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The purpose of this training bulletin is to provide information to users of the Office of State Aid Road Construction (OSARC) Contract Estimate Program and State Aid Contract personnel regarding fuel and/or material adjustment processing. This training bulletin will highlight a few common errors and assist in training new personnel on how to identify problems within the estimate program.

WORKSHEET FOR FUEL PRICE ADJUSTMENT

The Worksheet for Fuel Price Adjustment section will address only two types of errors, as follows:

- 1. Removing fuel adjustments on projects in liquidated damages
- 2. Mis-stated contract base prices for current period

Removing Fuel Adjustment on Projects in Liquidated Damages

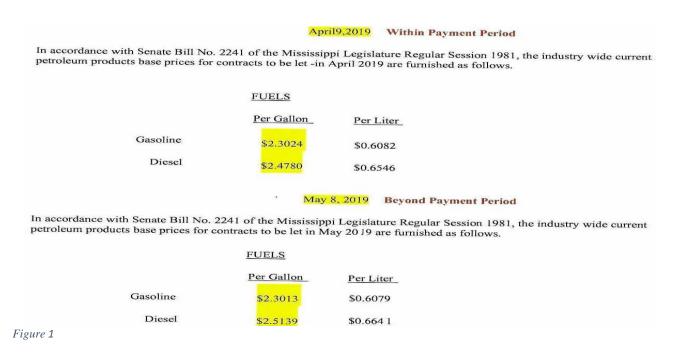
To correct an estimate that is in liquidated damages but contains fuel price adjustments, try restoring the previous estimate then processing the current estimate, excluding fuel price adjustments.

If you need assistance correcting the estimate, please contact Jim Maher in the Information Technology (IT) Department at jmaher@osarc.ms.gov.



Mis-stated Contract Base Prices for Current Period

Figure 1 is an abbreviated Notice to Bidders #6 containing April 2019 and May 2019 fuel prices. Figure 2 is an illustration of the incorrect base prices for current period. The correct prices are for any of the months during the billing period of November 2018 thru April 2019 where work was accomplished for the adjusted items. An illustration of how an incorrect entry of the contract base price or the base price for current period could affect the Contractor's Estimate is located on page 12.



Page **3** of **15**



April 30, 2019 QUANTITY 694.75 546.00	2.57 0.88	UNIT GASOLINE 0.78 0.57	DIFSEL PER 1.786 480	ALTEM GASOLINE 542 311	Also many transfer and the second sec
694.75	2.57	0.78	1.786	542	Armond demonstration of the second se
546.00	0.88	0.57	480	311	demonstration of the state of t
					energy production of the control of
					-
					-
					1
TALS FOR PERIOD			2,266	853	J
			DIESEL	GASOLINE 2.3013	May 2019 gas prices calculated
	5	***************************************	0.1329	May 2019 gas prices calculated it should have been for period of November 2018 thru April 2019	
		0.00	113.36		
	TALS FOR PERIOD			CLESS THAN 5%) 0.00	DIESEL 2.3013 (LESS THAN 5%) 0.1329 0.00 113.36

Figure 2



One of the most common errors regarding material price adjustment is selecting the wrong % AC. The correct % mix to choose from the test report is % AC (Add), highlighted in figure 3 below. Do not choose % AC (Total) for progress estimates.

Meets requirem	ents of		Designed By:	-						
REMARKS:	% RAP used = <u>20</u>	!	% AC (RAP)= <u>5.50</u>	<u>9</u>	AC (Add)=	<u>3.90</u>	% AC (Total)= <u>5.00</u>			
AC TYPE	PG67-22	Stab	pility 2075	Flow 1	11		Marshall Blows 75	5	Gb	1.054
AC SOURCE	Hunt	TSR	88.9	·			·		Gse	2.555
ANTI STRIP	NONE	RATE	·	0 % By Wgt of AC.					D/B	1.11
	Comp.Temp.	300	Mixing Temp.	320					Pbe	4.40
o/oAB~ MOIST	2.01	լ 2.58	J 2.43	Asphalt Floudcer.	1.30	1.58		1.92	Pba(mix)	0.63
Project No: County:				Contractor: Asphalt Producer:			MDOT Lab No: BCD I ah Nn -			
BCD Lab No.				•	From Project:					
				Bituminous Mix Design	Date:					
rev,- 1012a1,oa9			Burn	s Cooley Dennis,	Inc.					
ECD- No 33										

Figure 3



% AC (Add) Effects Change in Material Per Unit Price

Test reports (figure 4) provide the additive percentage for each project with fuel and/or material costs. An incorrect percent mix data entry can increase or decrease the amount due to a contractor. As shown in figures 5 and 6, an error may be large enough to affect the project completion percentage, which, effects the timing of an engineering firms request for payment, i.e., at 25%, 50%, etc. (Note changes in the material per unit prices, material per item prices and the total adjustment for estimate period amounts.)

