

Department of Transportation

Mitchell Region Office

PO Box 1206
Mitchell, SD 57301-7206 605/995-8129
FAX: 605/995-8135

January 11, 2011

June Hansen
Civil Rights Officer
Department of Transportation
700 Broadway Avenue East
Pierre, South Dakota 57501

RE: 000I-271, Minnehaha & Lincoln Counties – PCN I23A, I23B & I23C
Mowing of I29, I90 and I229 around Sioux Falls

June,

Enclosed is a Contract Proposal and plans for the above referenced project that is being let to contract by the informal bidding procedure in the Mitchell Region on February 1, 2011.

We have sent a proposal to the DBE/WBE Contractors listed below:

Guardrail Enterprises Inc.

If you know of any other interested Contractors, please advise us.

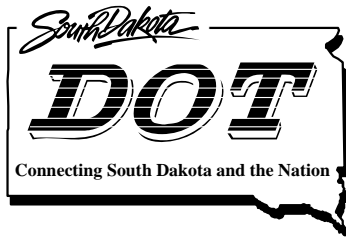
Very truly yours,

DEPARTMENT OF TRANSPORTATION

Thomas L. Week
Region Engineer

Monte D. Rice
Region Design Engineer

cc: Humphrey – Construction and Maintenance
Smith/Carlson/Aalberg/Vandam – Sioux Falls Area



Department of Transportation

Mitchell Region Office

PO Box 1206
Mitchell, SD 57301-7206 605/995-8129
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January 11, 2011

TO: Interested Bidders

RE: 000I-271, Minnehaha & Lincoln Counties – PCN I23A, I23B & I23C
Mowing of I29, I90 and I229 around Sioux Falls

The South Dakota Department of Transportation (SDDOT) desires to solicit bids for mowing along Interstate 29, 90 & 229 looping the City of Sioux Falls. Refer to the enclosed plans for location and details of the work to be done.

A Contract Proposal (DOT 123) form is enclosed for submission of your bid. Be sure to have the form signed and notarized as indicated on the form. FAX bids will not be accepted.

The Department of Transportation in accordance with Title VI of the Civil Rights Act of 1964, 78 Stat. 252, 42 U.S.C. 2000d to 2000d-4 and Title 49, Code of Federal Regulations, Department of Transportation, Subtitle A, Office of the Secretary, Part 21, Nondiscrimination in Federally-assisted programs of the Department of Transportation issued pursuant to such Act, hereby notifies all bidders that it will affirmatively insure that in any contract entered into pursuant to this advertisement, minority business enterprises will be afforded full opportunity to submit bids in response to this invitation and will not be discriminated against on the grounds of race, color, religion, national origin, sex, age or disability in consideration for an award.

A Special Provision for Fuel Cost Adjustment is included in the Proposal. Bidders are required to submit the DOT-208 Fuel Adjustment Affidavit (Attachment A) at the time of bidding.

If you submit a bid for this project, a bid bond, certified check, cashier's check, or bank draft will be required for NOT LESS THAN FIVE (5) PERCENT OF THE TOTAL AMOUNT OF THE BID. Except for the lowest bidder on the project, all guarantees will be returned immediately following the receipt and checking of all bids.

The successful bidder shall furnish a performance bond in a sum equal to the full amount of the contract, prior to contract award. Therefore, please provide the performance bond as soon as possible after letting. The performance bond will not be returned for one (1) year after the completion of the project.

A Certificate of Insurance will be required from the successful bidder prior to beginning work.

All bid proposals must be returned in the enclosed self-addressed envelope to Thomas L. Week, Region Engineer, 1300 S. Ohlman St., Post Office Box 1206, Mitchell, South Dakota 57301-7206 before **1:30 P.M. on Tuesday, February 1, 2011.**

Proposal and Plans (and Addenda, when applicable) can be accessed at the following link:

http://www.sddot.com/pe/projdev/bidlet_lettings_regional.asp. It is the Contractor's responsibility to obtain any addenda pertaining to this contract prior to submitting a bid. Addenda, if and when applicable to this contract, will be posted on this website with the contract.

