

**PAVEMENT PRESERVATION  
CRACK SEALING**

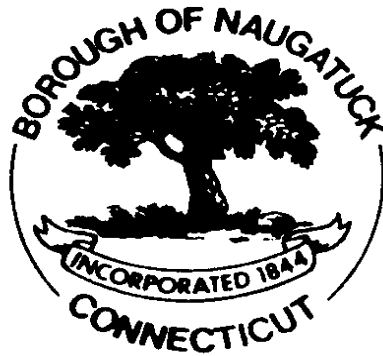
**NAUGATUCK, CONNECTICUT**

**Contract No. 12-12**

**CONTRACT DOCUMENTS**

**PREPARED BY THE  
BOROUGH OF NAUGATUCK  
CONNECTICUT**

**March 2012**



# **BOROUGH OF NAUGATUCK**

## **INVITATION TO BID**

### **Borough of Naugatuck**

Sealed bids will be received by the Purchasing Agent, Town Hall, 229 Church Street, Naugatuck, CT 06770 on or before Monday, April 23, 2010 at 11:00 A.M. for supplying the Borough of Naugatuck with the following projects:

#### **Contract No. 12-12; Pavement Preservation Crack Sealing**

The Contract Documents may be examined at the Office of the Purchasing Agent, Town Hall, 229 Church Street, Naugatuck, CT 06770.

Copies of the specifications may be obtained at the Office of the Purchasing Agent upon submission of a non-refundable plan deposit in the form of a check or money order payable to the Borough of Naugatuck in the amount of \$50.00 per set. Plans and specifications can also be obtained at no cost from the Borough of Naugatuck web site <http://www.naugatuck-ct.gov/content/77/1629/default.aspx> All firms obtaining plans and specifications must submit contact information by e-mail to [whozer@naugatuck-ct.gov](mailto:whozer@naugatuck-ct.gov)

The Borough of Naugatuck reserves the right to waive any informalities or to reject any or all bids.

No Bidder may withdraw his bid within (90) days after the actual date of the opening thereof.

**SPECIFICATIONS**

**STANDARD SPECIFICATIONS**

The material and construction methods for the work specified in this contract shall conform with the applicable provisions of the State of Connecticut, Department of Transportation specifications entitled “*STANDARD SPECIFICATIONS FOR ROADS, BRIDGES AND INCIDENTAL CONSTRUCTION*”, Form 816, 2004, as revised by the Supplemental Specifications dated January, 2007 (otherwise referred to collectively as “ConnDOT form 816”) unless modified by the Special Provisions contained herein. “ConnDOT form 816” is hereby made part of this contract. Form 816 may be purchased from:

Connecticut Department of Transportation  
Manager of Contracts  
2800 Berlin Turnpike, Newington, Connecticut 06111

All references to Commissioner, Department, Engineer, and State anywhere within the Form 816 shall be interpreted to mean the Borough of Naugatuck or a duly authorized agent of the Borough. Any questions or ambiguity regarding any definitions shall be brought to the immediate attention of the Borough.

## SECTION A

### INFORMATION FOR BIDDERS

#### Borough of Naugatuck

#### Contract No. 12-12; Pavement Preservation Crack Sealing

##### 1. Proposals Received

Sealed proposals for the Bituminous Surface Treatments will be received by the Purchasing Office, Borough of Naugatuck, 229 Church Street, Naugatuck, CT 06770 until Monday, **April 23, 2012 at 11:00 A.M.** local time. Immediately following the bids will be publicly opened and read aloud.

##### 2. Location and Description of Work

These specifications will provide a basis for the furnishing of all materials, equipment, labor, transportation, testing and other goods and services necessary to complete asphalt road Crack Sealing in the Borough of Naugatuck.

