



Florida Department of Transportation

RICK SCOTT
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

ANANTH PRASAD, P.E.
SECRETARY

MEMORANDUM

DATE: February 8, 2013

TO: District Specifications Engineers

FROM: Trey Tillander, P.E., State Specifications Engineer

CC: State Specifications and Estimates Office
Duane Brautigam, Director, Office of Design
David Sadler, Director, Office of Construction
Rudy Powell, State Construction Engineer
Tim Lattner, Director, Office of Maintenance

SUBJECT: MANDATORY SPECIFICATIONS REVISIONS - **REVISED**
January 2013 Workbook: Mandatory Revision No. 4

Revise specification packages as described below for the effective letting date as noted:

Specification Number	Heading	Revision Date	Effective Letting Date	Remarks
SP0090103SLLS	Measurement and Payment	2-7-13	4-13	New SP. Usage Note: All Projects less than \$2,000,000 and less than 2,000 tons of asphalt - Streamline Lump Sum. For Bridge repair/rehab projects, contact the DCE prior to use. Do not use with SP0090103LS.
SP0090103SLPQ	Measurement and Payment	2-7-13	4-13	New SP. Usage Note: All Projects less than \$2,000,000 and less than 2,000 tons of asphalt - Streamline Plan Quantity. For Bridge repair/rehab projects, contact the DCE prior to use. Do not use with SP0090501DC.

Electronic Estimates Disbursement (EED) payments are required to be based on the estimate of work performed and not an invoice. These changes are needed as soon as possible to allow streamline contracts to be paid in EED.

MEASUREMENT AND PAYMENT.

(REV ~~12-14-11~~ ~~2-7-13~~) (~~FA 1-10-12~~) (1-13)

SUBARTICLE 9-1.3 (Page 92) is deleted and the following substituted:

9-1.3 Determination of Pay Reduction : In measurement of areas of work, where pay reductions are to be assessed, the Engineer will use the lengths and widths in the calculations based upon station to station dimensions in the Contract Documents, the station to station dimensions actually constructed within the limits designated by the Engineer; or the final dimensions measured along the final surface of the completed work within the neat lines shown in the Contract Documents or designated by the Engineer. The Engineer will use the method or combination of methods of measurement which will reflect with reasonable accuracy, the actual surface area of the finished work as the Engineer determines.

Failure on the part of the Contractor to construct any item of work in compliance with the Contract requirements; or to plan or authorized dimensions within the Specification tolerances will result in: reconstruction to acceptable tolerances at no additional cost to the Department; or acceptance at no pay at the discretion of the Engineer.

When acceptance at no pay occurs for any material not listed in 9-2, the Engineer will apply a reduction in payment for the material in question based on the weighted average unit price in the Six Month Moving Statewide Averages report. The dates will be the six months prior to the letting date for this Contract.

ARTICLE 9-2 (Pages 92 - 95) is deleted and the following substituted:

9-2 Scope of Payments.

9-2.1 Items Included in Payment: Accept the compensation as provided in the Contract Documents as full payment for furnishing all materials and for performing all work contemplated and embraced under the Contract; also for all loss or damage arising out of the nature of the work or from the action of the elements, or from any unforeseen difficulties or obstructions which may arise or be encountered in the prosecution of the work until its final acceptance; also for all other costs incurred under the provisions of Division I.

The Contract Lump Sum Price will include overhead, profits, and direct and indirect costs required to complete the project except as described below.

9-2.2 General Basis of Adjusted Pay:

9-2.2.1 Asphalt Overbuild: Adjustment in the lump sum payment will be made for actual quantities installed of asphalt overbuild, as additions or deletions, based on the quantity shown in the Contract Documents. The upward tonnage adjustment will not exceed 5 % of the asphalt overbuild quantity shown in the Contract Documents.

The Engineer will base all adjustments in payment on the unit prices as shown in Table 9-2.

Table 9-2

Item Description	Unit	Unit Price

9-2.2.2 Foundations: Adjustment in the lump sum payment will be made for actual quantities installed of Piling and Drilled Shafts, as additions or deletions for the total

project quantity determined from the pile/drilled shaft elevations shown in the Contract Documents.

The Engineer will base all adjustments in payment on the unit prices as shown in Table 9-3.

Table 9-3

Item Description	Unit	Unit Price

Payment listed above for Piling and Drilled Shafts includes all work required to install the foundation element to the required capacity/depth.

