



# Assessment Invoicing Policy

Approved November 15, 2017

## Invoicing & Assessment Process

1. Project advertised (PennDOT, Turnpike, Airport, or other specifying agency)
2. Project information, concrete pavement line items, quantities, thicknesses, are inserted into the Chapter's Master Project Database
3. The amount of cementitious material is initially assumed to be as follows:
  - a. 450 pounds of portland cement per cubic yard and 150 pounds per cubic yard of supplemental material for paving/shoulder/patching.
  - b. 700 pounds of portland cement and 100 pounds per cubic yard of supplemental material for accelerated patching.
  - c. 200 pounds of portland cement and 50 pounds of supplemental material for bases/subgrade stabilization.
  - d. When the mix design becomes available, cementitious quantities are adjusted based on the mix design information obtained from the paving contractor or cement supplier. If a mix design is not provided or is not available, the above assumed cementitious factors will be used.
  - e. When project is awarded to the low bidder, items that are assessed based on dollar amounts are added to the Master Project Database
4. An estimate is generated and shared with the paving contractor (if a member) and the cementitious suppliers (if a member) to confirm that items are properly captured and calculations accurately made and that no oversight or errors were made on the line items that are being assessed.
5. Once the estimate has been verified, an invoice is generated to include the total assessments to be paid on over the life of the project. The Member will make payments on the invoice by selecting payment plan Option A (backloaded), Option B (equally distributed) or Option C (paying quarterly as work is completed). The Chapter encourages the selection of Option B (with either monthly or quarterly payments) to assist in budgeting and cash flow.
6. At the completion of every project, the original invoice will be reconciled to account for underruns, overruns and any additional/deleted work that may have occurred.

## Frequently Asked Questions

1. A small project is awarded that will consume less than 3,000 tons cementitious material. Member contractor to be invoiced on cementitious tons for pavement/shoulders/patching (at \$2.50/ton) and on other assessable items such as diamond grinding (at \$3.00/\$1000). No cementitious assessments will be made.
2. A member is awarded a project that includes significant concrete paving work and significant non-cementitious consuming work. Project assessments for the life of the project are capped at 18,000 tons for the contractor and 36,000 tons to cementitious suppliers, but the contractor will be assessed on non-cement consumable work (partial depth patching, diamond grinding if not incidental to paving work) at \$3.00/\$1,000.
3. A project is awarded to a non-member but some work is being subcontracted to a member. If the subcontracted work is identified as a line item in the contract, the member will be assessed at the appropriate rate based on the contracted bid price. If the subcontracted work is incidental to work items being performed by the non-member, no assessments will be made to the member subcontractor but the Chapter will accept any donations made for this type work.
4. A project consumes 3,200 tons cementitious material (comprised of 2,800 tons portland cement and 400 tons supplemental material). If the contractor is a member they will be invoiced on the 3,200 tons cementitious material (at \$2.50/ton for pavement/shoulders/patching, at \$1.00/ton for bases/subgrade stabilization) and on other assessable items (such as diamond grinding, joint sealing, partial-depth patches) at \$3.00/\$1000. Cementitious assessments are to be made to all cementitious members since the project cementitious tonnages exceed 3,000, i.e., the member cement company would be assessed at \$3.25/ton on 2,800 tons portland cement, and the member supplemental supplier the appropriate rate on 400 tons supplemental material.
5. A prime contractor is awarded a large (greater than 18,000 ton) project and subcontracts some of the paving work. Contractor assessment will be made (at \$2.50/ton for pavement and \$1.00/ton for base) based on calculated tonnages. and on other assessable items (such as diamond grinding, joint sealing, partial-depth patches) at \$3.00/\$1000.
  - a. If both prime and paving contractors are members, assessments will be made to each member on the work that they are performing. The (18,000 ton) project cap will be prorated between the two contractors based on tonnages calculated to be consumed.
  - b. If the prime company is a member and the paving contractor is not, assessments on all tonnages (up to 18,000) are the responsibility of the prime contractor, regardless of whether the cementitious tons are consumed by the member or non-member.
  - c. If the prime contractor is not a member but the paving contractor is, assessments (up to 18,000 tons) are made only on the work being performed by the member subcontractor.

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6. A large (52,000 cementitious ton) project is being constructed with 39,000 tons (75%) portland cement and 13,000 tons (25%) supplemental material per the approved mix designs.
  - a. Tonnage assessments will be capped at 36,000 tons for the project. If both the cement supplier and supplemental supplier are members, the tonnage cap will be prorated between the two cementitious suppliers for the project, i.e., portland cement assessments capped at 27,000 tons (75% of 36,000) and supplemental material capped at 9,000 tons (25% of 36,000).
  - b. If the cement supplier is a member and the supplemental supplier is not, the (36,000 ton) cap will be adjusted with the cement supplier being assessed based only on the percentage of portland cement to total cementitious material, i.e., 27,000 tons.
  - c. If the supplemental member is a member and the cement company is not, the (36,000 ton) cap will be adjusted with the supplemental supplier being assessed based only on the percentage of supplemental material to total cementitious material, i.e., 9,000 tons.
  - d. If the contractor and supplemental supplier are members, a request will be made to the contractor for a voluntary \$1.00/ton contribution on the 27,000 tons of portland cement being supplied by the non-member cement company on this project.
  
7. A member contractor is awarded a project and subcontracts all paving work to a member company. An assessment will be made to the subcontractor at \$2.50/ton (for pavement) and \$1.00/ton (for base) based on the calculated tonnages from the approved mix design.
  - a. If cementitious material is being supplied by a member, they will be assessed appropriate tonnage rates.
  - b. If cementitious material is being supplied by a non-member, a request will be made to the subcontractor for a voluntary \$1.00/ton contribution on tonnages being supplied by non-members.
  
8. A design-build project is awarded to a non-member contractor, with portland cement supplied by a member cement company and supplemental material supplied by a non-member. Based on the length of the project, the thickness of pavement, and the width of roadway, quantities are calculated. Since the contractor is a non-member, and since the mix design information was not provided, the member portland cement company will be assessed on the tonnages calculated using the cement factor rates as shown on page 1 of this document. Since the contractor is a non-member, a request will be made to the member cement company to consider a \$1.00 /ton voluntary contribution on portland cement tonnages to help support Chapter costs and services that are of benefit to the non-members.
  
9. A project is awarded to a member contractor that will consume 10,000 tons of cementitious material for use in pavements, and 20,000 tons for use in subgrade stabilization. The project will be capped (at 18,000 tons), with the 10,000 tons for pavement assessed at \$2.50/ton, and the remaining 8,000 (18,000 less 10,000) tons assessed at \$1.00/ton.

If there are any circumstances that need clarification, please do not hesitate to contact the Chapter at [Pennsylvania@pavement.com](mailto:Pennsylvania@pavement.com). We will make every effort to satisfactorily clarify your question or specific concern, and will share a generic explanation with membership so that all billings and assessments are handled equitably with all members.

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