1.0 PURPOSE:

1.1 This Exhibit defines the limits and method of compensation to be made to the vendor for services set forth in Exhibit “A” and the method by which payments shall be made.

2.0 ASSIGNMENT OF WORK:

2.1 The Department shall request Vendor services on an as-needed basis. Services to be provided on each project will be initiated and completed as directed by the Department's Project Manager. A “Letter of Authorization” (LOA) will be issued for each scheduled or unscheduled project.

3.0 COMPENSATION:

3.1 The total compensate amount will be based on the total dollar amount noted in the Letters of Authorization. The Letter of Authorization with the dollar amount will be issued by the Project Manager for each task. The budget ceiling for the contract is $3,000,000 for the three year period unless amended. There is no guarantee of minimum or maximum amount of work made by the Department under this contract.

3.2 This is a term contract for an Indefinite Quantity whereby the Vendor agrees to furnish services during a prescribed period of time. The specific period of time completes such a contract. The Department, based upon need and availability of budget, may increase or decrease the Budgetary Ceiling by Amendment. Execution of this Agreement does not guarantee any maximum or minimum quantities for the services shown.

3.3 All work authorized in Florida Department of Transportation (FDOT) District Four will not be compensated for additional travel expenses, which includes the counties of Broward, Palm Beach, Martin, Saint Lucie and Indian River, will be paid as local travel, unless travel is in excess of fifty (50) miles one-way outside of District 4, when authorized, shall be reimbursed in accordance with Department of Transportation (DOT) published procedures and section 112.061 F.S.

3.4 All work for any equipment which requires delivery to, or removal from, a site, the cost of that mobilization or demobilization shall be included in the cost of the equipment. Price of equipment shall include all cost to operate and maintain. All mileage and fuel shall be included in the price of the equipment.

3.5 There shall be no payment for personnel or equipment mobilized or demobilized from a site outside of the District. Labor costs are to be billed on a portal to portal basis.

3.6 Daily costs or prices shall reflect an eight (8) hour day; weekly costs or prices shall reflect five (5) consecutive working days; monthly costs or prices shall reflect twenty (20) consecutive working days.
3.7 Equipment and facilities used less than or more than an eight (8) hour day will be paid on a prorated basis by the quarter day (eight (8) hour day. WEEKLY-Five (5) working days, MONTHLY Twenty (20) working days), unless approved by the Project Manager in writing.

3.8 All costs for “tools of the trade” are overhead and are not billable. “Tools of the trade” include, but are not limited to: most common personal protective equipment (i.e. gloves, goggles/protective eyewear, respirators, Tyvek and/or other chemical resistant suits, boats, etc.), fax machine, photocopy machine, cellular telephone, portable radio, digital camera, computer, sampling jars/vials, decontamination equipment (i.e. hoses, buckets, de-ionized water, soap, steam cleaner, etc.), hand tools (i.e. brooms, shovels, wrenches, screwdrivers, etc.), trash bags, measuring wheel, tape measure, etc.

3.9 All costs for preparing proposals, invoices, and project accounting are considered overhead and are not billable.

3.10 The rates submitted shall be for the entire thirty-six (36) month contract.

3.11 Failure to respond to emergencies on State roads within the time-frames listed in Exhibit A, Scope of Services, shall result in a penalty of $100 per hour.

Letters of Authorization shall not be issued in excess of the available prior and current fiscal year amount(s) without an amendment to increase the budgetary ceiling and an approved encumbrance.

Any unused prior year funds will automatically transfer to the following year budget until the end of the contract term. The funds may be reassigned to unforeseen tasks that arise during the project.

Funds will not become available until the Beginning of each Fiscal year in July.
4.0 ESTABLISHMENT OF LETTER OF AUTHORIZATION AMOUNT

4.1 The Department and the Vendor will agree as to the services to be performed, as set forth in Exhibit “A”, Scope of Services, the manpower effort required for performance of the services, and the compensation to be paid.