##### 3. None

##### 4. Plans and Specifications

Copies of the Specifications may be seen and obtained at the Purchasing Office, Borough of Naugatuck, 229 Church Street, Naugatuck, CT 06770

The construction contract for the **Contract No. 12-12; Pavement Preservation Crack Sealing** will be entered into by the successful bidder and the Borough of Naugatuck. The State of Connecticut Department of Transportation Standard Specifications for Roads, Bridges and Incidental Construction, Form 816, 2004 along with supplemental specifications contained herein will detail the general requirements for materials, methods of installation, measurement and basis of payment to be required in this project. Any references to the State of Connecticut, the Department, the commissioner, Engineer, or other terms indicating the State of Connecticut and her agents as party to the contract shall for this project mean the Borough of Naugatuck and her designated agents or employees.

Where insurance is required to be carried in the name of the State of Connecticut and the State of Connecticut is to be held harmless, this shall be done in the name of the Borough of Naugatuck and the Borough of Naugatuck shall be held harmless.

All requirements for material testing, certificates of the compliance, or material certifications shall be done as if this were a contract being entered into with the State of Connecticut.

It is the intent of this contract to maintain all standard requirements of Form 816 without attempting to redefine every term within the 816 to the "Borough of Naugatuck".

The bidder shall, therefore, be aware that the Borough of Naugatuck and her agents shall inspect and administrate this contract, make contract interpretations, determine the acceptability of the work and approve requests for payments. The

Contractor shall be responsible for the requirements stated in Form 816 and in the construction drawings.

#### 5. Addenda and Interpretations

No interpretations of the meaning of the Specifications, or other pre-bid documents will be made to any Bidder orally.

Every request for such interpretation shall be in writing, addressed to Mr. James Stewart, P.E., Borough of Naugatuck, Department of Public Works Office, 246 Rubber Ave. Naugatuck, CT 06770. To be given consideration, such requests must be received at least six (6) days prior to the date fixed for the opening of bids. Any and all such interpretations and any supplemental instructions will be in the form of written addenda to the specifications, which, if issued, will be mailed by certified mail with return receipt requested to all prospective Bidders, at the respective address furnished for such purposes, not later than four (4) days prior to the date fixed for the opening of bids. Failure of any Bidder to receive any such addendum or interpretations shall not relieve such Bidder from any obligation under his bid as submitted. All addenda so issued shall become part of the Contract Documents.

#### 6. Familiarity of the Work

Each Bidder shall fully inform himself prior to bidding as to existing conditions and limitations under which the work is to be performed, and shall include in his bid a sum to cover the cost of items necessary to perform the work as set forth in the Contract Documents. No allowance will be made to a Bidder because of lack of such examination or knowledge. The submission of a bid will be considered as conclusive evidence that the Bidder has made such examination.

The Owner assumes no responsibility whatsoever with respect to ascertaining for the Contractor such facts concerning physical characteristics at the site of the project.

The Contractor agrees that he shall make no claim for and has no right to additional payment or extension of time for completion of the work, or any other concessions, because of any interpretations or misunderstanding on his part of this Contract, or because of any failure on his part to fully acquaint himself with all conditions relating to the work.

#### 7. None

#### 8. Estimate of Work

For bidding purposes, the work has been subdivided into unit price items. The quantities shown below are to be considered as approximate only. The Inspector does not expressly or by implication agree that the actual quantity(ies) will correspond therewith, but reserves the right to increase or decrease the amount of any Item or portion of the work as may be deemed necessary.

#### 9. Qualification of Bidders

A Bidder shall be a contractor who is experienced in the construction of the projects of this type. The Proposal shall contain adequate proof of the qualifications of the Bidder to perform, in a satisfactory manner and within the time specified, all the work covered by the Plans and Specifications. This proof shall be fully recorded on the pages titled "References", which shall become part of the Proposal.

## 10. Disqualification of Bidders

More than one proposal from an individual, firm, partnership, corporation, or an association under the same, or different, names will not be considered. Reasonable grounds for believing that any Bidder is interested in more than one proposal for the work contemplated will cause the rejection of all proposals in which such Bidder is interested. Any or all proposals in which such Bidder is interested will be rejected if there is reason for believing that collusion exists among the Bidders; and all participants in such collusion will not be considered in future proposals for the same work. Proposals in which the prices are obviously unbalanced may be rejected. No Contract will be awarded except to competent Bidders capable of performing the class or work contemplated.

