IMPLEMENTATION PROCESS

THE INFORMATION BELOW IS TO BE PROVIDED BY THE ORIGINATOR

☒ Modify Specification ______0090021SS______.
Section/File number

☐ New Specification ______________________.
Section number

Subject:	Measurement and Payment – Scope of Payments - Fuels
Origination date:	12-1-05
Originator:	David Chason
Office/Phone:	State Construction Office/414-4171
Email address/	david.chason@dot.state.fl.us
Userid:	cn982dc
Problem statement:	Delete language concerning adjustments after last allowable contract day
Information source:	David Chason
Background data:	To eliminate confusion for adjustments
Desired implementation date:	Beginning with the July 2006 letting.

Florida Department of Transportation
JEB BUSH
GOVERNOR
605 Suwannee Street
Tallahassee, FL 32399-0450
DENVER J. STUTLER, JR.
SECRETARY

M E M O R A N D U M

DATE: February 20, 2006

TO: Specification Review Distribution List

FROM: Duane F. Brautigam, P.E., State Specifications Engineer

SUBJECT: Proposed Specifications Change: 0090211

In accordance with Specification Development Procedures, we are sending you a copy of a proposed specification change to Measurement and Payment.

This change was proposed by David Chason of the State Construction Office to delete language concerning adjustments after the last allowable contract day.

Please share this proposal with others within your responsibility. Review comments are due within four weeks and should be sent to Mail Station 75 or to my attention via e-mail at SP965DB or duane.brautigam@dot.state.fl.us. Comments received after March 20, 2006 may not be considered. Your input is encouraged.

DFB/bd

Attachment

COMMENTS: ____

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Submitted by: ______________________________ Phone #: ____________

MEASUREMENT AND PAYMENT.
(REV 2-9-06)

SUBARTICLE 9-2.1.1 (of the Supplemental Specifications) is deleted and the following substituted:

9-2.1.1 Fuels: The Department will, in the Contract Documents, provide an estimated quantity for fuel requirements for gasoline and diesel to cover the work specified in the Contract. Price adjustments will be made only for the amount of gasoline and diesel fuel estimated by the Department as required to complete the Contract. The requirement of each type of fuel for each pay item is estimated by multiplying the Department's standard fuel factor for that pay item by the quantity of that pay item. ~~Price adjustments made for fuel used after expiration of the last allowable Contract Day (including any time extensions) will be limited to the increases or decreases dictated by the index in effect on the last allowable Contract Day.~~ On Contracts with an original Contract Time in excess of 120 calendar days, the Department will make price adjustments on each applicable progress estimate to reflect increases or decreases in the price of gasoline and diesel 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 for these fuels will be made only when the current fuel price (CFP) varies by more than 5% from the price prevailing in the month when bids were received (BFP), and then only on the portion that exceeds 5%.

Price adjustments will be based on the monthly bulk average price for gas and diesel as derived by the Department. These average indexes shall be determined by averaging bulk fuel prices on the first day of each month as quoted by major oil companies that are reasonably expected to furnish fuel for projects in the State of Florida. Average price indices for gasoline and diesel will be available on the Construction Office website before the 15th of each month, at the following URL:
www.dot.state.fl.us/construction/fuel&Bit/Fuel&Bit.htm .

Payment will be based on the quantities shown on the progress estimate on all items for which established standard fuel factors are on a file maintained by the Department.

Payment on progress estimates will be adjusted to reflect adjustments in the prices for gasoline and diesel in accordance with the following:

When fuel prices have decreased between month of bid and month of this progress estimate:

$A_i = F_i (P_i - 95 P_b)$ during a period of decreasing prices.

A_i = Total dollar amount - positive or negative - of the cost adjustment for each kind of fuel used by the Contractor during the month "i."

F_i = Total gollons [liters] calculated as being used during the month.

P_i = Average price for fuel prevailing during month "i."

P_b = Average price for fuel prevailing during the month "b" when bids were received on this Contract.

When fuel prices have increased between month of bid and month of this progress estimate:

$A_i = F_i (P_i - 1.05 P_b)$ during a period of increasing prices.

Ai = Total dollar amount - positive or negative - of the cost adjustment for each kind of fuel used by the Contractor during the month “i.”

Fi = Total gallons [liters] calculated as being used during the month.

Pi = Average price for fuel prevailing during month “i.”

Pb = Average price for fuel prevailing during the month “b” when bids were received on this Contract.

Payment will be made on the current progress estimate to reflect the index difference at the time work was performed.

Adjustments will be paid or charged to the Prime Contractor only. Any Contractor receiving an adjustment under this provision shall distribute the proper proportional part of such adjustment to subcontractors who perform applicable work.