4.2 The Vendor shall be compensated for each assignment or project authorized under this Agreement based upon a maximum amount. Failure to commence work within 10 calendar days of written approval of proposals or failure to complete assignments/projects within the mutually agreed upon time-frame shall result in a financial penalty of $100 per day.

4.3 The Schedule of Rates listed in Exhibit “C”, Price Proposal, plus the cost of agreed upon and authorized expenses, shall be used for establishing compensation.

4.4 Once an acceptable Maximum Amount has been agreed upon by the Vendor and the Department’s Project Manager, a “Letter of Authorization” shall be issued by the Department's Project Manager.

4.5 The Maximum Amount established for each assignment/project shall set forth (when possible) a detailed budget which will define anticipated costs to complete the project. The detailed budget amount will include, but not be limited to:

4.5.1 The anticipated man-hours needed for each labor classification
4.5.2 The number, type and cost of laboratory samples
4.5.3 The type of equipment, etc.
4.5.4 The cost of agreed expenses.

4.6 All work authorizations shall be completed within the terms of this Agreement; work shall commence no later than 10 calendar days after issuance of the Letter of Authorization, unless agreed upon by the Department.

4.7 The costs associated with each assignment/project may not exceed the agreed upon and authorized amount without approval of the Department’s Project Manager.

5.0 PROGRESS PAYMENTS

5.1 The vendor shall submit monthly invoices (3 copies) in a format acceptable to the Department. For the satisfactory performance of the services detailed in each “Letter of Authorization”, the Vendor shall be paid up to the Maximum Amount of each Authorization. Payments shall be made at the contract billing rates in Exhibit “B”, for services provided, as approved by the Department. The contract billing rates shall include the costs salaries, overhead, fringe benefits and operating margin. Payment for expenses shall be made on the basis of actual allowable cost incurred as authorized and approved by the Department.

Invoices shall be submitted to: Florida Department of Transportation
The Vendor has certified that ____% DBE utilization would be achieved for the contract. If MBE utilization was certified by the Vendor, and MBE payment certification form shall be submitted with each invoice to verify the MBE utilization.

If DBE utilization was certified, DBE payments are to be input each month at the following link: 
https://www3.dot.state.fl.us/(EqualOpportunityOffice/bizweb/

New users reporting DBE payments will need to contact the FDOT Service Desk at FDOT.ServiceDesk@dot.state.fl.us to get a BizWeb user ID and password to access the application.

6.0 PAYMENT FOR NON-RATE SHEET ITEMS AND SUB-CONTRACTUAL SERVICES

6.1 Compensation for sub-contractual services, if required, shall be established for each assignment/project and shall be reimbursed at cost (no mark up). The firm(s) performing the services must first be approved by the Department’s Project Manager.

6.2 Non-rate sheet items necessary for work not listed in Exhibit “C”, Price Proposal, shall be reimbursed at cost (no mark-up.)

6.3 All non-rate sheet items must be approved by the Department’s Project Manager prior to the expenditure.

6.4 When items or services are under one thousand dollars ($1000.00), the Vendor, if possible, shall obtain three (3) quotes and use the lowest quote. However, in the event that the item(s) or service(s) total one thousand dollars ($1000.00) or more, the Vendor shall obtain three (3) quotes and shall use the lowest quote, unless proper justification is provided and approved in advance by the Department’s Project Manager.

6.5 Sub-contractual and out-of-pocket expenses may not exceed agreed upon amounts without approval of the Department’s Project Manager.

7.0 DETAILS OF UNIT RATES

7.1 Details of Unit rates for the performance of the Vendor’s services set forth in Exhibit “A”, Scope of Services are attached as Exhibit “B”, Price proposal.
8.0 **TANGIBLE PERSONAL PROPERTY**

8.1 This contract does not involve the purchase of Tangible Personal Property, as defined in Chapter 273, Florida Statutes.