

## **EXHIBIT "B"**

### **METHOD OF COMPENSATION**

#### **(Sample)**

#### **District Four Districtwide Appraisal and Appraisal Review Services**

1.0 PURPOSE:

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:

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

3.0 COMPENSATION:

The total of all authorizations shall not exceed a Budgetary Ceiling of **\$900,000.00**.

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

All work authorizations shall be completed within the term of this Agreement.

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". **Once an acceptable Amount has been agreed upon by the Vendor and the Department's Project Manager or Designee, a "Letter of Authorization" (LOA) shall be issued by the Department's Project Manager or Designee. The Project Manager or Designee shall obtain fund approval for each authorization by an approved encumbrance prior to issuing the "Letter of Authorization" (LOA). Method of payment for Exhibit "C" items shall be as stated on Section 5.0.**

#### **PERMIT APPLICATION EXPENSES**

Permit Application Fees for each Letter of Authorization shall be issued based on the permit application fee estimate provided by the Vendor from the municipalities.

5.0 PROGRESS PAYMENTS:

**EXHIBIT "C" ITEMS**

Maximum Amount Letter of Authorization:

The Vendor shall submit invoices in a format acceptable to the Department for the satisfactory performance of services detailed in each Letter of Authorization (LOA). The Vendor shall be paid up to the Maximum Amount of each Authorization.

Lump Sum Letter of Authorization:

The Vendor will receive payment upon completion and acceptance by the Department of all services required for each authorized parcel under this agreement.

**PERMIT APPLICATION EXPENSES**

Subject to the established Maximum Amount, the Vendor is eligible to receive compensation for the expenses when authorized and when properly supported by invoices or other accepted evidence of payment.

The Vendor shall submit invoices in a format acceptable to the Department. Invoices shall be submitted to:

Florida Department of Transportation  
District Four Office Headquarters  
3400 West Commercial Boulevard  
Fort Lauderdale, Florida 33309-3421  
ATTN: Project Manager – District Four Districtwide Appraisal & Appraisal Review

The Department shall review reports made and services performed and notify the Vendor of any deficiencies **within 50 days** of the receipt thereof. If no deficiencies exist, the Department will process the invoice for payment. Changes/corrections shall be submitted **within 14 days** of notification of request. Original and corrected reports not requiring additional corrections shall be approved for payment immediately upon completion of the review.

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](mailto:FDOT.ServiceDesk@dot.state.fl.us) to get a BizWeb user ID and password to access the application.

6.0 FINANCIAL CONSEQUENCES:

The Vendor will be assessed financial consequences for late delivery of all work products. In addition, the Vendor will be assessed financial consequences for failure to provide, or late delivery of, requested corrections to all work products. Financial consequences will be calculated and adjustments made to approved invoice payments based on the following: Late delivery of an appraisal report, or any other appraisal consulting service, or failure to correct requested appraisal corrections within a total of 14 days; the financial consequences shall be 1% of the parcel fee per calendar day for the first 7 days, and 2% thereafter. If subsequent correction requests are different from the original request, an additional 15 days will be allowed.

If payment has been made on a parcel and the Vendor has not been notified of corrections until after the review period of 50 days, this will not relieve the Vendor from making the necessary corrections.

7.0 DETAILS OF UNIT RATES:

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

8.0 TANGIBLE PERSONAL PROPERTY:

This contract does not involve the purchase of Tangible Personal Property, as defined in Chapter 273, F.S.