



Florida Department of Transportation

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GOVERNOR

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SECRETARY

Tallahassee, FL 32399-0450

February 7, 2022

DCE MEMORANDUM NO. 22-04
(FHWA Approved 02/03/2022)

This Memo Has Expired

TO: DISTRICT CONSTRUCTION ENGINEERS

FROM: Dan Hurtado, P.E., Director, Office of Construction

DocuSigned by:
Dan Hurtado
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COPIES: Will Watts, Scott Arnold, Ananth Prasad (FTBA), Mark Musselman (ACAF), Mark Clasgens (FHWA), Ashley Anderson

SUBJECT: ALUMINUM, PVC, AND COPPER MATERIAL PRICE INDICES

Due to recent volatility in prices of aluminum, PVC, and copper materials beyond what the Contractor could have historically anticipated at the time of bid, the Department, at the request of the Contractor, will process a \$0.00 specification change to provide for indexing for aluminum, PVC, and copper as provided for in the attached modification to Specification Section 9-2.

For active construction contracts, the Contractor has up to six weeks from the date of this memo to request or decline adoption of the attached specification. If the Contractor submits such a request, material price adjustments shall be made retroactively from the beginning of the contract through final acceptance to produce a cost adjustment which will be applied to the last estimate prior to final acceptance. This adjustment will be calculated by comparing the applicable Index value at the time of letting to the Index value at the time of invoiced material acquisition for new aluminum, PVC, and copper materials that are permanently incorporated into the project. The Contractor must submit Contractor Certification of Quantities for all applicable materials purchased. The Contractor must submit a Certification of Quantities for each month prior to the date of this memo and monthly thereafter through the completion of the project. Contractor Certification of Quantities are attached to this memo.

If the Contractor requests to adopt the attached specification into a given contract, the specification shall apply to all pay items listed in the attached Contractor Certifications of Quantities for the entire duration of the contract, from beginning to end. If the Contractor declines adoption of the attached specification, the Contractor shall provide a written Certification that any applicable subcontractors have been notified of this memo and made aware of the Contractor's decision.

The following conditions apply:

1. Material Price Adjustments will not be made for materials which were purchased prior to award of the contract.
2. Materials must be stored in locations accessible for inspection by the Department per Section 9-5.5 of the Specifications.
3. Any materials receiving an adjustment must be incorporated into the specific contract on which material price adjustments are made.
4. The material must be approved as meeting applicable specifications.
5. For work performed by subcontractors, the unit price will be the subcontractor unit price as submitted on the accepted Form 700-010-36, Certification of Sublet - Schedule "A". Material price adjustments are not eligible for Contractor markup.
6. For work performed by the prime contractor, the unit price will be the bid unit price or, the unit price reflected in the accepted contract schedule of values.
7. The contractor is responsible for ensuring quantities are clearly identified on the invoices per the attached specification. In some cases, the quantity submitted on the Contractor Certification of Quantities will not match the invoice quantity. For example, invoice quantity for conduit will be greater than contract quantity when multiple runs are required.
8. Adoption of this Specification will apply to all pay items listed in the attached Certifications of Quantities and will cause adjustments to be made to aluminum, PVC, and copper. Contractors may not elect to apply this Specification to one included material, but not others.

Construction contracts with letting dates between January 1, 2016 and June 30, 2021 are eligible to participate in this memo. Contracts final accepted on or before the date of this memo are not eligible to participate in this memo.

Payment adjustments shall be coded as Federal-aid non-participating using the appropriate the Line-Item Adjustment Type in SiteManager:

- Material Price Adjustment Aluminum – MPAA
- Material Price Adjustment PVC – MPAP
- Material Price Adjustment Copper – MPAC

This memorandum serves as blanket approval to process a \$0.00 contract change to incorporate the attached specification and should be attached to the Work Order or Supplemental Agreement.

If you have any questions, please contact Ashley Anderson, P.E. at 850-414-4184 or by email at Ashley.Anderson@dot.state.fl.us.

DH/aa

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MEASUREMENT AND PAYMENT

ARTICLE 9-2 is expanded by the following:

9-2.1.3 Material Adjustments for Aluminum, PVC, and Copper: The Department will make price adjustments for aluminum, PVC, and copper materials included in the list of Pay Items attached to DCE Memo 22-04 in accordance with the following procedures.

