

New Jersey Turnpike Authority

P.O. Box 5042, Woodbridge, NJ 07095



September 26, 2025

Document Change Announcement

2016 Standard Supplementary Specifications

Steel Price Adjustment Opt Out

DCA2025SS-08

Subject: Revisions to

Section 108 Measurement And Payment, Subsection 108.11 Steel Price Adjustment

Description of Change:

This DCA adds an opt-out clause to the steel price adjustment pay item.

Notice to New Jersey Turnpike Authority Staff and Design Consultants

Effective immediately, all contracts currently in the design phase shall incorporate the revisions herein. For advertised contracts awaiting the opening of bids this revision shall be incorporated via addendum. Contact your New Jersey Turnpike Authority Project Manager for instruction.

The revisions may be accessed on the Authority's webpage: <https://www.njta.com/doing-business/professional-services>

Recommended By:

(signature on original)

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Distribution: Senior Staff Engineering, Law, Maintenance & Operations Depts., All Prequalified Consultant Firms, File

NOTE: All text herein are REVISIONS, as indicated by the tracked changes, to the latest version of the 2016 Standard Supplementary Specifications.

SECTION 108 – MEASUREMENT AND PAYMENT

108.11 Steel Price Adjustment

The Authority will make a steel price adjustment for Items listed in Table 108-2 using the price index indicated for the Pay Item. This adjustment is based solely on the mill-provided steel.

The Contractor may opt out of a steel price adjustment for one or more of the categories of structural steel, reinforcement steel, or piles, shown in Table 108-2, by providing the Engineer with a list of those categories to which the Contractor does not want to apply the steel price adjustment. Provide the list within 5 business days following the preconstruction meeting. Ensure the list identifies all items in each opt out category by pay item number, unit code, and pay item description. Only entire categories will be considered. Only the items listed will be excluded for a price adjustment. Failure to submit the list within the specified time will result in losing the opportunity to opt out of the steel price adjustment. The steel price adjustment will always apply to beam guide rail, rub rail, and sign structures.

[NOTE TO DESIGNER: Contract must contain 1,000,000 pounds (or 500,000 pounds for contracts with a 3 year or greater duration from award to completion) or a combination of the below Pay Items except that BEAM GUIDE RAIL, RUB RAIL, OVERHEAD SIGN STRUCTURE and CANTILEVER SIGN STRUCTURE will always be included without meeting the pound requirement. Remove Pay Items that do not qualify. Use Form NJTA-SSS-108A found on the NJTA website under Supplemental Links to calculate the no-bid price.]

Table 108-2 Steel Price Adjustment		
Pay Item	Price Index (BS & MS)	Cost Basis (CB) \$/Lb
Structural Steel	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101702	
Reinforcement Steel	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101704	
Reinforcement Steel, Epoxy-Coated	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101704	
Reinforcement Steel, Galvanized	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101704	
Reinforcement Steel, Stainless Steel	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101704	
Furnishing Steel Piles	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Hot Rolled Steel Bars, Plates and Structural Shapes WPU 101702	

Beam Guide Rail	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101702	
Rub Rail	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101702	
Overhead Span Sign Support Structure ____	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101702	
Overhead Cantilever Sign Support Structure ____	US Dept. of Labor, Bureau of Labor Statistics - Producer Price Index for Semifinished Steel Mill Products WPU 101702	

For a noted price index, the Authority will use the final published price index and will not use preliminary price information.

Price adjustments may result in an increased payment to the Contractor for increases in the price index and may result in a reduction in payment for decreases in the price index.

When the Monthly Steel Price Index is greater than the Benchmark Steel Index, the Authority will calculate Steel Price Adjustment using the following formula:

$$S = [(BS-MS)+(BS \times 0.10)]/(-BS) \times CB \times W$$

When the Monthly Steel Price Index is less than the Benchmark Steel Price Index, the Authority will calculate Steel Price Adjustment using the following formula:

$$S = [(MS-BS)+(BS \times 0.10)]/(BS) \times CB \times W$$

Where:

S = Steel Price Adjustment (Dollars)

BS = Benchmark Steel Price Index – the preliminary steel price index for the month before the project is bid

MS = Monthly Steel Price Index - the steel price index for the month steel is shipped from the mill

CB = Cost Basis (\$/Lb) Determined from the New Jersey Department of Transportation's website.