Questions regarding the plans and/or proposal should be directed to:

[Craig Smith or Larry Carlson at 605-367-5680 or Monte Rice at 605-995-8129.](#)

The SDDOT reserves the right to reject any or all bids.

Please verify that all required information is complete prior to mailing bid documents.

Very truly yours,

DEPARTMENT OF TRANSPORTATION
Thomas L. Week, Region Engineer

Monte D. Rice, Region Design Engineer

cc: Humphrey – Construction and Maintenance
Hansen – Civil Rights
Smith/Carlson/Aalberg/Vandam – Sioux Falls Area

STATE OF SOUTH DAKOTA
DEPARTMENT OF TRANSPORTATION
SPECIAL PROVISION
FOR
FUEL COST ADJUSTMENT ON INFORMAL CONTRACTS
SEPTEMBER 12, 2008

General

Compensation adjustments for motor fuels and burner fuels consumed in prosecuting the contract shall be determined by the Engineer in accordance with the provisions set forth herein.

Compensation adjustments will be assessed for the cost of the motor fuels and burner fuels whenever the Current Fuel Index (CFI) is outside the range of 85 percent to 115 percent of the Base Fuel Index (BFI). Compensation adjustments for burner fuel will only be made when asphalt concrete bid items are paid for on the estimate.

Bidders are required to notify the Department at the time of submitting bids whether he will or will not participate in the fuel cost adjustment program. The Bidder shall submit the Fuel Adjustment Affidavit - Form DOT-208 to the Department when he submits a bid.

Determination of whether to participate in the Fuel Adjustment program is the decision of the Prime Contractor. If the Prime Contractor decides not to participate, or if he has a fixed fuel cost for any of the fuel types, no compensation adjustments will be made for the subcontractors by the Department. The Fuel Adjustment Affidavit shall include the anticipated fuel cost of subcontractors, if the Prime Contractor chooses to participate in the fuel cost adjustment program. If compensation adjustments are made, the prime contractor shall ensure that all subcontractors including second and lower tier, are included in the adjustments in proportion to the percentage of work and anticipated fuel cost by that subcontractor.

Each week the Department will record the average wholesale price for No. 2 fuel oil (diesel), regular unleaded gasoline, and propane (LPG), Freight On Board (FOB) South Dakota terminals, as listed in the "Oil Price Information Service" (OPIS) publication.

The BFI price for motor fuels and burner fuel to be used in the contract will be the average of the recorded wholesale fuel prices for the four most recent weekly reporting periods prior to the week of the bid letting.

The CFI price for motor fuels and burner fuel to be used for each progress payment will be the average for the recorded wholesale fuel prices for the four most recent weekly reporting periods available at the time when the progress payment is prepared.

Burner fuel adjustment will use the BFI and CFI as determined for No. 2 fuel oil (diesel), except when the contractor lists the burner fuel as propane (LPG) on Form DOT-208, Fuel Adjustment Affidavit. In that case, the BFI and CFI will be as determined for propane (LPG).

Compensation adjustments will not be assessed for fuel items which the contractor has obtained a fixed fuel cost, or if the contractor elects not to participate in fuel adjustments on Form DOT-208, Fuel Adjustment Affidavit. Fixed fuel costs are defined as a fuel cost that has been set and will remain the same for the entire length of the contract.

Compensation adjustments made in accordance with these provisions may be made on progress payments without a prior approved Construction Change Order.

Fuel Cost Percentage Change

The biweekly change in fuel cost percentage will be determined by Equation 1 as follows:

Equation 1

$$Change_{(x, y, z)} = \left(\frac{CFI_{(x, y, z)} - BFI_{(x, y, z)}}{BFI_{(x, y, z)}} \right)$$

(x) = Motor Fuel (Diesel)
 (y) = Motor Fuel (Unleaded)
 (z) = Burner Fuel

Change_(x, y, z) = Percent change in the respective fuel price compared to the Base Fuel Index Price set for the contract.