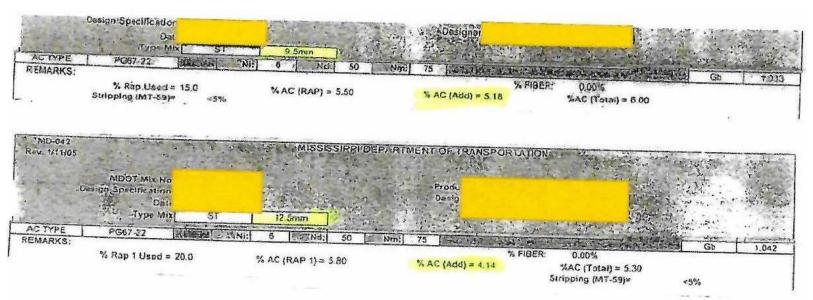


Figure 4

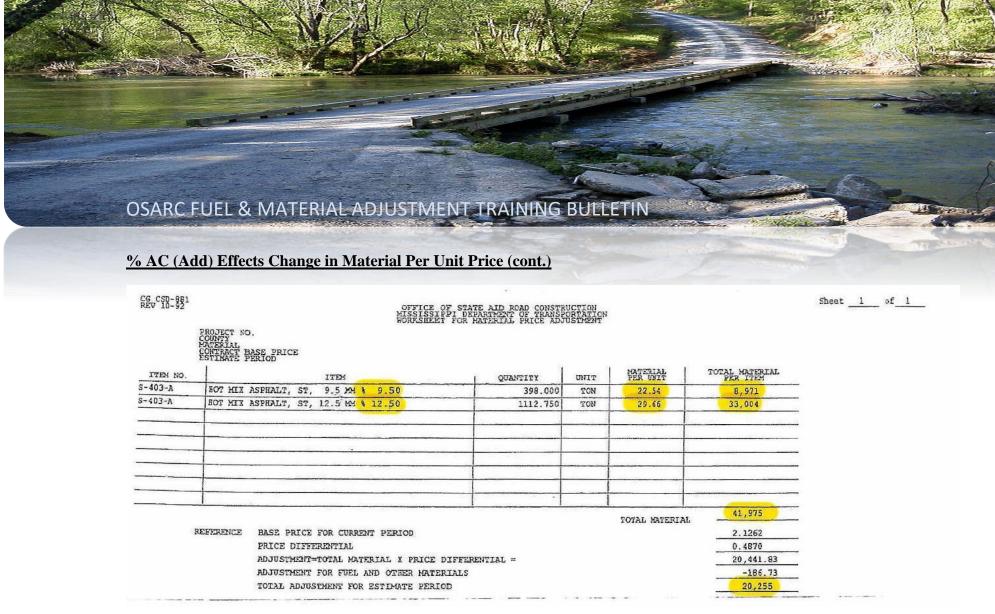


Figure 5



Figure 6

The % AC calculations of material per unit prices are internal calculations within the estimate program. In figure 5, the % AC's of 9.5 and 12.5 material per unit prices of \$22.54 and \$29.66 are substantial increases from the % AC's of 5.8 and 4.14 material per unit prices of \$12.29 and \$9.82 shown in figure 6. The correct total adjustment for estimate period is important because the payment of the Contractor's Estimate will include the amount from this field.



Decimal Form for Percent Mix from Test Report

The Contract Estimate program will accurately process material price adjustments when entered in the proper format.

Figure 7 illustrates percent mix entered, incorrectly, as 5.35. Notice "% **.**" in the item description field on the Worksheet for Material Price Adjustment instead of numbers and an incorrect format on the Update Sheet (Checklist), figure 9.

