



SOLICITATION ADDENDUM

Date: **02/08/2019**
 Subject: **Plant Mix 561036ITQ**
 Solicitation Number: **RFQ 561036ITQ 19-01 Source**
 Due Date/Time: **02/14/2019**
 Addendum Number: **1**

To All Suppliers:

The Commonwealth of Pennsylvania defines a solicitation “Addendum” as an addition to or amendment of the original terms, conditions, specifications, or instructions of a procurement solicitation (e.g., Invitation for Bids or Request for Proposals).

List any and all changes:

The following language is an update to the 561036 Plant Mix ITQ Source RFQ 19-01 Specifications “**UDPATING MATERIAL PRICING CLAUSE**” on page 5. This language will supersede the material pricing clause originally included in the specifications:

UPDATING MATERIAL PRICING CLAUSE: *The Department of Transportation tracks and posts monthly the change in price for PG64-22 (asphalt cement). The following refiners are contacted to determine the base price of a ton of PG64-22 (asphalt cement) and the monthly price of a ton of PG64-22 (asphalt cement):*

REFINERS POSTING LOCATION

ZONE 1	NuStar	Baltimore, MD
		Perth Amboy, NJ
		Paulsboro, NJ
	Bitumar	Baltimore, MD
	Valero	Paulsboro, NJ
		Baltimore, MD

ZONE 2 **AVERAGE OF ZONE 1 AND ZONE 3 PRICES**

ZONE 3	United Refining	Warren, PA
		Springdale, PA
		Dravosburg, PA
	Marathon	Floreffe, PA
		Cleveland, OH
		Canton, OH

The posted ton price of PG64-22 for the above posting locations are averaged to arrive at the base price of a ton of PG64-22 (asphalt cement) and the monthly price of a ton of PG64-22 (asphalt cement).

The base price of a ton of PG64-22 (asphalt cement) for this solicitation is Zone 1, \$486.00/ton, Zone 2, \$493.00/ton, Zone 3; \$500.00/ton determined December 31st, 2018.

Price updates for materials will only occur when the monthly price of a ton of PG64-22 (asphalt cement) increases/decreases 10% or more from the established base price in a given Zone. In the event of a 10% or greater increase/decrease in the monthly price of a ton of PG64-22 (asphalt cement) the Commonwealth will automatically calculate and adjust suppliers' material pricing in the affected Zone(s). The adjustment will be calculated by taking the difference between the current index price and the established base price and applying that difference to the virgin asphalt content percentage (VAC%) shown in the Job Mix Formula (JMF) for each material. For example, if the base price is established at \$500.00 per ton and the monthly index price is posted at \$550.00 per ton, an adjustment would take place because of the 10% change. If a given material contains a VAC% of 5% as per the JMF, the \$50.00 difference between index prices would be applied to that percentage, resulting in a material price adjustment of \$2.50 per ton for that material ($\$50.00 \times .05 = \2.50).

NOTE: *Adjustment amounts will be rounded to the nearest hundredth, using standard rounding rules.*

The date that updated pricing will become effective will be communicated to suppliers in the form of a change notice. The updated pricing will remain firm until such a time as another price update occurs.

In addition, the Commonwealth will subsequently adjust pricing in the event the monthly price of asphalt cement increases/decreases any additional increments equal to or greater than 10% from the previous updated pricing. [i.e. price had risen to 12% from established base price and the price was adjusted by the Commonwealth. When the price of asphalt cement has risen an additional 10% (to 22%) or more from the established base the Commonwealth will again update prices to reflect such a percentage change]. Those prices will remain firm until such a time as another price update occurs.

The Updated Material Pricing clause is not applicable to transportation costs.

No price updates will occur after October 1st, 2019.

A Change Notice to the contract will be issued to incorporate the price change and change all contract awarded prices for deliveries and/or pick-ups on or after the effective date of the price change, unless the supplier is delinquent in delivery, in which case the price will remain the same on all delinquent purchase orders except if the price change would amount in a decrease to the price.

The Commonwealth reserves the right to issue a new RFQ in the event of a 10% or more increase/decrease in the monthly price of a ton of PG64-22 (asphalt cement) from the established base price.

NOTE: VIRGIN ASPHALT CONTENT; *suppliers should list the Virgin Asphalt Content (VAC) in each approved Job Mix Formula (JMF) for each material on the bid sheet.*



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DEPARTMENT OF GENERAL SERVICES
BUREAU OF PROCUREMENT

Type of Solicitation: Hard Copy (Paper) Bid - If you have already submitted a response to the original solicitation, you may either submit a new response, or return this Addendum with a statement that your original response remains firm, by the due date.

Except as clarified and amended by this Addendum, the terms, conditions, specifications, and instructions of the solicitation and any previous solicitation addenda, remain as originally written.

Respectfully,

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