



Arizona Department of Transportation

INTERMODAL TRANSPORTATION DIVISION

Construction Group

CONSTRUCTION BULLETIN

05-01

To: District Engineers
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Subject: Partial Payment for Materials
Stockpiled at a Commercial Source

Guidance on Allowing Partial Payments For Materials Stockpiled at a Commercial Source

Purpose

To provide the Resident Engineer authority and criteria to allow partial payment for materials stockpiled at a commercial source (Standard Specification **109.07 Partial Payment for Material on Hand**).

Background

Industry has brought to ADOT's attention that there has been inconsistent enforcement of Standard Specification 109.07. The specification currently states, "*No partial payment will be made for materials stockpiled at a commercial source.*" This bulletin is intended to grant the authority for the Resident Engineer to deviate from the specification and also to outline the procedure and audit documentation required when that decision is made.

Procedure for Partial Payment of Materials Stockpiled at a Commercial Source

The Contractor must request, in writing, the partial payment for materials stockpiled at a commercial source. That request must be accommodated through writing a Change Order that meets the following criteria:

- The change order must state:
 - The material meets all contract specifications;
 - Written permission must be obtained from the owner of the commercial source, certifying that the Resident Engineer will be allowed access for testing, inspection and removal of materials, if necessary.
- The Contractor shall submit evidence in the form of a construction survey or aerial survey documenting quantification of the amount proposed for partial payment.
- The Contractor must provide a method to secure the stockpile that meets the approval of the Resident Engineer.
- The secure stockpile must not be commingled with other materials and contamination safeguards must be in place to ensure quality. The stockpile must be clearly marked with project and TRACS number and periodically verified (at least just prior to each subsequent progress estimate). An immediate adjustment must be reflected if the stockpile is diverted for use other than on the project originally intended.
- The Contractor must provide documentation that the Commercial Source has obtained the required environmental clearances.
- The Contractor must verify that the Commercial Source adheres to the applicable Storm Water Pollution Prevention Plan (SWPPP) for the duration of the period the material is stored at that site.