W = Weight of Steel (Lb)

The New Jersey Department of Transportation will post the Monthly Steel Price Index every month on their website.

A price adjustment will only be made for price increases when $(MS-BS)/BS > 10\%$, and a price adjustment will only be made for price decreases when $(BS-MS)/BS > 10\%$.

With each delivery of steel, submit to the Engineer documentation from the fabricator or supplier which details the following information:

1. Weight of the steel shipped from the mill to the fabricator or supplier
2. Date of the shipment
3. Item description and Item number(s) for which the steel is associated.

If the documented steel weight is for more than one Pay Item, provide the Engineer with the weight attributed to each Pay Item.

Provide the documentation to the Engineer within 60 days from the date of the shipment. The Authority will not make a price adjustment for steel shipped before the bid date.

The Authority will make a price adjustment for the Pay Item "Structural Steel" based on the weights listed in Table 108-3. If the steel for an Item is shipped on dates having different monthly index prices, the Authority will proportionately adjust the weight used in the calculation of the price adjustment by multiplying the weight shipped by the ratio of the weight for the Pay Item listed in Table 108-3 to the sum total of weight shipped for that Pay Item. If the weight of steel estimated for a structure in Table 108-3 differs from the actual weight by more than 10%, the Authority will make a price adjustment based on the actual weight.

Table 108-3 STRUCTURAL STEEL		
Structure	Item No.	Weight (Lb)

The Authority will make a price adjustment for the Pay Items Overhead Span Sign Support Structure and Overhead Cantilever Sign Support Structure based on the weights listed in Table 108-4. If the steel for an Item is shipped on dates having different monthly index prices, the Authority will proportionately adjust the weight used in the calculation of the price adjustment by multiplying the weight shipped by the ratio of the weight for the Item listed in Table 108-4 to the sum total of weight shipped for that Item. If the weight of steel estimated for a structure in Table 108-4 differs from the actual weight by more than 10%, the Authority will make a price adjustment based on the actual weight.

Table 108-4		
Overhead and Cantilever Sign Structure Number	Item No.	Weight (Lb)

The Authority will make a price adjustment for reinforcement steel only for steel provided in association with the Reinforcement Steel Pay Items. The Authority will make a price adjustment for reinforcement steel based on the weight of reinforcement indicated in the Proposal for a Pay Item as adjusted by Change Orders. If the steel for a Pay Item is shipped on dates having different monthly index prices, the Authority will proportionately adjust the weight used in the calculation of the price adjustment by multiplying the weight shipped by the ratio of the weight for the Pay Item to the sum total of weight shipped for that Pay Item.

The Authority will make a price adjustment for piles based on the weight of steel furnished for pipe piles and for steel H-piles based on the Engineer's order list. The weight of steel furnished for piles will not include the weight for ancillary materials such as pile shoes, and splice collars.

The Authority will make a price adjustment for Beam Guide Rail (including posts) and Rub Rail based on the weight of steel furnished. The weight will not include coating. The weight does not include associated hardware and the weight of end treatments.

If the preliminary monthly steel price index increases 100% or more over the Benchmark Steel Price Index, do not order more steel without written approval from the Engineer. The Engineer will determine if work will continue based on the Steel Price Index increase.

There will be no increase to Steel Price Adjustment if the work is behind schedule by fault of the Contractor.

Payment will be made under:

<i>PAY ITEM.....</i>	<i>PAY UNIT</i>
STEEL PRICE ADJUSTMENT (NO-BID)	USD

Pay Items not listed within Table 108-2 will not be subject to the "Steel Price Adjustment".