



Florida Department of Transportation

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JOSÉ ABREU
SECRETARY

November 7, 2003

THIS MEMO HAS EXPIRED

MEMORANDUM NO: 33-03

Expires: 12/31/03

TO: DISTRICT CONSTRUCTION ENGINEERS

FROM: Ananth Prasad, State Construction Engineer *Ananth Prasad*

COPIES: Bob Burleson (FTBA), Jim Warren (ACAF), Greg Schiess (FHWA), Tom Malerk, John Shoucair, Gale Page, Jim Musselmann, David Wang

SUBJECT: GRANITE AGGREGATE SUPPLY PROBLEMS IN CENTRAL AND SOUTHWEST FLORIDA

The Department met with the Asphalt Contractors and various Aggregate producers to better understand the granite aggregate supply problems being faced by some of the contractors in Districts 1, 5, and 7. Other Districts do not seem to be affected by such problems. As it was evident in the meeting, this is a complex problem that involves demand of such aggregates (nearly doubled compared to what the trend has been over the past seven years), market forces such as pricing, and supply problems such as lack of ships and rail cars to ship such aggregates.

The Department feels confident that this is a short-term problem, however, we need to be cautious as a severe winter and other external pressures may prolong this problem into next summer and beyond.

To that end, we need to do the following on active contracts and future contracts.

- On active projects, if all other work has been completed with the exception of asphalt, and the Department has confirmed that the Contractor is affected by such problems and the Contractor has made an effort and taken all appropriate steps to mitigate this problem, the Department may suspend the contract time at no additional cost to the Department.

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Approval by the State Construction Engineer is needed for suspension of the contract time. The Contractor will be required to "safe-up" the project and cover-up signs that are not applicable to the work zone conditions before the contract time can be suspended.

- On active projects, the Department will consider non-compensable time extensions on a case-by-case basis if the Contractor has made an effort and taken all appropriate steps to mitigate this problem. Before any time extension is granted, the District Construction Engineer needs to coordinate such requests with the State Construction Engineer prior to approving any such extensions.
- No adjustments shall be made to No-Excuse and Incentive/Disincentive Contracts unless otherwise approved by the State Highway Engineer.
- On future contracts, prior to the issuance of the Notice to Proceed, ascertain that the Contractor has taken into consideration these problems and has adequately planned his operation based on the supply of aggregates. In case of any doubt, provide for a flexible start of the contract at no additional cost to the Department.
- The Department will also be issuing guidelines, as a short-term measure, to facilitate quicker delivery of aggregates from the point of unloading to the asphalt plant.
- The Department is committed in turning around mix design requests expeditiously for the contracts affected by this problem to facilitate use of alternative sources of materials.
- At the request of the Contractor, the Department will review pavement design on non-interstate highways to determine if the traffic level required for the mix design is consistent with traffic projections. This review will facilitate use of alternative sources of aggregate.
- No additional compensation shall be made to the Contractor due to the impacts of the supply problem unless otherwise approved by the State Construction Engineer.

If you have further questions, please contact David Wang at 850-414-4152 (sc 994-4152).

AP/ww