## 11. Preparation of Proposals

The Proposal must be made upon the forms contained herein. The blank spaces in the Proposals must be filled in correctly where indicated. The Bidder must state, both in words and in numerals, written or printed in ink, the prices for which he proposes to do each Item of the work contemplated. In case of discrepancy between the words and the numerals, the words shall govern. Ditto marks are not considered writing, or printing, and shall not be used. The Bidder shall sign his Proposal correctly. If an individual makes the Proposal, his name and post office address must be shown. If made by a firm, partnership, or corporation, the Proposal must be signed by an official of the firm, partnership, or corporation authorized to sign contracts, and must show the post office address of the firm, partnership, or corporation.

Each bid must be submitted in a sealed envelope bearing on the outside the name of the Bidder, this address, and name of the project for which the bid is submitted. If forwarded by mail, the sealed envelope containing the bid must be enclosed in another envelope addressed to: Purchasing Office, Borough of Naugatuck, City Hall, 229 Church Street,

Naugatuck, CT 06770.

## 12. Irregular Proposals

The Borough of Naugatuck reserves the right to reject any proposals if they show any omission, alteration of form, additions not called for, conditional bids, or irregularities of any kind.

## 13. None

## 14. Withdrawal of Proposals

If a Bidder wishes to withdraw his Proposal, he may do so before the time fixed for the opening of bids by communicating his purpose to the office of the Mayor. Upon such notice, the Proposal will be handed to him unopened.

## 15. None

## 16. None

## 17. None

## 18. Responsibility of the Contractor

Attention is hereby particularly directed to the provisions of the Contract and Specifications whereby the Contractor shall be responsible for any loss or damage

that may happen in the work, or any part thereof, during its progress and also whereby the Contractor shall make good any defects for faults that may occur within one (1) year after date of final estimate. He shall indemnify and save harmless the Owner and Engineer from any damages or costs to which they may be put by reason of injury to the person or property of another resulting from negligence or carelessness in the performance of the work under this Contract.

## 19. Insurance

Before execution of the Contract, the Bidder will be required to file with the Borough of Naugatuck a certificate of insurance. The certificate, executed by an insurance company satisfactory to the Borough of Naugatuck shall name the Borough of Naugatuck and the State as additional insured parties on the form furnished with these specifications. The "Certificate of Insurance" shall state that at a minimum, with respect to the contract, the bidder carries insurance in accordance with the requirements and stipulations listed below.

Unless requested otherwise by the Borough of Naugatuck, the Bidder and its insurer shall not assert the defense of governmental immunity in the adjustment of claims or in the defense of any claim or suit brought against the Borough of Naugatuck and the State. The Bidder shall assume and pay all cost and billing for premiums and audit charges earned and payable under the required insurance.

A. Workmen's Compensation Insurance: With respect to all operations the Bidder performs and all those performed for it by subcontractors, the Bidder shall carry workmen's compensation insurance in accordance with the requirements and the laws of the State.

B. Contractor's Public Liability and Property Damage Insurance: With respect to the Project operations the Bidder performs and also those performed for it by subcontractors, the Bidder shall carry regular Contractor's Public Liability Insurance. The insurance shall provide coverage for each accident or occurrence in the amount of \$1,000,000 for all damages resulting from (1) bodily injury to, or death of, persons and/or (2) injury to or destruction of property. Subject to that limit per accident or occurrence, the policy shall provide a total or aggregate coverage of \$2,000,000 for all damages during the policy period.

C. Automobile Liability Insurance: The operation of all motor vehicles, including those hired or borrowed, used in connection with the project, shall be covered by Automobile Liability Insurance. The insurance shall provide coverage for each accident or occurrence in the amount of \$500,000 for all damages resulting from (1) bodily injury to, or death of, persons and/or (2) injury to or destruction of property. If an insurance policy shows an aggregate limit as part of the automobile liability coverage, the aggregate limit must be at least \$1,000,000.

