

**State of Florida
Department of Transportation**



**EXHIBIT "B"
METHOD OF COMPENSATION**

FOR

**DISTRICT WIDE CONTAMINATION ASSESSMENT
AND REMEDIATION SERVICES FOR
THE FLORIDA DEPARTMENT OF TRANSPORTATION,
DISTRICT FOUR OFFICE**

PROJECT/PROPOSAL NUMBER:	RFP-DOT-XX
FINANCIAL PROJECT NUMBER:	230050-8-C2-01/ 230050-9-C2-01

EXHIBIT "B"
METHOD OF COMPENSATION

Districtwide Contamination Assessment and Remediation Services

1.0 PURPOSE:

This Exhibit defines the limits of compensation to be made to the Vendor for the services set forth in the Scope of Services and the Agreement period described in Section 2.0 of this Agreement and the method by which payment will be made.

2.0 ASSIGNMENT OF WORK:

The Department shall request Vendor services on an as-needed basis. All contract Vendors will be provided a Scope of Services for each project assignment and asked to submit a price proposal within the timeframe specified by the Department. Award of each project will be based on a best value determination for the proposals received that will take into consideration such factors as price, workload, availability of budget, specific qualifications and/or expertise, availability of key personnel, conflict of interest, or other factors as deemed appropriate by the Department.

A Letter of Authorization (**LOA**) will be issued to authorize each project assigned and the services to be provided will be completed as directed by the Department's Project Manager. Each LOA shall serve as a formal Notice to Proceed. No work shall begin prior to the issuance of the LOA. No LOA shall authorize work beyond the term of this Agreement.

3.0 COMPENSATION:

This an Indefinite Quantity contract for which the Department has established an estimated Maximum Amount of \$5,000,000.00.

This Term contract is for an Indefinite Quantity contract whereby the Vendor agree to furnish services during a prescribed period of time. The specific period of time completes such a contract.

The contract shall not exceed the estimated budgetary ceiling amount without an executed Supplemental Agreement. A Supplemental Agreement to increase the estimated Budgetary Ceiling amount may be entered into based upon Department needs and availability.

A Letter of Authorization shall be provided to the Vendor for each assignment given in one of the following methods:

This Contract shall be funded as follows:

Funded Services:

Financial Project Number 230050-8-C2-01

\$300,000.00 From Fiscal Year 2019/2020

\$300,000.00 From Fiscal Year 2020/2021

\$300,000.00 From Fiscal Year 2021/2022

Currently, \$300,000.00 of the total amount has been approved and encumbered for this contract.

Therefore, it is agreed that the Vendor will not be obligated to perform services nor incur costs which would result in exceeding the funding currently approved, nor will the Department be obligated to reimburse the Vendor for costs or make payments in excess of currently established funding. The Department will provide written authorization (by Letter of Authorization (LOA) or with an email LOA) if and when subsequent funding is approved and encumbered for this contract.

The Department, based on need and availability of budget, may increase or decrease the Budgetary Amount by Amendment. Execution of this Agreement does not guarantee that the work will be authorized.

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 Amount and an approved encumbrance.

Work that requires funding from a future fiscal year cannot begin/continue until the Funds have been approved. The Department will provide written authorization when subsequent appropriations are available.

Funds will not become available until the beginning of each fiscal year in July.

Unfunded Services

A Letter of Authorization (LOA) and an approved encumbrance form shall be provided to each Vendor for each assignment given for the Unfunded Services up to a Maximum Amount of \$4,100,000.00. Funds shall be encumbered prior to the issuance of the LOA. No work shall begin on these services until the Vendor receives both an approved encumbrance and LOA.

The Vendor shall not start work or be paid for work performed prior to receiving written authorization.

No Letter of Authorization shall exceed the Budgetary Maximum Amount of \$5,000,000.00 without an executed amendment.

Note: Each Letter of Authorization for either shall state whether the project will be paid for under Funded Services or Unfunded Services and will list the balance of funds for each service. Each LOA will be paid thru Maximum limiting Amount.

4.0 ESTABLISHMENT OF LETTER OF AUTHORIZATION AMOUNT:

For each "Letter of Authorization" (LOA) the Vendor, following the Scope of Services as set forth in **Exhibit "A"**, shall prepare an estimate of work and price based on the rates established in **Exhibit "C"**— *Price Proposal*. 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.

Each LOA for unfunded services will be accompanied by an approved encumbrance.

All work authorizations shall be completed within the term of this Agreement. No LOA shall authorize work beyond the term of this Agreement.

Each LOA issued by the Department's Project Manager or Designee shall serve as a formal Notice to Proceed and will include an effective time period for that particular LOA.

No work shall commence prior to the issue date of the LOA.

5.0 PROGRESS PAYMENTS:

The Vendor shall submit monthly invoices (1 copy) in a format acceptable to the Department. For the satisfactory performance of the services detailed in each "Letter of Authorization" (LOA), the Vendor shall be paid up to the Maximum Amount of each Authorization. Payment for services shall be made at the contract billing rates in **Exhibit "C"— Price Proposal**, as approved by the Department. The contract hourly billing rates shall include the costs of 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 Project Manager.

