

## **EXHIBIT 11**

### **PRICE ADJUSTMENT FOR STEEL**

#### **VIRGINIA DEPARTMENT OF TRANSPORTATION SPECIAL PROVISION FOR PRICE ADJUSTMENT FOR STEEL DESIGN-BUILD PROJECTS**

In the event the Design-Builder elects to seek adjustment for steel items designated in the Price Proposal as price adjustment items, such items will be subject to price adjustment as set forth herein. If new pay items which involve steel are established by Work Order, they will not be subject to price adjustment unless specifically designated in the Work Order to be subject to price adjustment.

The Design-Builder will submit its monthly Application for Payment with an adjustment up or down as appropriate for cost changes in steel used on specific items of Work identified in the Price Proposal or Contract Documents in accordance with this provision. Provided at the end of this provision is a master listing of standard bid items the Department has determined are eligible for steel price adjustment. Only items on this listing will be eligible for steel price adjustment. Generally, non-standard pay items will not be eligible for steel price adjustment unless such steel items are project-specific modifications of items normally eligible, and the quantities present on the project constitute major items of the Work (as designated within the Schedule of Values). Inventoried materials (*i.e.*, those materials purchased by Design-Builder significantly in advance of their incorporation into the Work, and stored by Design-Builder at the site or elsewhere) from the listing of eligible items are specifically excluded from consideration. This provision also does not allow for price adjustment for embedded steel where the steel item is a component of the finished bid item and there is no separate or distinct payment for the steel item or for steel used for pre-tensioned or post-tensioned precast components where furnishing steel is included in the unit price of the finished bid item; this includes items such as (but not limited to) drop inlets, median barriers, sound barrier walls, bridge railing, and parapets.

The requirements of this provision shall apply only to material cost changes that occur between the date of the opening of the Price Proposal and the date the material is shipped to the fabricator. To be eligible for this price adjustment, Design-Builder must fill out the accompanying Form for Price Adjustment for Eligible Steel Items on Design-Build Projects (the “Form”) and submit the same with its Price Proposal. By signing the Form and submitting it with its Price Proposal, Design-Builder declares its intention to participate in the price adjustment in its contract with the Department. For the purposes of this provision, the prices listed on the Form are fixed for cost and adjustment calculations regardless of quantities incorporated into final design. Further, for steel items to be eligible for adjustment, once shipped to the fabricator, the

items shall be specifically stored, labeled, or tagged, recognizable by color marking, and fabricator.

Design-Builder shall, upon request, furnish to Department documentation supporting the price per pound for eligible steel items as shown on the Form furnished with its Price Proposal. Design-Builder must use the format as shown with this Form; no other format for presenting this information will be permitted. Design-Builder shall certify that all items of documentation are original and were used in the computation of the price per pound amount for the represented eligible pay items for the month the Price Proposal was opened. This documentation shall support the base line material price (“Base Price”) of the steel item only. Base Price per pound shall not include the following cost components: fabrication, shipping, storage, handling, and erection.

Failure to submit all documentation required or requested supporting the per pound prices on eligible steel items will result in Design-Builder being ineligible for a price adjustment of any or all steel items.

The index the Department uses is the U.S. Department of Labor, Bureau of Labor Statistics, Producers Price Index (“PPI”). **Please note:** PPI is subject to revision four months after original publication; therefore, price adjustments and payments will not be made until the index numbers are finalized. The Master List table provided at the end of this provision indicates the PPI steel category index items and the corresponding I.D. numbers to which the Department items will be compared.

Price adjustment of each qualifying item will be considered only if there is an increase of ten percent (10%) or more or a decrease of five percent (5%) or more in the cost of eligible steel materials, up to a maximum of sixty percent (60%) in either direction. Whether the ten percent (10%) increase or five percent (5%) decrease thresholds have been met, and thus a price adjustment triggered, is determined by comparing (i) the applicable PPI value at the time the Price Proposal was opened to (ii) the most recent published applicable PPI value on the date the material is shipped to the fabricator.