D. With respect to the project operations the Bidder performs and also those performed for it by subcontractors, the Bidder shall carry for and on behalf of the Borough of Naugatuck, and State, insurance which shall provide coverage for each accident or occurrence in the amount of \$2,000,000 for all damages resulting from (1) bodily injury to or death of person and/or (2) injury to or destruction of property. Subject to that limit per accident or occurrence, the policy shall provide a total or aggregate coverage of \$2,000,000 for all damages during the policy period.

E. Railroad's Protective Liability Insurance: When the contract involves work on, over or under the right of way of any railroad company, the Bidder shall, with respect to the project operations it performs and also those performed for it by subcontractors, carry Railroad Protective Liability Insurance for and on behalf

of the railroad company. The insurance shall provide coverage for each accident and occurrence in the amount of \$2,000,000 for all damages resulting from (1) bodily injury to or death of persons and/or (2) injury to or destruction of property. Subject to that limit per accident or occurrence, the policy shall provide a total or aggregate coverage of \$6,000,000 for all damages during the policy period.

F. Blasting: When explosives are to be used in the prosecution of the work, the insurance required under paragraphs b, d and e above shall also contain provisions for protection, in the amounts state, against damage claims due to such use of explosives.

G. Termination or change of Insurance: Each insurance policy shall be endorsed to provide that the insurance company shall notify the Borough of Naugatuck by certified mail at least thirty (30) days in advance of termination, or any change in the policy. No such change shall be made without prior written approval of the appropriate Official.

H. Claims: Each insurance policy shall state that the insurance company shall agree to investigate and defend the Borough of Naugatuck and State against all damages, even if groundless.

I. Compensation: There shall be no direct compensation allowed the Bidder on account of any premium or other charge necessary to take out and keep in effect all insurance or bonds, but the cost thereof shall be considered included in the general cost of the work.

## 20. Care and Protection of Property

The Contractor shall take particular care to avoid damages to all private property and to private improvements within the Boroughs' right of way. He shall make good any damages to the satisfaction of the Inspector. There shall be no additional compensation for the repair or restoration of private property, or private improvements, within the Boroughs' right of way.

## 21. Sales Tax

Certain materials and supplies incorporated in the work of this project are exempt from Connecticut Sales Tax. The Bidder shall familiarize himself with current regulations of the State Tax Department. The tax on materials or supplies exempted by such regulations shall not be included as part of the bid. The Owner will furnish the successful Bidder a sales tax exemption number.

## 22. Compliance with Federal and State Regulations

The Contractor shall be responsible for full compliance with any Federal and/or State laws, regulations and standards, as applicable to any project fully or partially funded by State and/or Federal funding agency. This project is funded, in part, by the State and Federal government.

## 23. Permits

All licenses and permits for complying with any applicable Federal, State, and Municipal laws, codes and regulations in connection with the prosecution of the work shall be obtained by the Contractor, at no additional cost to the Owner.

## 24. None

## 25. Contractor's Right to Terminate Work



If the work should be stopped under an order of any court or other public authority, for a consecutive period of not less than thirty (30) days, through no act or fault of the Contractor or of anyone employed by him, then the Contractor may terminate this Contract and recover from the Owner payment for all work executed.

26. None

27. None

28. Right to Reject

The Owner reserves the right to reject any or all proposals or to accept any bid, should it deem it to be in the best interest of the Owner

**SECTION B**  
**PROPOSAL**

The undersigned, as Bidder, declares that no person or persons, other than those named herein, are interested in this Proposal; that this Proposal is made without collusion with any person, firm or corporation; that he has carefully examined the location of the proposed work, the proposed Form of Contract, and the Contract Drawings therein referred to; that no person or persons acting in any official capacity for the Owner is directly or indirectly interested therein or in any portion of the profit thereof; and that he proposes and agrees, if this Proposal is accepted, to execute the Form of Contract with the Owner; to provide all necessary equipment, tools, and other means of construction, and to do all work and furnish all materials specified in the Contract, in the manner and time therein prescribed, and according to the requirements of the Borough of Naugatuck Inspector as therein set forth, and that he will take in full payment therefore, the following unit prices and lump sums, to wit:

The Bidder acknowledges receipt of the following addenda:

Addendum No. \_\_\_\_\_ Dated: \_\_\_\_\_

Addendum No. \_\_\_\_\_ Dated: \_\_\_\_\_

The undersigned agrees that he shall execute the Contract within the ten (10) days after the date of award, and shall commence work within the ten (10) days after date of the Notice to Proceed and shall progress therewith to its entire completion within the time stipulated in the Contract.

