

EXHIBIT "B"  
(SAMPLE)  
METHOD OF COMPENSATION

1.0 PURPOSE:

This Exhibit defines the limits of compensation to be made to the Vendor for the services set forth in Exhibit "A", Scope of Services, and the method by which payments shall be made.

2.0 COMPENSATION:

For the satisfactory **performance** of services detailed in Exhibit "A", the Vendor shall be paid up to a Maximum Limiting Amount of **\$2,000,000.00**. It is agreed that this amount will be the limit of all compensation due the Vendor for performance of the services described in Exhibit "A". The Vendor shall not provide services that exceed the maximum limiting amount without an approved Amendment from the Department.

The total amount of this agreement is expected to be funded by multiple appropriations and the State of Florida's performance and obligation to pay under this contract is contingent upon annual appropriation by the Legislature.

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 if and when subsequent funding is approved and encumbered for this contract.

3.0 PROGRESS PAYMENTS:

The Vendor shall submit monthly invoices (1 copy) in a format acceptable to the Department. Payment for services shall be made at the unit billing rates in Exhibit "C", as approved by the Department. The unit billing rates shall include the costs of salaries, overhead, fringe benefits and operating margin and all other costs associated with providing services under this contract. **The invoice shall include documentation of man-hours provided and itemization of costs incurred (including receipts).**

Invoices shall be submitted to: Florida Department of Transportation  
District Maintenance Office  
Attn: Karen French  
3400 W. Commercial Blvd.  
Ft. Lauderdale, FL 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](mailto:FDOT.ServiceDesk@dot.state.fl.us) to get a BizWeb user ID and password to access the application.

A Final Invoice will be submitted to the Department upon completion of each Letter of Authorization assignment. Submittal of these Final Invoices will indicate completion of the Letter of Authorization and authorize the Department to release any remaining funds on that Letter of Authorization to be reassigned to other work under the 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", and allowable expenses. **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 Project Manager.** All work authorizations shall be completed within the term of this Agreement.

#### 5.0 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.

#### 6.0 TANGIBLE PERSONAL PROPERTY:

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

#### 7.0 FINANCIAL CONSEQUENCES:

Failure to complete work by the date(s) stated on each Letter of Authorization (LOA) shall result in a reduction in payment for each day past the date stated on the LOA until the Vendor completes work; the reduction in payment shall be \$50 per day, per occurrence.

Failure to replace personnel with qualified personnel within 5 days when someone leaves or is determined to be inadequate shall result in a reduction in payment for each day past the date stated on the LOA until the Vendor completes work; the reduction in payment shall be \$50 per day, per occurrence.