



**DEVELOPMENTAL SPECIFICATIONS
FOR
STRUCTURAL STEEL PRICE ADJUSTMENT**

Effective Date
May 18, 2004

THE STANDARD SPECIFICATIONS, SERIES 2001, ARE AMENDED BY THE FOLLOWING MODIFICATIONS AND ADDITIONS. THESE ARE DEVELOPMENTAL SPECIFICATIONS AND THEY SHALL PREVAIL OVER THOSE PUBLISHED IN THE STANDARD SPECIFICATIONS.

01047.01 DESCRIPTION.

A Structural Steel Price Adjustment (SSPA) specification is included in this contract to provide for fluctuations in raw steel material prices. This adjustment is dependent upon an increase or decrease in the Consumer Buying Price index as described below, and will only apply to the cost of raw steel (prior to rolling or manipulation) used in the production of products incorporated in this project.

01047.02 APPLICATION.

Structural Steel Price Adjustment will only apply to the Structural Steel item of work.

01047.03 PRICE INDEX.

A Structural Steel Price Index (SSPI) in dollars per ton of structural steel will be established by the Engineer based on the Consumer Buying Price index for No. 1 Heavy Melt (Chicago) as published by the American Metal Market. The SSPI(L), will be the Consumer Buying Price index for No. 1 Heavy Melt (Chicago) for the day the contract is let. The SSPI(M), will be the Consumer Buying Price index for No. 1 Heavy Melt (Chicago) for the day the steel is shipped from the mill. The Engineer will convert the SSPI from dollars per ton to dollars per pound (kg).

01047.04 METHOD OF MEASUREMENT.

The SSPA will be calculated according to the following formula:

SSPA = QD where:

SSPA = Structural Steel Price Adjustment, in dollars;

Q = Contract quantity of manufactured steel, in pounds (kg);

D = SSPI(L) – SSPI(M), structural steel price adjustment in dollars per pound (kg).

Price adjustments will not be made for products manufactured from steel having mill shipping dates prior to the letting date.

The Contractor shall furnish sufficient documentation to verify the following:

1. The dates and amounts (by weight (mass)) of steel shipped from the mill to the fabricator for this project.
2. The amount of steel (by weight (mass)) incorporated into the contract item covered by this specification.

Price adjustments will be calculated by the Engineer. The contract value will be adjusted following the Contractor submitting the documentation as noted above.

01047.05 BASIS OF PAYMENT.

The Contractor will be paid the SSPA according to the method above. Should the net SSPA be negative, an equal amount will be deducted on payments made to the Contractor from sums otherwise due. This payment or deduction will be made by change order.

This payment or deduction shall be full compensation for all fluctuations in steel prices during the time the contract work is being done.

No price adjustment will be made for changes in the cost of manufacturing, fabrication, shipping, storage, or other costs incidental to this item.