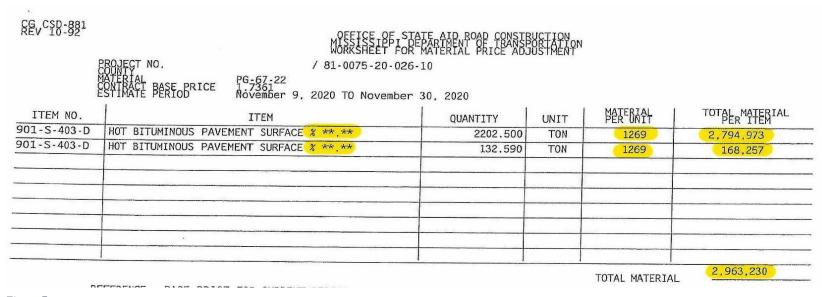


Figure 7



Decimal Form for Percent Mix from Test Report (cont.)

Figures 8 and 9 are examples of the percent mix entered, correctly, as 0.0535. (Note price difference between figures 7 and 8.)

CG_CSD-881
REV 10-92

OFFICE_OF_STATE_AID_ROAD_CONSTRUCTION
MISSISSIPPI DEPARTMENT OF TRANSPORTATION
WORKSHEET FOR MATERIAL PRICE ADJUSTMENT

/ 81-0075-20-026-10
MATERIAL
CONTRACT BASE PRICE
ESTIMATE PERIOD

OFFICE_OF_STATE_AID_ROAD_CONSTRUCTION
/ 81-0075-20-026-10
November 9, 2020 TO November 30, 2020

ITEM NO.	ITEM		VIITAND	UNIT	MATERIAL 1	TOTAL MATERIAL	
901-S-403-D	HOT BITUMINOUS PAVEMENT SURFACE &	5 15					
901-S-403-D HOT BITUMINOUS PAVEMENT S	HOT RITUMINOUS DAVENERE SUBFACE A	7.10	2202.500	TON	12.22	26,915	
	THE BITOMINOUS PAVEMENT SURFACE 2	5.35 →	132.590	TON	12.69	1,683	
				1	<u> </u>	28,598	
-					TOTAL MATERIAL	20, 350	

Figure 8



Incorrect Format - Update Sheet (Checklist)

PLEASE ENTER THE % MIX FOR THIS ITEM IN DECIMAL FORM (FOR 3.21% KEY .0321)

ADJ. CODE ITEM NO. DESCRIPTION

PERCENT MIX

B Al 901-S-403-D HOT BITUMINOUS PAVEMENT SURFACE 5.3500

Correct Format - Update Sheet (Checklist)

PLEASE ENTER THE % MIX FOR THIS ITEM IN DECIMAL FORM (FOR 3.21% KEY .0321)

ADJ. CODE ITEM NO. DESCRIPTION

PERCENT MIX

B Al 901-5-403-D HOT BITUMINOUS PAVEMENT SURFACE 0.0535

Figure 9

The Figure 9 above is the 2nd page of the Update Sheet (Checklist) that displays the data entered.



The Notice to Bidders No. 6 is a form that contains the initial Contract base price data for fuel and petroleum-based materials and is in your Proposal and Contract Documents book. An instruction on entering the data is in chapter 6 of the Contract Estimate Program Manual found on the Help tab of OSARC's website. Click on "Help Me with the Contract Estimate Program" then choose option 2 to download the manual.

Figures 10 and 11 are examples of the omission of the Contract Base Price and/or the Base Price for Current Period. The result is an incomplete data display, i.e., missing item numbers and calculations. Figure 12 is how it should appear when the data is entered in the proper fields.