Prepare separate Contractor's Certification of Quantities for each material invoice month using the Department form for Material Price Adjustment attached to DCE Memo 21-XX. Submit certifications for materials purchased prior to the date of incorporation of this specification within 60-days of incorporation. Submit certifications for subsequent estimate periods to the Engineer no later than Twelve O'clock noon on Monday after the estimate cut-off or as directed by the Engineer, based on the quantity of each material purchased within the estimate period. Material certifications reflecting quantities beyond the final contract quantity shall not be accepted. Ensure each certification includes the Contract Number, Financial Project Identification (FPID) Number, Certification Date and Number, the period the certification represents, and the quantity represented by each invoice for each pay item. Submit material invoices with each certification and clearly identify the following:

- a. Pay Item Number
- b. Certification Quantity
- c. Invoice Number
- d. Invoice Date
- e. Invoice Quantity
- f. Invoice Unit Price
- g. Invoice Total

On Contracts with an original Contract Time of more than 120 days, the Department will adjust the unit price to reflect increases or decreases in material costs from those in effect during the month in which bids were received. The contractor will not be given the option of accepting or rejecting these adjustments. Price adjustments will be made only when the invoice month material price index (IMP) varies by more than 5% from the price index prevailing in the month when the bids were received (BMP), and then only on the portion that exceeds 5%.

The Department will use factors to determine the percentage of unit price applicable to material only.

Price Adjustments will be based on the USDOL monthly Producer Price Index (PPI). The Material Price indices will be available on the Construction Office website before the 15th of each month at the following URL: <https://www.fdot.gov/construction/material-price-adjustment>

Payment on progress estimates will be adjusted to reflect adjustments in the prices for aluminum, PVC, and copper materials in accordance with the following:

$$\text{\$ Adjustment} = (\text{quantity})(\text{unit price})(\text{material factor})(\text{ID})$$

Where ID = Index % Difference = $[\text{IMP} - 0.95(\text{BMP})] / \text{BMP}$ when the IMP has decreased between the month of bid and the month of material invoice.

Where ID = Index % Difference = $[\text{IMP} - 1.05(\text{BMP})] / \text{BMP}$ when the IMP has increased between the month of bid and the month of material invoice.

A line-item adjustment will be made on the last progress estimate prior to the final estimate to each applicable pay item to reflect the cumulative value of all Contractor Certification of Quantities submitted throughout the duration of the contract.

Adjustments will be paid or charged to the Prime Contractor only. Any Contractor receiving an adjustment under this provision for work performed by a subcontractor shall distribute such adjustment to subcontractors who perform applicable work.

The Department reserves the right to audit the Contractor's records pertaining to the material certifications submitted for this Contract.

PVC Price Adjustment Worksheet

Worksheet No.	
Contractor:	
Financial Project ID:	
Contract Number:	

Base Index	Month/Year	Material Index
Current Index		
Index % Difference		

Item Numbers	Item Description	Unit	Quantity	Factor	Bid Unit Price	Material Cost
630-2-11	CONDUIT, FURNISH & INSTALL, OPEN TRENCH	LF		0.270000		\$0.00
630-2-12	CONDUIT, FURNISH & INSTALL, DIRECTIONAL BORE	LF		0.270000		\$0.00
630-2-14	CONDUIT, FURNISH & INSTALL, ABOVEGROUND	LF		0.270000		\$0.00
630-2-15	CONDUIT, FURNISH & INSTALL, BRIDGE MOUNT	LF		0.270000		\$0.00
630-2-16	CONDUIT, FURNISH & INSTALL, EMBEDDED CONCRETE BARRIERS AND TRAFFIC RAILINGS	LF		0.270000		\$0.00
Total (material cost)						\$0.00
Index % Difference						
Monthly Monetary Amount						

Aluminum Price Adjustment Worksheet

Worksheet No.			Month/Year	Material Index
Contractor:		Base Index		
Financial Project ID:		Current Index		
Contract Number:		Index % Difference		