9-2.2.3 Adjustment to the Lump Sum Payment for Deleted Items of Work:

When items of work are shown in the Contract Documents to be constructed or installed and due to actual field conditions, it is determined by the Engineer that the items are not needed, a negative adjustment to the Contract will be made. The negative adjustment will be based on the actual cost of the items being deleted less all costs incurred prior to the date the Engineer determined the items are not needed and the Contractor will retain ownership. The negative adjustment will be processed in accordance with 4-3.2.

ARTICLE 9-3 (Pages 95 - 97) is deleted.

SUBARTICLE 9-5.1 (Page 97) is deleted and the following substituted:

9-5.1 General: The Engineer will make partial payments based on the estimated amount of work that the Contractor completes during the month (including delivery of certain materials, as specified herein below). The Department will base the amount of such payments on *verified Contractor* certified monthly ~~invoices~~ *estimates* submitted by the Contractor for progress payments each month, less any retainage withheld.

Retainage will not be withheld until the percent of allowable Contract time used exceeds 75%. From that time forward, the Department will withhold retainage of 10% of the amount due on the current estimate as retainage when the percent of allowable Contract time used exceeds the percent of Contract amount earned by more than 15%.

Contract amount is defined as the original Contract amount adjusted by approved supplemental agreements.

Contract time is defined as the original Contract time adjusted by approved Contract time extensions.

Retainage will be determined for each job on multiple job Contracts. The Department will not accept Securities, Certificates of Deposit or letters of credit as a replacement for retainage. Amounts withheld will not be released until payment of the final ~~invoice~~ *verified Contractor certified estimate*.

SUBARTICLE 9-8.1 (Pages 100 - 102) is deleted and the following substituted:

9-8 Acceptance and Final Payment.

9-8.1 Acceptance and Final Payment Documents: Upon final inspection and final acceptance of the Contract as provided in 5-10 and 5-11, and subject to the terms of 8-11, the

Contractor shall submit a final ~~invoice~~ *Contractor certified estimate* for work completed and accepted by the Department. The Department will pay the ~~invoice~~ *Contractor's estimate*, less any sums that the Department may have deducted or retained under the provisions of the Contract, provided the Contractor has met the requirements below.

(a) The Contractor has provided the Acceptance Letter.

(b) The Contractor has properly maintained the project, as specified hereinbefore.

(c) The Contractor has furnished a sworn affidavit to the effect that the Contractor has paid all bills and no suits are pending (other than those exceptions listed, if any) in connection with work performed under the Contract and that the Contractor has not offered or made any gift or gratuity to, or made any financial transaction of any nature with, any employee of the Department in the performance of the Contract. Include with the listed tort liability exceptions, if any, evidence of adequate insurance coverage as required in 7-13.

(d) The surety on the Contract bond consents, by completion of their portion of the affidavit and surety release subsequent to the Contractor's completion of his portion, to final payment to the Contractor and agrees that the making of such payment does not relieve the surety of any of its obligations under the bond.

(e) The Contractor has complied with and settled all requirements pertaining to any wage-rate provisions.

(f) The Contractor has furnished all required mill tests and analysis reports to the Engineer.

(g) The Contractor has furnished the Construction Compliance with Specifications and Plans Certification. Provide the Engineer with a notarized final certification of compliance with the requirements of Section 105 to accompany the final estimate.

(h) The Contractor has furnished and the Department has accepted the as-built drawings and certified survey in accordance with the requirements of Section 555, 556, 557 and 611.

ARTICLE 9-9 (Page 102) is expanded as follows:

~~Section 215.422(5), Florida Statutes, requires the Department to include a statement of vendor (Contractor) rights. Contractors are hereby advised of the following:~~

~~Contractors providing goods and services to an agency should be aware of the following time frames: Upon receipt, an agency has five working days to inspect and approve the goods and services, unless the bid specifications, purchase order or Contract specifies otherwise. An agency has 20 days to deliver a request for payment (voucher) to the Department of Banking and Finance. The 20 days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, by the Department.~~

~~If a payment is not made within 40 days, a separate interest penalty at the rate established pursuant to Section 55.03(1), Florida Statutes will be due and payable, in addition to the invoice amount, to the Contractor. The interest penalty provision applies after a 35 day time period to health care providers, as defined by rule. Interest penalties of less than one dollar will not be enforced unless the Contractor requests payment. Invoices that have to be returned to a Contractor because of Contractor preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.~~

~~A Vendor Ombudsman has been established within the Department of Banking and Finance. The duties of this individual include acting as an advocate for Contractors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted by calling the State Comptroller's Hotline, 1-800-848-3792.~~

SECTION 9 (Pages 92 - 102) is expanded by the following new Article:

9-11 Submittals.