CFI_(x, y, z) = Current Fuel Index Price for the respective fuel type (\$\$).

BFI_(x, y, z) = Base Fuel Index Price for the respective fuel type (\$\$).

Contract Fuel Percentage

For the purpose of determining fuel cost adjustment, a percent of contract will be determined for Motor Fuel (Diesel), and Motor Fuel (Unleaded) based on the original

contract prices. Burner Fuel will be adjusted based on the original contract prices of the plant mix asphalt concrete pavement bid items.

The percent of the contract will remain the same throughout the length of the contract. No changes to this percentage will be allowed for any reason. The sum of the individual fuel costs shall not exceed 15% of the Original Contract Cost. The percent of the contract will be determined by Equation 2 as follows:

Equation 2

$$\% \text{ Contract}_{(x, y, z)} = \left(\frac{\text{Affidavit Cost}_{(x, y, z)}}{\text{Original Contract Cost}_{(x, y, z)}} \right) \times 100$$

(x)	=	Motor Fuel (Diesel)
(y)	=	Motor Fuel (Unleaded)
(z)	=	Burner Fuel
% Contract _(x,y,z)	=	Percent of contract for each respective fuel item.
Affidavit Cost _(x,y,z)	=	Cost from Fuel Adjustment Affidavit (Form DOT-208)
Original Contract Cost _(x,y)	=	Total of the original contract bid cost excluding lane rental, and Part B of the bid (when A+B bidding is used), if applicable (\$\$).
Original Contract Cost _(z)	=	Total original contract cost for all plant mix asphalt concrete pavement bid items combined, excluding bid items for asphalt binder, hydrated lime, sawing and sealing joints, compaction samples, etc. Only bid items measured by the Ton will be included in the calculation.

Compensation Adjustment

The compensation adjustments will be determined for Motor Fuel (diesel), Motor Fuel (Unleaded), and Burner Fuel separately. The calculation will be based on the current Engineer's pay estimate, the percent of the contract for each of the respective fuel items, and the portion of the Current Fuel Index price that falls outside the 85 to 115 percent range of the Base Fuel Index price.

When the "Change_(x, y, z)" from Equation 1 is greater than 15%, Equation 3 will be used to determine the compensation adjustment for each item as follows:

Equation 3

$$FCA_{(x, y, z)} = \frac{\% \text{ Contract}_{(x, y, z)}}{100} \times \text{Estimate Cost}_{(x, y, z)} \times (\text{Change}_{(x, y, z)} - 0.15)$$

(x)	=	Motor Fuel (Diesel)
(y)	=	Motor Fuel (Unleaded)
(z)	=	Burner Fuel
$FCA_{(x, y, z)}$	=	Fuel Cost Adjustment for the respective fuel item for the current Engineer's estimate (\$\$).
$\% \text{ Contract}_{(x, y, z)}$	=	Percent of contract for each respective fuel item (from Equation 2).
$\text{Estimate Cost}_{(x, y)}$	=	Amount to be paid on the biweekly pay estimate excluding all pay adjustments made for incentive, disincentive, price adjustments, pay factor adjustments, liquidated damages, and royalties.
$\text{Estimate Cost}_{(z)}$	=	Amount to be paid on the biweekly pay estimate for all plant mix asphalt concrete pavement bid items combined, excluding bid items for asphalt binder, hydrated lime, sawing and sealing joints, compaction samples, all pay adjustments made for incentive, disincentive, price adjustments, pay factor adjustments, liquidated damages, and royalties. Only asphalt concrete bid items measured by the Ton will be included in the calculation.
$\text{Change}_{(x, y, z)}$	=	Change in the respective fuel price compared to the Base Fuel Index price (from Equation 1).

When the “ $\text{Change}_{(x, y, z)}$ ” from Equation 1 is less than -15%, the Equation 4 will be used to determine the compensation adjustment for each item.