Items under consideration for price adjustment will be compared to the steel category index items and the corresponding I.D. numbers shown in the table attached to the end of this provision. Weights and date of shipment must be documented by a bill of lading provided to the Department.

The “Adjusted Change Percentage” will be determined by:

1. calculating the difference between (i) the applicable PPI value at the time the Price Proposal was opened and (ii) the most recent published applicable PPI value on the date the material is shipped to the fabricator;

2. dividing the result of step 1 above by the applicable PPI value at the time the Price Proposal was opened; and
3. subtracting 0.10 from the result of step 2 above if PPI has increased, or subtracting 0.05 from the result of step 2 above if PPI has decreased.

Subject to the limitations herein, the final price adjustment dollar value will be determined by multiplying the Adjusted Change Percentage by both: (i) the represented quantity of steel shipped (stated in pounds) and (ii) the Base Price per pound.

**Price increase/decrease will be computed as follows:**

$$A = B \times P \times Q$$

Where; A = Steel price adjustment in lump sum dollars

B = Average weighted price of steel submitted in Design-Builder's Price Proposal for relevant item(s) in dollars per pound as listed on the Form for Price Adjustment for Eligible Steel Items on Design-Build Project

P = Adjusted Change Percentage (as defined above)

Q = Total quantity of steel in pounds shipped to fabricator corresponding to item(s) relevant to variable B above

This price adjustment is capped at sixty percent (60%). This means the maximum "P" value for increase or decrease that can be used in the above equation is fifty percent (50%) for an increase (60% - 10% threshold) and fifty-five percent (55%) for a decrease (60% - 5% threshold). For the purposes of calculating the Adjusted Change Percentage, for any new item(s) added by Work Order that will be subject to price adjustment under this provision, the base PPI shall be the applicable PPI value at the time the new item(s) are added to the scope of the contract (instead of using the applicable PPI value at the time the Price Proposal was opened).

Calculations for price adjustment shall be shown separate from the monthly progress payment and will not be included in the total cost of Work for determination of progress.

Upon Department review and due process consideration for redress by Design-Builder, any apparent evidence to unbalance the price supplied by Design-Builder in favor of items subject to price adjustment will result in ineligibility for Department participation under this provision.

## FORM FOR PRICE ADJUSTMENT FOR ELIGIBLE STEEL ITEMS ON DESIGN-BUILD PROJECTS

Must be supplied with Price Proposal for Department Participation

(All prices to be supported by project-specific quotes)

**DATE FOR RECEIPT OF PRICE PROPOSAL:** FEBRUARY 8<sup>th</sup>, 2019

**Note:** All prices (costs) are to include any surcharges on materials quoted. Vendors must include this surcharge with their cost. All prices (costs) are F.O.B. from the originating mill.

Item Number	Item Description	Quantity	Unit	Unit Price	Supplier	Date of Quote
61700	REINF. STEEL BLK	2,276,475	LB	0.49	UNITED STEEL	2/8/19
61700	REINF. STEEL BLK COUPLERS	4,620	EA	14.5	UNITED STEEL	2/8/19
68104	REINF. STEEL CCR CL I	1,378,438	LB	1.375	UNITED STEEL	2/8/19
68104	REINF. STEEL CCR CL II	106,546	LB	2.19	UNITED STEEL	2/8/19
68104	REINF. STEEL CCR CL III	36,312,353	LB	2.19	UNITED STEEL	2/8/19
68104	REINF. STEEL CHROMX 9100	23,893,765	LB	1.36	UNITED STEEL	2/8/19
68104	REINF. STEEL STAINLESS	80,500	LB	2.19	UNITED STEEL	2/8/19
	REINF. STEEL ACCESSORIES SS	55,471,801	LB	0.01		
61990	STEEL GRID FLOOR	1,246,072	SF	3.03	D-MAC STEEL	2/8/19
64114	STEEL PILES 14"	59,363	LF	49.98	NUCOR SKYLINE	2/8/19
	24" PIPE PILE	50,606	LF	109.05	NUCOR SKYLINE	2/8/19
	36" PIPE PILE	27,732	LF	125.00		
00519	PZ22 SHEET PILE	165,000	SF	11.00		
61811	STR.STEEL PLATE GIRDER	1,728,285	LB	1.70		
61820	STR. STEEL ROLLED BEAM	1,267,453	LB	2.5	NASIR AND ASSOC.	2/8/19
00519	PZ40 SHEET PILE	104,950	SF	32.95	JMD BUILDING	2/8/19