The Bidder agrees that this bid shall be good and may not be withdrawn for a period of ninety (90) days after the scheduled closing time for receiving bids.

The undersigned is aware that the Borough of Naugatuck may reject any and all bids in whole or in part; that the Borough may waive technical defects, irregularities and omissions; that the award will be based on the combination of items that will best serve the interest of the Borough; that the bid price does not include any taxes for which the Borough is not liable; and that acceptance of the bid will establish no exclusive contract by which the Borough of Naugatuck will be required to purchase from the undersigned.

The undersigned claims without reservation that his/her bid is made without collusion with any other person, individual or corporation.

Bid Item quantities for unit price bid items are not guaranteed. Final payment will be based on actual installed quantities. Items not specifically identified for payment in the Bid Form shall be assumed to be included in the work effort of other bid items and shall not be paid or requested for payment separately.

**BOROUGH OF NAUGATUCK**

**RANDOM CRACK SEALING  
BID CALCULATION**

Item	Quantity	Bid Price per Pound
Polyester reinforced Asphalt Crack Sealing - Installed per specification	< 2,500 Pounds/Day	\$
	> 2,500 Pounds/Day	\$

(Anticipated Annual Quantity = 7,500 pounds)

Asphalt price adjustment per exhibit #2B shall be applied only at submission of invoice. Base average terminal price is \$595.00 per ton.

Company Name \_\_\_\_\_

Corporate Seal

Address \_\_\_\_\_

\_\_\_\_\_

Telephone \_\_\_\_\_ Fax No. \_\_\_\_\_

Signature: \_\_\_\_\_

Print Name: \_\_\_\_\_

Title: \_\_\_\_\_

Tax Identification Number: \_\_\_\_\_

**SECTION C**

**REFERENCES/QUALIFICATIONS**

The Bidder is required to fill out the following form to enable the Owner to make inquiries and judge as to the Bidder's experience, skill, available financial resources, credit, and business standing.

1. Number of years the bidder has been in business as a General Contractor: \_\_\_\_\_

2. Has the Bidder ever failed complete work awarded; and if so, state where and why:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

3. Does the Bidder plan to sublet any part of this work; and if so, give details:

\_\_\_\_\_

\_\_\_\_\_

4. List equipment Bidder owns that is available for this project:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

5. List equipment the Bidder plans to rent or purchase for this project:

\_\_\_\_\_

\_\_\_\_\_

\_\_\_\_\_

Major Material Supplier: \_\_\_\_\_

\_\_\_\_\_

**BOROUGH OF NAUGATUCK**

**CONTRACTOR'S QUALIFICATION SUMMARY**  
**Random Crack Sealing**

The bidder is required to submit this summary with his bid in order that the Borough of Naugatuck may properly evaluate the qualifications of the Contractor. Failure to submit this summary in proper form will be cause of rejection of the bid. The Contractor is required to have successfully completed, with the specified material, six projects within the last three years totaling a minimum 500,000 pounds.

<b>Owners Name</b>	<b>Year Completed</b>	<b>Project Number</b>	<b>Quantity Applied</b>	<b>Person to Contact Name/Telephone</b>

**Vendor Name:** \_\_\_\_\_

**RANDOM CRACK SEALING BY  
POLYESTER REINFORCED ASPHALT METHOD**

1. Scope of Work

The work covered by this section of the specification consists of furnishing all plant, labor equipment and materials necessary to perform all operations in connection with the cleaning and sealing of construction and random cracks in bituminous concrete pavements, including vegetation removal.

2. Material

Crack Sealer shall be an asphalt-fiber compound designed especially for improving strength and performance of the parent asphalt sealant.

(a) Asphalt sealant shall be PG64-22 binder with a penetration of 75-100.

(b) Fiber reinforcing materials shall be short-length polyester fiber having the following properties.