9-11.1 Submittal Instructions: The Contractor will prepare and certify a monthly ~~invoice~~*estimate* for each project in the Contract. Submit the ~~invoice~~*Contractor's certified monthly estimate* to the Engineer. The Engineer will not pay for any item of work until the ~~invoice~~*Contractor's certified monthly estimate* is approved.

9-11.2 Contractor's ~~Invoice~~*Certified Monthly Estimate*: The Contractor must make a request for payment by submitting a certified monthly ~~invoice~~*estimate*, no later than 12 O'clock noon, Monday, after the estimate cut-off date or as directed by the Engineer, based on the amount of work done or completed. The Contractor's ~~invoice~~*certified monthly estimate* must consist of the following:

(a) Contract Number, Financial Project Identification Number, ~~Invoice~~*Estimate* Number, ~~Invoice~~*Monthly Estimate* Date and the period that the ~~invoice~~*certified monthly estimate* represents.

(b) The basis for arriving at the amount of the ~~progress invoice~~*certified monthly estimate* including approximate quantities of work completed, less payments previously made and less an amount previously retained or withheld.

9-11.3 Payment to the Contractor: Upon receipt of the ~~invoice~~*Contractor's certified monthly estimate* and approval by the Engineer, payment will be made, less an amount retained or withheld per provisions included in the Contract. The monthly payments will be approximate only and will be subject to reduction for overpayments or increase for underpayments on preceding payments to the Contractor and to correction in the subsequent estimates and the final estimate and payment process.

MEASUREMENT AND PAYMENT.

(REV ~~11-7-11~~~~2-7-13~~) (~~FA 1-12-12~~)(~~1-13~~)

SUBARTICLE 9-1.3.2 (Page 92) is deleted and the following substituted:

9-1.3.2 Plan Quantity: For this Contract, all pay items are Plan Quantity items. All references to pay item adjustments contained in the Contract Documents are superseded by this Specification and do not apply except as provided for in this Subarticle and the provisions of 9-3.2.

SUBARTICLES 9-2.1.1 and 9-2.1.2 (Pages 93 - 95) are deleted.

SUBARTICLE 9-3.2.3 (Page 96) is deleted and the following substituted:

9-3.2.3 Determination of Pay Reduction: In measurement of areas of work, where pay reductions are to be assessed, the Engineer will use the lengths and widths in the calculations based upon station to station dimensions in the Contract Documents, the station to station dimensions actually constructed within the limits designated by the Engineer, or the final dimensions measured along the final surface of the completed work within the neat lines shown in the Contract Documents or designated by the Engineer. The Engineer will use the method or combination of methods of measurement, which will reflect with reasonable accuracy, the actual surface area of the finished work as the Engineer determines.

Failure on the part of the Contractor to construct any item of work in compliance with the Contract requirements or to plan or authorized dimensions within the Specification tolerances will result in reconstruction to acceptable tolerances at no additional cost to the Department or acceptance at no pay at the discretion of the Engineer.

SUBARTICLE 9-5.1 (Page 97) is deleted and the following substituted:

9-5.1 General: The Engineer will make partial payments based on the estimated amount of work that the Contractor completes during the month (including delivery of certain materials, as specified herein below). The Department will base the amount of such payments on *verified Contractor* certified monthly ~~invoices~~~~estimates~~ submitted by the Contractor for progress payments each month, less any retainage withheld.

Retainage will not be withheld until the percent of allowable Contract time used exceeds 75%. From that time forward, the Department will withhold retainage of 10% of the amount due on the current estimate as retainage when the percent of allowable Contract time used exceeds the percent of Contract amount earned by more than 15%.

Contract amount is defined as the original Contract amount adjusted by approved supplemental agreements.

Contract time is defined as the original Contract time adjusted by approved Contract time extensions.

Retainage will be determined for each job on multiple job Contracts. The Department will not accept Securities, Certificates of Deposit or letters of credit as a replacement for retainage. Amounts withheld will not be released until payment of the final ~~invoice~~~~verified Contractor certified estimate~~.