Equation 4

$$FCA_{(x, y, z)} = \frac{\% \text{ Contract}_{(x, y, z)}}{100} \times \text{Estimate Cost}_{(x, y, z)} \times (\text{Change}_{(x, y, z)} + 0.15)$$

(x)	=	Motor Fuel (Diesel)
(y)	=	Motor Fuel (Unleaded)
(z)	=	Burner Fuel

$FCA_{(x,y,z)}$	=	Fuel Cost Adjustment for the respective fuel item for the current Engineer's estimate (\$\$).
% Contract $_{(x,y,z)}$	=	Percent of contract for each respective fuel item (from Equation 2).
Estimate Cost $_{(x,y)}$	=	Amount to be paid on the biweekly pay estimate excluding all pay adjustments made for incentive, disincentive, price adjustments, pay factor adjustments, liquidated damages, and royalties.
Estimate Cost $_{(z)}$	=	Amount to be paid on the biweekly pay estimate for all plant mix asphalt concrete pavement bid items combined, excluding bid items for asphalt binder, hydrated lime, sawing and sealing joints, compaction samples, all pay adjustments made for incentive, disincentive, price adjustments, pay factor adjustments, liquidated damages and royalties. Only asphalt concrete bid items measured by the Ton will be included in the calculation.
Change $_{(x,y,z)}$	=	Change in the respective fuel price compared to the Base Fuel Index price (from Equation1).

Payment

Adjustments will be determined by the Engineer on biweekly progress payments based on when the completed work is paid for, not when the work is completed. Adjustments will be made by utilizing the following lump sum line items: Motor Fuel Cost Adjustment, Diesel; Motor Fuel Cost Adjustment, Unleaded; Burner Fuel Cost Adjustment, Propane; and Burner Fuel Cost Adjustment, Diesel.

* * * * *

For informational purposes, Form DOT-208 follows in Attachment A.

Attachment A

DOT-208
(09/08)

FUEL ADJUSTMENT AFFIDAVIT

Project Number _____
PCN _____
County _____

For formally let projects (projects let through the South Dakota Electronic Bid System), the Contractor is not required to notify the Department at the time of submitting bids whether he will or will not participate in the fuel cost adjustment program. The Fuel Adjustment Affidavit shall include the anticipated fuel cost of subcontractors.

Does your company elect to participate in a fuel adjustment for this contract for the fuels that do not have a fixed price? No adjustments in fuel prices will be made if "No" is checked.

☐ Yes

☐ No

If yes, provide the total dollars for each of the applicable fuels. No adjustments in fuel price will be made for the fuel types that are left blank or completed with a \$0.00 value.

Diesel (x) \$ _____

Unleaded (y) \$ _____

Burner Fuel (z) \$ _____ Type of Burner Fuel Used: _____

Sum (x + y + z) = \$ _____

Note: The sum of the x, y, and z may not exceed 15% of the original contract amount.

The following must be completed regardless of whether the Contractor elects to participate in the fuel adjustment affidavit

Under the penalty of law for perjury or falsification, the undersigned, _____,
(Printed Name)

_____ of _____,
(Title) (Contractor)

hereby certifies that the documentation is submitted in good faith, that the information provided is accurate and complete to the best of their knowledge and belief, and that the monetary amount identified accurately reflects the cost for fuel, and that they are duly authorized to certify the above documentation on behalf of the company.

I hereby agree that the Department or its authorized representative shall have the right to examine and copy all Contractor records, documents, work sheets, bid sheets, and other data pertinent to the justification of the fuel costs shown above.

Dated _____ Signature _____

Notarization is required only when the Contractor elects to participate in the fuel adjustment affidavit

Subscribed and sworn before me this _____ day of _____, 20____.