Length	7mm
Diameter	0.0008 inch plus or minus .0001 inch
Specific Gravity	1.32 to 1.40
Melt Temperature	480 degrees F. minimum
Ignition Temperature	1000 degrees F. minimum
Tensile Strength	75000 PSI plus or minus 5000 PSI
Break Elongation	33% plus or minus 9% they are fully drawn

Asphalt-fiber compound shall be mixed at a rate of 5-8% fiber weight to weight of asphalt cement. This compound having the same chemical base provides compatibility and excellent bond strengths. The fiber function is to redistribute high stress and strain concentrations that are imposed on the sealant by thermal sources, traffic loading, etc.

3. Equipment

Equipment used in the performance of the work required by this section of the specification shall be subject to the engineer and maintained in a satisfactory working condition at all times.

(a) Air Compressor: Air compressor shall be capable of furnishing not less than 150 cubic feet of air per minute at not less than 90 lbs. per square inch pressure at the nozzle. The compressor shall be equipped with traps that will maintain the compressed air free of oil and water.

(b) Hand tools shall consist of brooms, shovels, metal bars with chisel shaped ends, and any other tools which may be satisfactorily used to accomplish this work.

(c) Melting Kettle & Extruder: The unit used to melt the joint sealing compound shall be double boiler, indirect fired type. The space between the inner and outer shell shall be filled with a suitable heat transfer oil or substitute having a flash point of not less than 600 degrees F. The kettle shall be equipped with a satisfactory means of agitating the sealant and stirring with mechanically operated paddles and/or by a continuous circulating gear pump attached to the thermostatic control calibrated between 200 degrees F. and 550 degrees F.

(d) Air wands with operator shall be incorporated with 150 cubic foot compressor to clean cracks immediately before filling with polyester reinforced asphalt material.

(e) Extruder shall be able to fill cracks with two wands. Each wand shall have removable heads so that variable width over-band from 2 to 4 inches may be installed.

(f) All equipment shall be truck mounted and capable of extruding six thousand pounds per day.

#### 4. Preparation of cracks

(a) Debris removal: All cracks shall be blown clean by high pressure air. All old material and other debris removed from the cracks shall be removed from pavement surface immediately by means of power sweepers or hand brooms or air brooms.

(b) Vegetation: When cracks show evidence of vegetation, it shall be removed and sterilized by use of propane torch unit eliminating all vegetation, dirt, moisture and seeds.

(c) General: No crack sealing material shall be applied in wet cracks or where frost, snow or ice is present nor when ambient temperature is below 35 degrees F.

#### 5. Preparation and placement of sealer

Joint sealing material shall be heated and applied at a temperature specified by the manufacturer and approved by their engineer. Minimum application temperature shall be 290 degrees F.

Sealer shall be delivered to the pavement surface through a pressure hose line and applicator shoe. The shoe width and sealer over banding area shall vary from 2" - 4" dependent on severity of cracks. When traffic requires immediate use of the roadway, a boiler slag aggregate shall be broadcast over cracks to prevent sealer pickup.

#### 6. Workmanship

All workmanship shall be of the highest quality, and excess or spilled sealer shall be removed from the pavement by approved methods and discarded. Any workmanship determined to be below the high standards of the particular craft involved will not be accepted, and will be corrected and/or replaced as required by the engineer in charge.

7. Performance

It is the intention of the Public Agency not to award a contract for this work under this or any other proposal if the bidder cannot furnish satisfactory evidence that he has the ability and experience to perform this class of work and that he has sufficient capital and equipment to enable him to prosecute the work successfully and to complete it within the time named in the contract. The Contractor must submit with his bid proposal a list of six (6) jobs which he has successfully completed, giving the name, address, phone number, and contact person, of these projects so they can be investigated prior to the award of the contract.

Manufacturer's certificate of material compliance will be furnished to the Owner certifying conformance to the above material specifications.

Bidder must own, operate, and supply from a regional approved Department of Transportation facility.

