

ITEM #160020A – REINFORCING STEEL COST ADJUSTMENT

The Reinforcing Steel Price is available on the Department of Transportation web site at:

<http://www.ct.gov/dot/matladj>

This provision covers the method of price adjustment for increases and decreases associated with both uncoated reinforcing steel and epoxy-coated reinforcing steel used in the following contract items:

- ITEM #0602005 – DEFORMED STEEL BARS
- ITEM #0602006 – DEFORMED STEEL BARS – EPOXY COATED
- ITEM #0603031A – DEFORMED STEEL BARS – WELDABLE

The Connecticut Department of Transportation will furnish the prices for *Rebar- Uncoated* and *Rebar-Coated* using the latest published price, in dollars per hundredweight (cwt) for “Reinforcing Bars (Grade 60, #4)” and “Reinforcing Bars (Epoxy-coated)” quoted for Boston, U.S.A. in the Engineering News-Record (ENR), Construction Economics section or at ENR website <http://www.enr.com> under “Construction Economics”.

The *Rebar-Uncoated* and *Rebar-Coated Price* will be posted on the Wednesday immediately following the publishing of the monthly price in ENR which is normally the fourth week of the month.

To be eligible for a Rebar Steel Cost Adjustment, the difference between the *Base Price* and *Period Price* of either Rebar- Coated or Rebar- Uncoated shall be in excess of five percent (5%).

The *Rebar (coated or uncoated) Base Price*: The price per hundredweight (cwt) which is posted by the Department of Transportation and is in effect 28 days prior to the actual bid opening date.

The *Rebar(coated or uncoated) Period Price*: The price per hundredweight (cwt) which is posted by the Department of Transportation and is in effect during the period in which the eligible contract items subject to adjustment were paid on an estimate or in accordance with terms defined in Note¹.

Note¹ – For reinforcing steel ordered from the mill, the *Period Price* shall be that in place at the time the reinforcing steel is invoiced by the mill. For reinforcing steel taken from stock or supplier, the *Period Price* shall be that in place at the time of approval of the reinforcing steel shop drawings associated with the eligible contract items.

The “Factor” used in formula to determine the cost adjustment is calculated as follows:

1. The *Rebar Period Price* is greater than the *Rebar Base Price*:

$$\text{Factor} = (\text{Period Price} / \text{Base Price}) - 1.05$$

If Factor is equal to or less than “0”, then no cost adjustment applies.

If Factor is greater than “0”, then an adjustment applies using formula below.

2. The *Rebar Period Price* is less than the *Rebar Base Price*:

$$\text{Factor} = (\text{Period Price} / \text{Base Price}) - 0.95$$

If Factor is equal to or greater than “0”, then no cost adjustment applies.

If Factor is less than “0”, then an adjustment applies using formula below.

Formula: Factor x Q x 0.022 x Base Price = \$_____

Q = Quantity of reinforcing steel (coated or uncoated) completed and accepted in place, or stored on site, expressed in kilograms (kg)

*0.022 is a coefficient to convert kilograms (kg) in the symbol “Q” to hundredweight (cwt).

Note - There will be no adjustment permitted in the remaining contract items containing reinforcing steel unless authorized by the Engineer. Because of this provision and because the Contractors are being notified before submission of bids, the adjustment being applied shall not be considered as a changed condition in the contract.

Basis of Payment:

The “Reinforcing Steel Cost Adjustment” will be calculated using the formulas indicated above and represents both uncoated reinforcing steel and epoxy-coated reinforcing steel. A payment will be made for an increase in costs. A deduction from monies due the contractor will be made for a decrease in costs.

The sum of money shown on the estimate, and in the itemized proposal as “Estimated Cost”, for this item will be considered the bid price although payment will be made as described above. The estimated cost figure is not to be altered in any manner by the bidder. If the bidder should alter the amount shown, the altered figure will be disregarded and the original cost figure will be used to determine the amount of the bid for this Contract.

<u>Pay Item</u>	<u>Pay Unit</u>
Reinforcing Steel Cost Adjustment	EST.