAYMENT

313.10.01.02 Payment Adjustment for Mix Properties and Compaction

Clause 313.10.01.02 of OPSS 313 is amended by deletion of the last sentence under the definition of **Price**.

313.10.01.06 Payment Adjustment for Asphalt Cement Content

Clause 313.10.01.06 of OPSS 313 is deleted in its entirety and replaced with the following:

313.10.01.06 Payment Adjustment for Asphalt Cement Content and Changes in the Price

Index

313.10.01.06.01 Hot Mix Asphalt Quantity Calculation

The quantity of HMA for use in the calculations (T_{mix}) shall be the tonnage of HMA accepted into the work.

When the unit of measurement is "square metres", T_{mix} shall be determined using the theoretical tonnage. The theoretical tonnage shall be calculated by the Contract Administrator as follows and rounded to one decimal according to LS-100:

 $T_{mix} = [0.975 \text{ x BRD}_{mix} \text{ x } (T_D/1000) \text{ x A}_{mix}]$

Where:

BRD_{mix} = the lot average bulk relative density in t/m3, calculated from values obtained in the testing of

bulk samples obtained during production of the first complete lot of at least 3 sublots of HMA placed in the work. The values shall be the same as those used in calculating the final

air voids payment factor for the lot.

T_D = the design thickness, in millimetres, of the HMA

 A_{mix} = area of hot mix placed in square metres

313.10.01.06.02 Payment Adjustment for Asphalt Cement Content

The payment adjustment for asphalt cement content, PA AC shall be calculated using the following formula:

 $PA_{AC} = T_{mix} x [PRICE_{AC} x (AC_{JMF} - AC_{BID})/100]$

Where:

T_{mix} = the quantity of the HMA accepted into the work according to the Hot Mix Quantity

Calculation clause.

PRICE_{AC} = the purchase price per tonne of the asphalt cement used in the mix according to the invoice

submitted as per the Submission Requirements subsection

 AC_{IMF} the percentage by mass of asphalt cement required for the work as required by the JMF

the percentage by mass of asphalt cement specified for bidding purposes elsewhere in the AC_{BID}

Contract Documents

For progress payment purposes, payment adjustments will be made on the monthly progress payment certificate for the months in which hot mix paving occurs.

313.10.01.06.03 Payment Adjustment for Changes in the Asphalt Cement Price Index

A payment adjustment will be applied based on changes to the Ministry's performance graded asphalt cement price index unless the Contractor opts out by notifying the Ministry in writing within 5 Business Days of receiving permission to start work. Once the Contractor has opted out of payment adjustments based on the price index, the Contractor will not be permitted to opt back in. The price index will be published monthly in the Contract Bulletin. The price index will be used to calculate the amount of the payment adjustment per tonne of new asphalt cement accepted into the Work.

The price index will be based on the price, excluding taxes, FOB the depots in the Toronto area, of asphalt cement grade PG 58-28 or equivalent. One index will be used to establish and calculate the payment adjustment for all grades.

A payment adjustment per tonne of new asphalt cement will be established for each month in which paying occurs when the price index for the month differs by more than 5% from the price index for the month prior to Tender Opening. When the price index differential is less than 5%, there will be no payment adjustment established for that month. Payment adjustments due to changes in the price index are independent of any other payment adjustments made to the hot mix tender items.

The payment adjustment for the month will be calculated from the following formulae:

	Asphalt Cement Price Adjustment, PA	
I_{P}	Paving Within Approved Contract Time	Paving Beyond Approved Contract Time
$I_P > 1.05 \ I_{TO}$	$PA = (I_P - 1.05 I_{TO}) \times T_{AC}$	$PA = (I_{AT} - 1.05 I_{TO}) \times T_{AC}$
$I_P < 0.95\ I_{TO}$	$PA = (0.95 I_{TO} - I_{P}) \times T_{AC}$	

<u>Note:</u> If $I_P > 1.05 I_{TO}$ the Contractor receives compensation; however, if $I_P < 0.95 I_{TO}$ the Owner receives a rebate.

Where:

PA =payment adjustment for new asphalt cement, in dollars

performance graded asphalt cement price index for the month prior to Tender Opening I_{TO} performance graded asphalt cement price index for the month in which paving occurs I_P

performance graded asphalt cement price index for the month of expiry of approved Contract $I_{AT} =$

Time

 $T_{AC} \ = \$ quantity of new asphalt cement in tonnes

T_{AC}, shall be calculated as follows:

 $T_{AC} = [AC_{new}/100] \times T_{mix\ mnth}$

Where:

 AC_{new} = the percentage of new asphalt cement in the mix as required by the JMF.

 T_{mix_mnth} = the tonnage of hot mix asphalt, as calculated in the Hot Mix Quantity Calculation clause, accepted into the work during the month for which the payment adjustment was calculated.

The payment adjustment per tonne will apply to the quantity of new asphalt cement in the HMA accepted into the Work during the month for which it is established. The quantity of new asphalt cement includes all grades of asphalt cement supplied by the Contractor with and without polymer modifiers.

For each month in which a payment adjustment has been established, the quantity will be calculated using the HMA quantity accepted into the Work and its corresponding asphalt cement content as required by the JMF except for mixes which contain reclaimed asphalt pavement or roof shingle tabs.

For mixes which contain reclaimed asphalt pavement, or roof shingle tabs or both, the percentage of new asphalt cement will be determined from the difference between the asphalt cement content required by the JMF and the asphalt cement content of the reclaimed asphalt pavement, or the roof shingle tabs or both incorporated into the HMA, as calculated by the Contract Administrator.

For mixes containing a liquid anti-stripping additive, the percentage of anti-stripping additive will be deducted from the percentage of new asphalt cement. No other deductions will be made for any other additives.

For progress payment purposes, payment adjustments will be made on the monthly progress payment certificate for the months in which HMA paving occurs.