Notary Public

My Commission Expires

**SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION
CONTRACT PROPOSAL**

DOT-123
(4/05)
1 of 2

CODE	PROJECT			MAINT UNIT	CONTROL REFERENCE	AFE	FUNCTION	BEGIN MRM	END MRM
	PRE	ROUTE	AGR						
		000I		271		I23A	2301		
		000I		271		I23B	2301		
		000I		271		I23C	2301		

CITY AND/OR COUNTY: Sioux Falls - Minnehaha & Lincoln Counties

BUDGET SOURCE: Contract Maintenance

FINALS ENGINEER REVIEW REQUIRED: ☐ YES ☒ NO
REGION MATERIALS CERTIFICATION REQUIRED: ☐ YES ☒ NO
CERTIFIED INSPECTORS/TESTERS REQUIRED: ☐ YES ☒ NO
TO BE INSTALLED ON CM&P: ☒ YES ☒ NO

TYPE, PURPOSE AND LOCATION OF WORK: Mowing of roadside and median area on I29, I90 & I229 looping around the City of Sioux Falls. The mowing will add to the safety of the highway user, enhance aesthetics and control noxious weed problems along the interstate. I29 from MRM 72.8 to MRM 84.4, I90 from MRM 394.8 to MRM 401.0 and I229 from MRM 0.0 to MRM 10.8 +0.300.

ESTIMATE OF QUANTITIES AND COST

BID ITEM NUMBER	ITEM		QUANTITY	UNIT	UNIT PRICE	AMOUNT
009E0197	Mobilization 1	2011 PCN I23A	1	Each		
900E2300	Mowing (1108.9 x 3 Mowing Cycles)		3326.7	Acre		
SUBTOTAL FOR					2011	PCN I23A
009E0198	Mobilization 2	2012 PCN I23B	1	Each		
900E2300	Mowing (1187.4 x 3 Mowing Cycles)		3562.2	Acre		
SUBTOTAL FOR					2012	PCN I23B
009E0199	Mobilization 3	2013 PCN I23C	1	Each		
900E2300	Mowing (1187.4 x 3 Mowing Cycles)		3562.2	Acre		
SUBTOTAL FOR					2013	PCN I23C
					TOTAL	

The Department of Transportation reserves the right to terminate this contract based on unsatisfactory performance by the Contractor. The Department will continually monitor the Contractor's performance during the duration of this agreement. Should the Department desire to terminate the contract, the Contractor shall be notified in writing.

Also, it is understood and agreed that funding for this agreement is dependent upon future appropriations of the South Dakota Legislature. In the event sufficient funding is not available, the State may terminate this agreement.

CONTRACTOR'S PROPOSAL STATEMENT

The undersigned does hereby agree to furnish the labor and/or material in the quantities, at the unit price, for the purpose, in the place and in accordance with attached provisions upon approval of this Proposal by the State Transportation Commission. This document becomes the Contract when signed by the Contractor and a Department of Transportation Representative. The Contractor agrees to provide services in compliance with the Americans with Disabilities Act of 1990. The Contractor agrees to provide a certificate of insurance prior to commencing work, for liability coverage for the duration of the work as per the current edition of the SDDOT Standard Specifications for Roads and Bridges.

PROPOSED START DATE _____

OVERALL COMPLETION DATE October 2013

SUBSCRIBED AND SWORN TO BEFORE ME THE

DAY OF _____, 20__

SIGNATURE _____

COMPANY _____

ADDRESS _____

NOTARY - My Commission Expires _____

FEDERAL TAX ID NUMBER _____

SOUTH DAKOTA DEPARTMENT OF TRANSPORTATION
CONTRACT PROPOSAL

DOT-123
(4/05)
2 of 2

CODE	PROJECT			MAINT UNIT	CONTROL REFERENCE	AFE	FUNCTION	BEGIN MRM	END MRM
	PRE	ROUTE	AGR						
		000I		271		I23A	2301		
		000I		271		I23B	2301		
		000I		271		I23C	2301		

RECOMMENDED FOR APPROVAL:

CONSTRUCTION/MAINTENANCE ENGINEER

DATE

REGION ENGINEER

DATE

DIRECTOR OF OPERATIONS

DATE

APPROVED FOR THE TRANSPORTATION COMMISSION

NAME

TITLE

DATE

APPROVED as per Federal Highway Stewardship Provisions this _____ day of _____, 20__.

PROJECT DEVELOPMENT ENGINEER