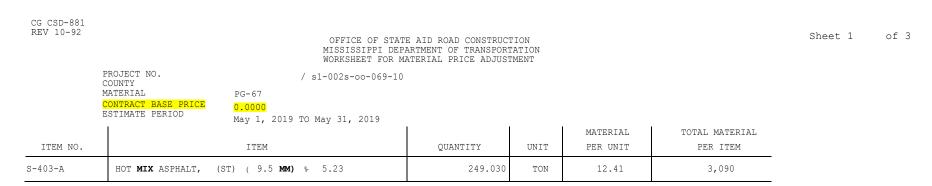
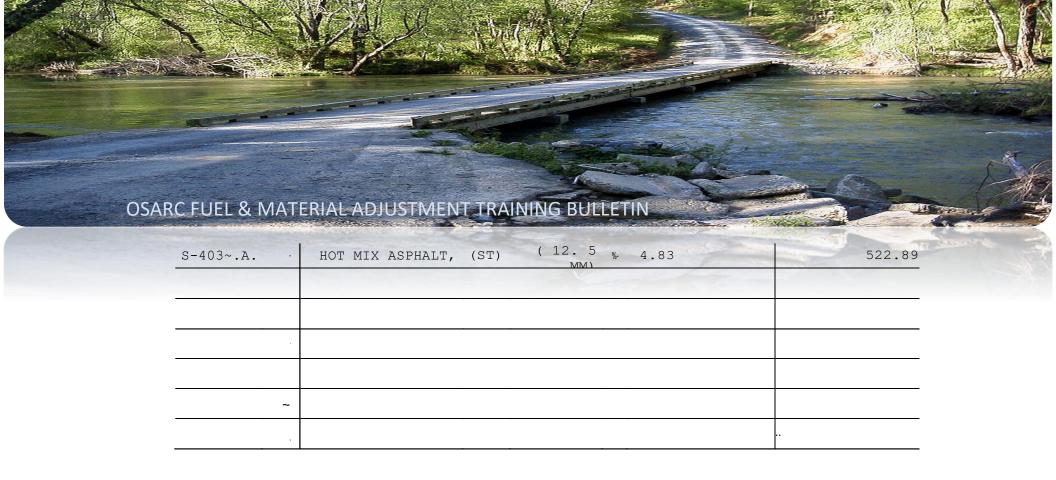


Figure 10



REFERENCE

BASE PRICE FOR CURRENT PERIOD

PRICE DIFFERENTIAL

ADJUSTMENT=TOTAL MATERIAL X PRICE DIFFERENTIAL:

ADJUSTMENT FOR FUEL AND OTHER MATERIALS

TOTAL ADJUSTMENT FOR ESTIMATE PERIOD

Figure 11



Contract Base Price and Base Price for Current Period (cont.)

Missing calculations in the Reference section of the Worksheet for Material Price Adjustment (Figure 11) will not provide the required Total Adjustments for Estimate Period amount (Figure 12) nor will it update the Fuel and Material Adjustment total within the Contractor's Estimate. This can result in an inaccurate payment of the Contractor's Estimate. As stated earlier, some processing errors are corrected after restoring the previous estimate then re-processing the current estimate.

CG_CSD-881 REV 10-92	MASETSET BET 2 LE	TE AID ROAD CONSTR PARTMENT OF TRANSP MATERIAL PRICE ADJ	UCTION ORTATION			Sheet <u>1</u> of <u>1</u>				
	WORKSHEET FOR									
	PROJECT NO. / 81-0025-00-069-1									
	MATERIAL PASE PRICE PG-57-22 May 1. 2019 TO May 31, 2019	*			TOTAL MATERIAL					
ITEM NO.	ITEM	QUANTITY	UNIT	MATERIAL PER UNIT	TOTAL MATERIAL					
S-403-A	HOT MIX ASPHALT, (ST) (9.5 MM) % 5.23	249.030	TON	12.41	3,090					
5-403-A	HOT MIX ASPHALT, (ST) (12.5 MM) % 4.83	522.890	TON	11.46	5,992					
3-403-A	HOT MIX ASPRALT, (ST) (12.3 MIT) % 4.03									
				<u> </u>	9.082					
	TOTAL MATERIAL 2.1862									
	REFERENCE BASE PRICE FOR CURRENT PERIOD PRICE DIFFERENTIAL ADJUSTMENT=TOTAL MATERIAL X PRICE DIFFERENTIAL = 3.755.41 ADJUSTMENT FOR FUEL AND OTHER MATERIALS 0.00									
	TOTAL ADJUSTMENT FOR ESTIMATE PERIOD									

Figure 12



Hopefully, this training bulletin will assist you in identifying when an error has occurred. Contact us for additional support or general questions, see below:

If you need technical support, please contact Jim Maher at jmaher@osarc.ms.gov.

For assistance with processing the preliminary and progressive estimates contact:

Staff Officer Deryl Brown at dbrown@osarc.ms.gov

Contract Analysts: Jacqueline Miller at jmiller@osarc.ms.gov

Polly Robinson at probinson@osarc.ms.gov

For assistance with the Final estimate contact:

Staff Officer Daniel Howell at dhowell@osarc.ms.gov

Contract Analysts: Hillary White at hwhite@osarc.ms.gov

Lisa Kennedy at lkennedy@osarc.ms.gov