We/I, the undersigned, understand that by supplying prices for the steel items listed above and signing this form we are declaring our desire to apply the Special Provision for Price Adjustment for Steel Design-Build Projects to this Price Proposal and contract. The terms and conditions for participation are as stated in the Special Provision for Price Adjustment for Steel Design-Build Projects.

  

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Hampton Roads Connector Partners JV  
Authorized Representative

February 8<sup>th</sup>, 2019  
Date

### **Sample Calculation of a Price Adjustment (increase)**

Project bid on April 28, 2004.

Project has 450,000 lb. of eligible structural steel.

Design-Builder's \*f.o.b. supplier price for structural steel submitted in the Price Proposal is \$0.2816 per pound.                      \*free on board

Adjusted\*\* BLS Producers Price Index (PPI) most recently published average at time of opening of the Price Proposal is 139.6.

All eligible steel shipped to fabricator in same month, October 2004.

Adjusted BLS Producers Price Index (PPI) most recently published average for month of October is 161.1

Adjustment formula is as follows:

$$A = B \times P \times Q$$

Where; A = Steel price adjustment in lump sum dollars

B = Average weighted price of steel for relevant item(s) submitted in the Price Proposal for Design-Build project in \$ per pound

P = Adjusted Change Percentage (as defined above)

Q = Total quantity of eligible steel shipped to fabricator in October 2004 for this project in pounds

$$B = \$0.2816$$

$$P = (161.1 - 139.6) / 139.6 - 0.10 = 0.054$$

$$Q = 450,000 \text{ lb.}$$

$$A = 0.2816 \times 0.054 \times 450,000$$

$$A = \$6,842.88 \text{ pay adjustment to Design-Builder}$$

### **Sample Calculation of a Price Adjustment (decrease)**

Project bid on April 28, 2004.

Project has 450,000 lb. of eligible structural steel.

Design-Builder's \*f.o.b. supplier price for structural steel submitted in the Price Proposal is \$0.2816 per pound.                      \*free on board

Adjusted BLS Producers Price Index (PPI) most recently published average at time of opening of the Price Proposal is 156.6.

All eligible steel shipped to fabricator in same month, October 2004.

Adjusted BLS Producers Price Index (PPI) most recently published average for month of October is 136.3

Adjustment formula is as follows:

$$A = B \times P \times Q$$

Where;            A = Steel price adjustment in lump sum dollars

B = Average weighted price of steel for relevant item(s) submitted in the Price Proposal for Design-Build project in \$ per pound

P = Adjusted Change Percentage (as defined above)

Q = Total quantity of eligible steel shipped to fabricator in October 2004 for this project in pounds

$$B = \$0.2816$$

$$P = (156.6 - 136.3) / 156.6 - 0.05 = 0.080$$

$$Q = 450,000 \text{ lb.}$$

$$A = 0.2816 \times 0.080 \times 450,000$$

$$A = \$10,137 \text{ credit to Department}$$

## MASTER LISTING

### STANDARD BID ITEMS ELIGIBLE FOR STEEL PRICE ADJUSTMENT

March 18, 2009

BLS Series I. D.

