



PAT McCRORY
Governor

NICHOLAS J. TENNYSON
Secretary

March 4, 2016

ADDENDUM # 1

To: Plan Holders

From: Jeffrey E. Alspaugh
Proposal Engineer

DS
jea

RE: **CRS 2 PRICE ADJUSTMENTS**
Contract ID: DN00430
County: HAYWOOD, HENDERSON, AND TRANSYLVANIA
Letting Date: MARCH 22, 2016

On page G-27, under PROJECT SPECIAL PROVISIONS, ROADWAY, the CRS 2 PRICE ADJUSTMENTS special provision should be added (see attached provision)

Please insert this letter into the addendum section of the proposal and sign the verification. Thank you for your attention to this matter.



CRS 2 PRICE ADJUSTMENTS:

(6-21-11) (3-22-16)

SPD 6-050

The contract unit price for pay items containing CRS 2 will be adjusted monthly during the life of the contract.

- (A) All price adjustments under this proposed contract shall be based solely on the month to month change in the Average of the "Average Terminal FOB Selling Prices: for AC-20 as published monthly by the Department.
- (B) Any upward or downward change in the "Average Terminal FOB Selling Prices" will be applied to the established contract price on **first of the month** for which the changed prices are published as follows:
 - (1) For AC-20 / PG 64 - full amount of change
 - (2) For CRS-2, CRS-2P, CRS-2L emulsions - change per gallon shall equal .00277 times the change in price of AC-20. The constant .00277 is based on 65% residuum and 235 gallons/ton of AC-20.
- (C) The first potential price adjustment under this proposed contract will be based on the average of the "Average Terminal FOB Selling Prices" for AC-20 published for **February 1, 2016**.
- (D) Average price shall be calculated by taking the sum of all the prices listed in the "Average Terminal FOB Selling Prices" as published by the Department and dividing by the number of prices listed.
- (E) Notification of any price change(s) will be posted on the Department's Purchasing Web site at <https://connect.ncdot.gov/business/Purchasing/Pages/default.aspx>.
- (F) It is understood and agreed that orders shall be invoiced at the established contract prices in effect on dates orders are shipped. Invoicing at variance with this provision will subject the contract to cancellation.