8. Measurement of payment

Measurement for this bid unit shall be by the pound and shall be the actual number of pounds of polyester asphalt material applied to the pavement. Payment shall be a the unit price bid in the proposal and shall be complete payment for the entire item including furnishing, preparation and placing of materials including labor and equipment to be used on this project. Daily certified scale tickets will be provided to the owner documenting the number of pounds applied. The owner reserves the right to verify product weight twice daily using locally available certified truck scales, the cost of which shall be borne by the bidder. (Pounds only)

9. Traffic Control

Flagmen and all necessary signage and neighborhood notification of intended work shall be the responsibility of the Borough of Naugatuck DPW.



**EXHIBIT 2B**  
**Page 1 of 1**

**LIQUID BITUMINOUS MATERIALS (Crack Sealing)**  
**SPECIFICATION**

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**ASPHALT PRICE ADJUSTMENTS: PG64-22 + FIBERS**

1. Asphalt price adjustments allowed will be based on the January 2007 average of the F.O.B. terminal price per ton of unmodified PG 64-22 binder without anti-stripping agent (base average F.O.B. terminal price). The new monthly average terminal price will be determined based on price of pre-approved primary sources of performance graded binder.

The March 2012 average shall be \$595.00 per ton.

NOTE: The same grade of asphalt cement used in establishing the base average F.O.B. terminal price shall be used in establishing the new average F.O.B. terminal price.

2. The new average F.O.B. terminal price will be determined based on the above F.O.B. terminal prices posted on the 20<sup>th</sup> of each month, hereafter known as the “Adjustment Date”, starting at time of submission of bid. However, asphalt price adjustments, in accordance with the formula below, will be effective for deliveries made on and after the first of the month (i.e., May 1, 2007) following the adjustment date.

3. The unit prices of bituminous materials purchased from any award based on this specification will be subject to adjustment based on the following formula:

$$\boxed{\text{New Average FOB Terminal Price/Ton}} - \boxed{\text{Base Bid Average Terminal Price/Ton}} \times \boxed{\text{Total Allowable Petroleum \% Crack Sealing (95\%)}} = \boxed{\text{Price Adjustment (Per US Ton)}}$$

**NEW MONTHLY AVERAGE F.O.B TERMINAL PRICE:**

The average F.O.B terminal price for unmodified PG 64-22 binder without anti-stripping agent as determined by the Department of Transportation Standard Specification, or certified F.O.B. tickets.

**BASE AVERAGE F.O.B TERMINAL PRICE**

The average F.O.B. terminal price of unmodified PG 64-22 binder without anti-stripping agent as determined by the Department of Transportation as of bid submission date.

**TOTAL ALLOWABLE PETROLEUM:**

The percentage of total allowable petroleum for each item is as follows:

PG64-22 (Item #4)	Asphalt %	Petroleum Allowance %	Total Allowable Petroleum %
	95%	0	95%

Asphalt price adjustments will not be allowed for materials, which do not have an asphalt cement base.

**EXAMPLE:**

Item PG64-22 + Fibers

New Avg. Price	Base Avg. Price	Total allowable	Price Adjustment
<u>\$319.00/Ton</u>	<u>\$309.00/Ton</u>	Petroleum Crack	(per pound)
2,000		Sealing 95%	

Positive Price Adjustment number shall be added to original per pound Bid Price.

Negative Price Adjustment number shall be subtracted from original per pound Bid Price.

**OPTION YEARS:**

This section is not to be used to determine low bidder.  
The Borough of Naugatuck reserves the right to exercise option year.

Bidder shall indicate below if any pricing may either increase or decrease in the optional years of the contract agreement:

\_\_\_\_\_ Yes, pricing may increase or decrease in the option years.

\_\_\_\_\_ No, pricing will not increase or decrease in the option years.

If pricing may increase or decrease in the option years, bidder shall indicate below the maximum percentage of the potential increases or decreases for each option year.

Option Year	Maximum % Increase Per Unit/Tons	Maximum % Increase Per Unit/Gallons
1	%	%
2	%	%
3	%	%
4	%	%

VENDOR NAME: \_\_\_\_\_

AUTHORIZED SIGNATURE: \_\_\_\_\_