Item Numbers	Item Description	Unit	Quantity	Factor	Bid Unit Price	Material Cost
515-1-2	PIPE HANDRAIL - GUIDERAIL, ALUMINUM	LF		0.650000		\$0.00
515-2-311	PEDESTRIAN/ BICYCLE RAILING, ALUMINUM ONLY,42" TYPE 1	LF		0.650000		\$0.00
515-2-312	PEDESTRIAN / BICYCLE RAILING, ALUMINUM, 42" TYPE 2	LF		0.650000		\$0.00
515-2-313	PEDESTRIAN / BICYCLE RAILING, ALUMINUM, 42" TYPE 3	LF		0.650000		\$0.00
515-2-314	PEDESTRIAN / BICYCLE RAILING, ALUMINUM, 42" TYPE 4	LF		0.650000		\$0.00
515-2-321	PEDESTRIAN/ BICYCLE RAILING, ALUMINUM ONLY,54" TYPE 1	LF		0.650000		\$0.00
515-3-2	PIPE HANDRAIL- RETROFIT TO EXISTING RAILING, ALUMINUM	LF		0.650000		\$0.00
646-1-11	ALUMINUM SIGNALS POLE, PEDESTAL	EA		0.650000		\$0.00
646-1-12	ALUMINUM SIGNALS POLE, FURNISH & INSTALL PEDESTRIAN DETECTOR POST	EA		0.650000		\$0.00
646-1-30	ALUMINUM SIGNALS POLE, INSTALL	EA		0.650000		\$0.00
646-2-112	ALUMINUM POLE- INDEX 695-001, FURNISH & INSTALL, 12'	EA		0.650000		\$0.00
646-2-115	ALUMINUM POLE- INDEX 695-001, FURNISH & INSTALL, 15'	EA		0.650000		\$0.00
646-2-120	ALUMINUM POLE- INDEX 695-001, FURNISH & INSTALL, 20'	EA		0.650000		\$0.00
646-2-130	ALUMINUM POLE- INDEX 695-001, FURNISH & INSTALL, 30'	EA		0.650000		\$0.00
646-2-135	ALUMINUM POLE- INDEX 695-001, FURNISH & INSTALL, 35'	EA		0.650000		\$0.00
650-1-11	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 1 SECTION, 1 WAY	AS		0.650000		\$0.00
650-1-12	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 1 SECTION, 2-4 WAY	AS		0.650000		\$0.00
650-1-13	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 2 SECTION, 1-2 WAYS	AS		0.650000		\$0.00
650-1-14	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 3 SECTION, 1 WAY	AS		0.650000		\$0.00
650-1-15	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 3 SECTION, 2-4 WAYS	AS		0.650000		\$0.00
650-1-16	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 4 SECTION, 1 WAY	AS		0.650000		\$0.00
650-1-17	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 4 SECTION, 2-4 WAYS	AS		0.650000		\$0.00
650-1-18	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 5 SECTION STRAIGHT, 1 WAY	AS		0.650000		\$0.00
650-1-19	VEHICULAR TRAFFIC SIGNAL, FURNISH & INSTALL ALUMINUM, 5 SECTION CLUSTER, 1 WAY	AS		0.650000		\$0.00
715-5-31	LUMINAIRE & BRACKET ARM- ALUMINUM, FURNISH & INSTALL NEW LUMINAIRE AND ARM ON NEW/EXISTING POLE	EA		0.650000		\$0.00
715-511-115	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 15'	EA		0.650000		\$0.00
715-511-120	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 20'	EA		0.650000		\$0.00
715-511-125	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 25'	EA		0.650000		\$0.00
715-511-130	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 30'	EA		0.650000		\$0.00
715-511-135	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 35'	EA		0.650000		\$0.00
715-511-140	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 40'	EA		0.650000		\$0.00
715-511-145	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 45'	EA		0.650000		\$0.00
715-511-150	LIGHT POLE COMPLETE SPECIAL DESIGN , F&I, SINGLE ARM SHOULDER MOUNT, ALUMINUM, 50'	EA		0.650000		\$0.00
715-512-115	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 15'	EA		0.650000		\$0.00
715-512-125	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 25'	EA		0.650000		\$0.00
715-512-130	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 30'	EA		0.650000		\$0.00
715-512-135	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 35'	EA		0.650000		\$0.00
715-512-140	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 40'	EA		0.650000		\$0.00
715-512-145	LIGHT POLE COMPLETE- SPECIAL DESIGN, F&I, DOUBLE ARM SHOULDER MOUNT, ALUMINUM, 45'	EA		0.650000		\$0.00

715-518-150	LIGHT POLE COMP- SPECIAL DESIGN, F&I, DOUBLE ARM, POLE TOP MOUNT, ALUMINUM, 50'	EA		0.650000		\$0.00	
715-519-115	LIGHT POLE COMP- SPECIAL DESIGN, F&I, TRIPLE ARM, ALUMINUM, 15'	EA		0.650000		\$0.00	
715-536-115	LIGHT POLE COMPLETE-SPECIAL DESIGN, INSTALL POLE TOP MOUNT, ALUMINUM, NON-STANDARD DESIGNS, 15'	EA		0.650000		\$0.00	
						Total (material cost)	\$0.00
						Index % Difference	
						Monthly Monetary Amount	