ITEM NUMBER	ITEM DESCRIPTION	UNITS	Number WPU used in \$ adjust.
00519	SHEET PILE, STEEL	SF	avg. 1017 & 101
00540	REINF. STEEL	LB	101704
00560	STRUCTURAL STEEL JB-1	LB	avg. 1017 & 101
11030	REINF. STEEL BRIDGE APPR. SLAB	LB	101704
13545	REINF. STEEL	LB	101704
14502	REINFORCING STEEL	LB	101704
45522	4" STEEL ENCASE. PIPE	LF	101706
45532	6" STEEL ENCASE. PIPE	LF	101706
45562	16" STEEL ENCASE. PIPE	LF	101706
45572	18" STEEL ENCASE. PIPE	LF	101706
45582	24" STEEL ENCASE. PIPE	LF	101706
45584	24" JACKED STEEL ENCASUREMENT PIPE	LF	101706
45592	30" STEEL ENCASE. PIPE	LF	101706
60452	REINF. STEEL BRIDGE APPR. SLAB	LB	101704
61700	REINF. STEEL	LB	101704
61704	CORROSION RESISTANT REINF. STEEL	LB	101704
61750	STRUCT. STEEL HIGH STRG. PLT. GIRDERS	LB	avg. 1017 & 101
61811	STR. STEEL PLATE GIRDER ASTM A709 GRADE50	LB	avg. 1017 & 101
61812	STR. STEEL PLATE GIRDER ASTM A709 GRADE50	LB	avg. 1017 & 101
61813	STR. STEEL PLATE GIRDER ASTM A709 GRADEHPS50W	LB	avg. 1017 & 101
61814	STR. STEEL PLATE GIRDER ASTM A709 GRADEHPS70W	LB	avg. 1017 & 101
61820	STR. STEEL ROLLED BEAM ASTM A709 GRADE 36	LB	avg. 1017 & 101
61821	STR. STEEL ROLLED BEAM ASTM A709 GRADE50	LB	avg. 1017 & 101
61822	STR. STEEL ROLLED BEAM ASTM A709 GRADE50W	LB	avg. 1017 & 101
61990	STEEL GRID FLOOR	SF	avg. 1017 & 101
64110	STEEL PILES 10"	LF	avg. 1017 & 101
64112	STEEL PILES 12"	LF	avg. 1017 & 101
64114	STEEL PILES 14"	LF	avg. 1017 & 101
64768	DRIVING TEST FOR 12" STEEL PILE	LF	avg. 1017 & 101
64778	DRIVING TEST FOR 14" STEEL PILE	LF	avg. 1017 & 101
65200	REINF. STEEL	LB	101704
65204	CORROSION RESISTANT REINF. STEEL	LB	101704
68100	REINF. STEEL	LB	101704
68104	CORROSION RESISTANT REINF. STEEL	LB	101704
68107	STR. STEEL PLATE GIRDER ASTM A709 GRADE50	LB	avg. 1017 & 101
68108	STR. STEEL PLATE GIRDER ASTM A709 GR50W	LB	avg. 1017 & 101
68109	STR. STEEL PLATE GIRDER ASTM A709 GR.HPS50W	LB	avg. 1017 & 101
68110	STR. STEEL PLATE GIRDER ASTM A709 GR.HPS70W	LB	avg. 1017 & 101
68112	STR. STEEL ROLLED BEAM ASTM A709 GR.36	LB	avg. 1017 & 101



68113	STR.STEEL ROLLED BEAM ASTM A709 GR.50	LB	avg. 1017 & 101
68114	STR.STEEL ROLLED BEAM ASTM A709 GR. 50W	LB	avg. 1017 & 101
68115	STRUCT. STEEL	LB	avg. 1017 & 101
68270	REINF. STEEL BRIDGE APPR. SLAB	LB	101704
69060	SHEET PILES, STEEL	SF	avg. 1017 & 101
69100	REINF. STEEL	LB	101704
69104	CORROSION RESISTANT REINF. STEEL	LB	101704
69110	STEEL PILES 10"	LF	avg. 1017 & 101
69112	STEEL PILE 12"	LF	avg. 1017 & 101
69113	DRIVING TEST FOR 12" STEEL PILE	LF	avg. 1017 & 101

☒ I elect to use this provision

☐ I elect not to use this provision

Date: February 8<sup>th</sup>, 2019

Signature: \_\_\_\_\_

Design-BUILDER: Hampton Roads Connector Partners JV

Vendor No.: \_\_\_\_\_