

DOCUMENT 00813DB

SPECIAL PROVISIONS
PRICE ADJUSTMENTS FOR STRUCTURAL STEEL AND REINFORCING STEEL
DESIGN-BUILD

August 21, 2024

This special provision applies to all projects containing the use of structural steel and/or reinforcing steel as specified elsewhere in the Contract work. It applies to all structural steel and all reinforcing steel, as defined below, on the project. Compliance with this provision is mandatory, i.e., there are no “opt-in” or “opt-out” clauses. Price adjustments will be handled as described below and shall only apply to unfabricated reinforcing steel bars and unfabricated structural steel material, consisting of rolled shapes, plate steel, sheet piling, pipe piles, steel castings and steel forgings.

Price adjustments will be variances between Base Prices and Period Prices. Base Prices and Period Prices are defined below.

Price adjustments will only be made if the variances between Base Prices and Period Prices are 5% or more. A variance can result in the Period Price being either higher or lower than the Base Price. Once the 5% threshold has been achieved, the adjustment will apply to the full variance between the Base Price and the Period Price.

Price adjustments will be calculated by multiplying the number of pounds of unfabricated structural steel material or unfabricated reinforcing steel bars on a project by the index factor calculated as shown below under Example of a Period Price Calculation.

Price adjustments will *not* include guardrail panels or the costs of shop drawing preparation, handling, fabrication, coatings, transportation, storage, installation, profit, overhead, fuel costs, fuel surcharges, or other such charges not related to the cost of the unfabricated structural steel and unfabricated reinforcing steel.

The weight of steel subject to a price adjustment shall not exceed the final shipping weight of the fabricated part by more than 10%.

Base Prices and Period Prices are defined as follows:

Base Prices of unfabricated structural steel and unfabricated reinforcing steel on a project are fixed prices determined by the Department and found in the table below. While it is the intention of the Department to make this table comprehensive, some of a project’s unfabricated structural steel and/or unfabricated reinforcing steel may be inadvertently omitted. Should this occur, the Contractor shall bring the omission to the Department’s attention so that a contract alteration may be processed that adds the missing steel to the table and its price adjustments to the Contract.

The Base Price Date is the month and year of the most recent finalized period price index at the time Technical Price Proposals due date for the project. The Base Price Index for this contract is the Steel PPI listed in RFP/Contract Volume II, Section 10.2.

Period Prices of unfabricated structural steel and unfabricated reinforcing steel on a project are variable prices that have been calculated using the Period Price Date and an index of steel prices to adjust the Base Price.

The Period Price Date is the date the steel was delivered to the fabricator as evidenced by an official bill of lading submitted to the Department containing a description of the shipped materials, weights of the shipped materials and the date of shipment. This date is used to select the Period Price Index.

The index used for the calculation of Period Prices is the U.S. Department of Labor Bureau of Labor Statistics Producer Price Index (PPI) Series ID WPU101702 (Not Seasonally Adjusted, Group: Metals and Metal Products, Item: Semi-finished Steel Mill Products.) As this index is subject to revision for a period of up to four (4) months after its original publication, no price adjustments will be made until the index for the period is finalized, i.e., the index is no longer suffixed with a “(P)”.

Period Prices are determined as follows:

Period Price = Base Price X Index Factor

Index Factor = Period Price Index / Base Price Index

Example of a Period Price Calculation:

Calculate the Period Price for December 2009 using a Base Price from March 2009 of \$0.82/Pound for 1,000 Pounds of ASTM A709 (AASHTO M270) Grade A36 Structural Steel Plate.

The Period Price Date is December 2009. From the PPI website*, the Period Price Index = 218.0.

The Base Price Date is March 2009. From the PPI website*, the Base Price Index = 229.4.

Index Factor = Period Price Index / Base Price Index = 218.0 / 229.4 = 0.950

Period Price = Base Price X Index Factor = \$0.82/Pound X 0.950 = \$0.78/Pound

Since \$0.82 - \$0.78 = \$0.04 is less than 5% of \$0.82, no price adjustment is required.

If the \$0.04 difference shown above was greater than 5% of the Base Price, then the price adjustment would be 1,000 Pounds X \$0.04/Pound = \$40.00. Since the Period Price of \$0.78/Pound is less than the Base Price of \$0.82/Pound, indicating a drop in the price of steel between the bid and the delivery of material, a credit of \$40.00 would be owed to MassDOT. When the Period Price is higher than the Base Price, the price adjustment is owed to the Contractor.

* To access the PPI website and obtain a Base Price Index or a Period Price Index, go to <http://data.bls.gov/cgi-bin/srgate>

End of example.