The Vendor shall submit Monthly Progress Reports in a Department approved format to the Department Project Manager detailing the progress and activity on each LOA specific task and deliverable.

Progress payments shall be due and payable monthly for work approved and the associated deliverables as accepted by the Department. Progress payments shall be made in an amount to cover the labor, rate sheet items, and agreed costs.

Final payment shall be due and payable upon satisfactory completion of the **LOA-specific** services and approval and acceptance of the **LOA-specific** contract deliverables by the Department. Payment shall be made only after receipt and Department approval of invoices.

Invoices shall be submitted to the address below or hand delivered.

Florida Department of Transportation
ATTN: Project Manager
Planning and Environmental Management
3400 West Commercial Boulevard
Fort Lauderdale, Florida 33309

The Vendor has certified that ____% MBE/DBE utilization would be achieved for this contract. If MBE utilization was certified by the Vendor, an 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 DETAILS OF UNIT RATES:

Details of Unit Rates for the performance of the Vendor's services set forth in **Exhibit "A" — Scope of Services** are contained in **Exhibit "C" — Price Proposal**, attached hereto and made a part hereof.

The Department agrees to compensate the Vendor for services performed under this agreement in the following manner:

1. The Department and the Vendor will agree as to the services to be performed, the labor effort required for performance of service, and the compensation to be paid. The Vendor shall be compensated for each assignment or project authorization under this agreement based on a Maximum Limiting fee. The schedule of rates listed in the **Exhibit "C" - Price Proposal** shall be used for establishing compensation.
2. A detailed budget will be established for each project as part of the Work Plan and Cost Estimate (WPCE) which will define expected cost to complete the project. The detailed WPCE will include, but is not limited to, the anticipated staff-hours needed for each wage category, the number, type and cost of laboratory samples, the type of equipment, etc.
3. Contract items listed in **Exhibit "C" — Price Proposal** which are later found to be needed which were not on the original project WPCE may be used as long as the maximum limiting fee is not exceeded and the Project Manager gives prior verbal approval; followed by a written approval. A LOA amendment is not required.
4. If required, compensation for Sub-Contractor services for non-rate sheet items necessary for work not listed in **Exhibit "C" — Price Proposal** Environmental Service Rates shall be reimbursed at cost (no mark-up). The Sub-Contractor(s) performing the services and all non-rate sheet items must receive written approval by the Project Manager prior to the expenditure.
5. If possible, **and as requested by the Project Manager**, the Vendor must obtain three (3) quotes for the non-rate sheet item(s) and use the lowest quote when items or services. The Vendor must submit to the *Project Manager* for approval, a justification in writing if no quotes were requested and submitted for the non-rate items. Vendor may be asked to present quotes in writing for Department records.
6. Three (3) quotes should be waived if the non-rate sheet item(s) or service(s) are from a Sub-Contractor(s) listed under the Vendors response for proposal package.
7. All costs for "tools of the trade" are overhead and not billable. "tools of the trade" should include, but are not limited to: Basic Personal Protective Equipment (i.e. disposable gloves, goggles, basic respirators and cartridges, basic tyvek suits, rubber boots etc.) cell phones, digital camera, computer, sampling jars/vials, decontamination equipment (i.e. hoses, buckets, D.I. water, soap, steam cleaner etc.) hand tools (i.e. brooms, shovels, wrenches, screwdrivers etc.). The use of any portable radio will be considered part of the Vendor's overhead expense.
8. All work authorized in FDOT District Four, which includes the Counties of Miami-Dade (Rail only) Broward, Palm Beach, Martin, St. Lucie, and Indian River, will be paid as local. There will be no payment for mileage, travel, or per diem as outlined in Florida Statutes 112 for work within FDOT District Four.
9. Any Assignment that requires work outside of FDOT District Four will require preapproval for travel expenses. There will be no payment for personnel or equipment mobilized to a site within the District. Payment will only be authorized by the Department Project Manager on a task specific case-by-case basis for time to mobilize specialized personnel or equipment to work sites outside of District Four.

10. 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 (cost is by county within District four limits). Price of equipment shall include all cost to operate and maintain. All mileage and fuel shall be included in the price of the equipment. All charges for fuel on small equipment is to be included in the price of equipment.
11. All **Exhibit -C" — Price Proposal** Environmental Service Rates shall be invoiced at the Daily, Weekly or Monthly Rate whichever is the most economical to the Department. Daily costs or prices shall reflect a ten (10) hour day. Equipment and facilities used less than a ten (10) hour day will be paid on a prorated basis by the quarter day. The rates submitted shall be for the duration of the contract. ***Four full days of usage shall be billed at the Weekly rate, three full weeks of usage should be considered a Monthly rate.***
12. The rates submitted shall be for the entire contract.

7.0 DETAILS OF UNIT RATES:

Details of Unit Rates for the performance of the Vendor's services set forth in **Exhibit "A", Scope of Services** are attached as **Exhibit "C", Price Proposal**.

8.0 TANGIBLE PERSONAL PROPERTY:

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