

Technical Circular T-4-99
This Circular Replaces T-2-91
(Which was revised July 16, 1992)

April, 1999

TO: Chief Engineer
Director of Construction & Maintenance
Directors – Planning and Major Projects
Engineering Branch Section Heads
Regional Managers of Professional Services/Engineering
Regional Managers, Operations
Regional Geotechnical & Materials Engineers
Regional Project Managers - Paving

SUBJECT: MINISTRY SUPPLY OF ASPHALT MATERIALS

BENEFITS:

There are a number of well proven reasons why the Ministry benefits by supplying asphalt materials to contractors on virtually all projects incorporating paving. These include better asphalt cement prices and contract prices. Due to recent market instability, Price Risk management has become important.

International affairs, seasonal demands and other factors all produce variability in asphalt prices, which makes long term estimating difficult. Supply of asphalt through the Purchasing Commission and co-ordination by the Engineering Branch, Geotechnical & Materials Engineering Section, will ensure that individual Project Managers will not become entangled in claims resulting from extreme asphalt price fluctuation.

CO-ORDINATION OF REQUISITIONS:

The Engineering Branch, Geotechnical & Materials Section, in Victoria has the mandate to co-ordinate and review the requisition of asphalt materials, for Regions, District, Major Projects and Headquarters. Where feasible, the Ministry ensures the best unit prices by block ordering of asphalt materials to supply two or more projects within a geographic area from a single supplier. In addition, requirements for new later projects, within a reasonable distance from the block can also be included.

In keeping with excellent past experience, all asphalt requirements will be supplied by the Ministry when the project size is such that more than approximately 100 tonnes of asphalt cement or 100,000 litres of primer is required. Even in cases where lesser quantity is needed, it may be possible to co-ordinate supply with a nearby larger Ministry supplied project, to take advantage of a larger volume unit price.

REQUISITION OF ASPHALT MATERIALS:

The requisitioning of types and quantities of asphalt materials is a **Region/District/Major Projects** responsibility. The following procedures for the requisitioning of asphalt materials, on Ministry supplied projects are now in effect.

(1) Block Orders

As soon as each **Regional, District, Major Project** annual program has been finalized, submit completed requisition forms for all asphalt materials requirements to **the Engineering Branch, Geotechnical and Materials Engineering Section**, in Victoria, for processing. The monthly quantities estimated to be used, the period of time in which they will be used during the fiscal year, the approximate location, delivery time, the project number, receiver of invoice (name, address and phone number) must be indicated for each project. When submitting block orders exercise caution to insure that asphalt cement with appropriate temperature susceptibility is chosen. The temperature susceptibility has a significant influence in performance with respect to rutting and thermal pavement cracking. Therefore block orders should be for asphalt materials to be used in zones having similar climatic characteristics. A chart, indicating climatic zones in the province, is **available**.

(2) Single Project Orders

For single project orders, which are not suitable for block orders, or which take effect after block orders are in place, requisitions for asphalt materials must be forwarded to **the Engineering Branch, Geotechnical and Materials Engineering Section**, in Victoria. The Geotechnical and Materials Engineering Section maintains a continuous record of crude oil/asphalt product price fluctuations and it will then be decided whether the new quantity can be added to an existing block or whether new individual quotes need be solicited. Forward the details of the order well in advance (5 weeks) of your project asphalt needs in the form of "Requisition to the Purchasing Commission. A typical requisition form for a single project is attached.

(3) Adjustment to quantities/Emergency Purchase Orders

To adjust quantities (over/under 10%) from previous orders, or to obtain an emergency purchase order (EPO) number, contact Ralph White (387-7325) or Jim Beattie (387-7321) of the Purchasing Commission directly.

To adjust quantities, submit to them a requisition describing the amendment, quoting the number of the purchase order to be amended. For an EPO, obtain directly from the suppliers, three quotations (to be confirmed in writing by the oil company) for the materials needed. With this information the Purchasing Commission will be able to issue an EPO number immediately. Notify the **Engineering Branch, Geotechnical and Materials Engineering Section** of the **amendment(s)** or EPO.

Note: This circular cancels T-2-90 and revision T-2-91, dated July 16, 1992, please destroy these two circulars.

CONTACT:

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for Merv Clark, P. Eng.
Chief Engineer

- c.c. A.D.M. Highways Operations
- c.c. A.D.M. Planning and Major Projects
- c.c. All Regional Directors
- c.c. All District Highways Managers
- c.c. Purchasing Commission, Attn.: Ralph White, Purchasing Agent