



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J. ERIC BOYETTE
SECRETARY

July 12, 2022

Memorandum To: NCDOT Prequalified Bidders, Subcontractors, and Suppliers
From: C.A. Peoples, PE
Chief Engineer
Subject: Material Price Escalation Requests

DocuSigned by:

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Due to the recent volatility of materials, the North Carolina General Assembly, under Session Law 2022-74, has appropriated funding to support price adjustments for materials on NCDOT contracts. Price adjustments will be considered for materials that have been or will be permanently incorporated into the work on contracts awarded on or before March 1, 2022, where either contract performance was not completed, or the final estimate was not paid by this date.

Requests for price adjustments on contracts meeting the criteria above should be submitted by the prime contractor. Subcontractor and/or suppliers should submit price adjustment requests, along with supporting information, to their respective prime contractors. Requests submitted to NCDOT by subcontractors and/or suppliers will not be considered. Requests should be submitted as a single submittal per contract.

All requests for a price adjustment shall be submitted by **no later than close of business on September 10, 2022**. Any requests submitted after close of business on September 10, 2022, will not be considered.

The following conditions shall apply:

- Adjustments shall only apply to materials purchased after July 1, 2020.
- Adjustments shall only apply to materials that have been or will be permanently incorporated into the work.
- For materials that **have been** permanently incorporated into the work, an adjustment will be made based upon the invoice pricing at the time of purchase compared to the material pricing at the time of bid.
- For materials that **will be** permanently incorporated into the work, an adjustment will be made based upon the current quotes, invoices, or purchase orders compared to the material pricing at the time of bid.
- Adjustments shall be considered for materials only, and shall not include labor, transportation charges, etc.
- Adjustments shall not include profit or other markups.

Mailing Address:
NC DEPARTMENT OF TRANSPORTATION
OFFICE OF THE CHIEF ENGINEER
MAIL SERVICE CENTER 1536
RALEIGH, NC 27699-1536

Telephone 919-707-2500
Fax: 919-733-9428
Customer Service: 1-877-368-4968

Website: www.ncdot.gov

Location:
1 SOUTH WILMINGTON STREET
RALEIGH, NC 27601

Requests should be submitted using the attached Microsoft Excel Spreadsheet titled 2022 Material Price Escalation Claim Form. The form can be downloaded from the following website: <https://connect.ncdot.gov/projects/construction/Pages/Construction-Resources.aspx>. Please save a copy of the form using one of the following appropriate naming conventions:

C20XXXX_Material_Price_Escalation_Request_2022-MM-DD.xls or
DXXXXXX_Material_Price_Escalation_Request_2022-MM-DD.xls

The form, along with all supporting documentation, should be emailed to NCDOTMaterialEscalationRequest@ncdot.gov. Please use the naming convention shown above in the subject line.

Requests will be reviewed by the Department and a supplemental agreement will be executed to add a lump sum price adjustment to the contract. The lump sum price adjustment will be paid based upon the actual progress of the line items associated with the materials. Prime contractors receiving a price adjustment for work performed by a subcontractor/supplier shall distribute such price adjustments for the applicable work in accordance with Article 109-4(B) of the *2018 Standard Specifications for Roads and Structures*.

Questions should be submitted to NCDOTMaterialEscalationRequest@ncdot.gov.

Attachment

CC: M.L. Sylvester, PE
M.T. Gibbs, PE
G.W. Burns, PE
Division Engineers
Division Construction Engineers
Resident Engineers
E.B. Tharrington, PE
B.C. Skeens, PE
W.W. Jones, III, PE
M.H. Gaddy, PE
Area Construction Engineers
A.V. Earwood, PE
Victor Barbour, PE
Ellis Powell, PE
John Sullivan, PE
Brad Hibbs, PE