The Contractor will be paid for unfabricated structural steel and unfabricated reinforcing steel under the respective contract pay items for all components constructed of either structural steel or reinforced Portland cement concrete under their respective Contract Pay Items.

Price adjustments, as herein provided for, will be paid separately as follows:

Structural Steel

Pay Item Number 999.449 for positive (+) pay adjustments (payments to the Contractor)

Pay Item Number 999.457 for negative (-) pay adjustments (credits to MassDOT Highway Division)

Reinforcing Steel

Pay Item Number 999.466 for positive (+) pay adjustments (payments to the Contractor)

Pay Item Number 999.467 for negative (-) pay adjustments (credits to MassDOT Highway Division)

No price adjustment will be made for price changes after the Contract Completion Date, unless the MassDOT Highway Division has approved an extension of Contract Time for the Contract.

TABLE

Steel Type	Price per Pound	
1	ASTM A615/A615M Grade 60 (AASHTO M31 Grade 60 or 420) Reinforcing Steel	\$0.64
2	ASTM A27 (AASHTO M103) Steel Castings, H-Pile Points & Pipe Pile Shoes (See Note (8) below.)	\$0.88
3	ASTM A668 / A668M (AASHTO M102) Steel Forgings	\$0.88
4	ASTM A108 (AASHTO M169) Steel Forgings for Shear Studs	\$0.91
5	ASTM A709/A709M Grade 36 / AASHTO M270M/M270 Grade 36 or 250 Structural Steel Plate	\$0.98
6	ASTM A709/A709M Grade 36 / AASHTO M270M/M270 Grade 36 or 250 Structural Steel Shapes	\$0.90
7	ASTM A709/A709M Grade 50 / AASHTO M270M/M270 Grade 50 or 345 Structural Steel Plate	\$0.98
8	ASTM A709/A709M Grade 50 / AASHTO M270M/M270 Grade 50 or 345 Structural Steel Shapes	\$0.90
9	ASTM A709/A709M Grade 50WT / AASHTO M270M/M270 Grade 50WT or 345WT Structural Steel Plate	\$1.02
10	ASTM A709/A709M Grade 50WT / AASHTO M270M/M270 Grade 50WT or 345WT Structural Steel Shapes	\$0.91
11	ASTM A709/A709M Grade 50W / AASHTO M270M/M270 Grade 50W 345W Structural Steel Plate	\$1.02
12	ASTM A709/A709M Grade 50W / AASHTO M270M/M270 Grade 50W or 345W Structural Steel Shapes	\$0.91
13	ASTM A709/A709M Grade HPS 50W / AASHTO M270M/M270 Grade HPS 50W or 345W Structural Steel Plate	\$1.06
14	ASTM A709/A709M Grade HPS 70W / AASHTO M270M/M270 Grade HPS 70W or 485W Structural Steel Plate	\$1.13
15	ASTM A514/A514M-05 Grade HPS 100W / AASHTO M270M/M270 Grade HPS 100W or 690W Structural Steel Plate	\$1.74
16	ASTM A992/A992M Grade 50S / AASHTO M270M/M270 Grade 50S or 345S Structural Steel Plate	\$1.02
17	ASTM A992/A992M Grade 50S / AASHTO M270M/M270 Grade 50S or 345S Structural Steel Shapes	\$0.91
18	ASTM A276 Type 316 Stainless Steel	\$5.18
19	ASTM A240 Type 316 Stainless Steel	\$5.18
20	ASTM A148 Grade 80/50 Steel Castings (See Note (8) below.)	\$1.79
21	ASTM A53 Grade B Structural Steel Pipe	\$1.13
22	ASTM A500 Grades A, B, 36 & 50 Structural Steel Pipe	\$1.13
23	ASTM A252, Grades 240 (36 KSI) & 414 (60 KSI) Pipe Pile	\$0.89
24	ASTM 252, Grade 2 Permanent Steel Casing	\$0.89
25	ASTM A36 (AASHTO M183) for H-piles, steel supports and sign supports	\$0.96
26	ASTM A328 / A328M, Grade 50 (AASHTO M202) Steel Sheetpiling	\$1.71
27	ASTM A572 / A572M, Grade 50 Sheetpiling	\$1.71
28	ASTM A36/36M, Grade 50	\$0.98
29	ASTM A570, Grade 50	\$0.96
30	ASTM A572 (AASHTO M223), Grade 50 H-Piles	\$0.98
31	ASTM A1085 Grade A (50 KSI) Steel Hollow Structural Sections (HSS), heat-treated per ASTM A1085 Supplement S1	\$1.13
32	AREA 140 LB Rail and Track Accessories	\$0.59

NOTE: Steel Castings are generally used only on moveable bridges. Cast iron frames, grates and pipe are not "steel" castings and will not be considered for price adjustments.

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