SUBARTICLE 9-8.1 (Pages 101 - 102) is deleted and the following substituted:

9-8.1 Acceptance and Final Payment Documents: Upon final inspection and final acceptance of the Contract as provided in 5-10 and 5-11, and subject to the terms of 8-11, the Contractor shall submit a final ~~invoice~~ *Contractor certified estimate* for work completed and accepted by the Department. The Department will pay the ~~invoice~~ *Contractor's estimate*, less any sums that the Department may have deducted or retained under the provisions of the Contract, provided the Contractor has met the requirements below.

(a) The Contractor has provided the Acceptance Letter.

(b) The Contractor has properly maintained the project, as specified hereinbefore.

(c) The Contractor has furnished a sworn affidavit to the effect that the Contractor has paid all bills and no suits are pending (other than those exceptions listed, if any) in connection with work performed under the Contract and that the Contractor has not offered or made any gift or gratuity to, or made any financial transaction of any nature with, any employee of the Department in the performance of the Contract. Include with the listed tort liability exceptions, if any, evidence of adequate insurance coverage as required in 7-13.

(d) The surety on the Contract bond consents, by completion of their portion of the affidavit and surety release subsequent to the Contractor's completion of his portion, to final payment to the Contractor and agrees that the making of such payment does not relieve the surety of any of its obligations under the bond.

(e) The Contractor has complied with and settled all requirements pertaining to any wage-rate provisions.

(f) The Contractor has furnished all required mill tests and analysis reports to the Engineer.

(g) The Contractor has furnished the Construction Compliance with Specifications and Plans Certification. Provide the Engineer with a notarized final certification of compliance with the requirements of Section 105 to accompany the final estimate.

(h) The Contractor has furnished and the Department has accepted the as-built drawings and certified survey in accordance with the requirements of Section 555, 556, 557 and 611.

~~ARTICLE 9-9 (Page 102) is expanded as follows:~~

~~Section 215.422(5), Florida Statutes, requires the Department to include a statement of vendor (Contractor) rights. Contractors are hereby advised of the following:~~

~~Contractors providing goods and services to an agency should be aware of the following time frames: Upon receipt, an agency has five working days to inspect and approve the goods and services, unless the bid specifications, purchase order or Contract specifies otherwise.~~

~~An agency has 20 days to deliver a request for payment (voucher) to the Department of Banking and Finance. The 20 days are measured from the latter of the date the invoice is received or the goods or services are received, inspected and approved, by the Department.~~

~~If a payment is not made within 40 days, a separate interest penalty at the rate established pursuant to Section 55.03(1), Florida Statutes will be due and payable, in addition to the invoice amount, to the Contractor. The interest penalty provision applies after a 35 day time period to health care providers, as defined by rule. Interest penalties of less than one dollar will not be enforced unless the Contractor requests payment. Invoices that have to be returned to a Contractor because of Contractor preparation errors will result in a delay in the payment. The invoice payment requirements do not start until a properly completed invoice is provided to the Department.~~

~~_____ A Vendor Ombudsman has been established within the Department of Banking and Finance. The duties of this individual include acting as an advocate for Contractors who may be experiencing problems in obtaining timely payment(s) from a state agency. The Vendor Ombudsman may be contacted by calling the State Comptroller's Hotline, 1-800-848-3792.~~

SECTION 9 (Pages 92 - 102) is expanded by the following new Article:

9-11 Submittals.

9-11.1 Submittal Instructions: The Contractor will prepare and certify a monthly ~~invoice~~*estimate* for each project in the Contract. Submit the ~~invoice~~*Contractor's certified monthly estimate* to the Engineer. The Engineer will not pay for any item of work until the ~~invoice~~*Contractor's certified monthly estimate* is approved.

9-11.2 Contractor's ~~Invoice~~*Certified Monthly Estimate*: The Contractor must make a request for payment by submitting a certified monthly ~~invoice~~*estimate*, no later than 12 O'clock noon, Monday, after the estimate cut-off date or as directed by the Engineer, based on the amount of work done or completed. The Contractor's ~~invoice~~*certified monthly estimate* must consist of the following:

(a) Contract Number, Financial Project Identification Number, ~~Invoice~~*Estimate* Number, ~~Invoice~~*Monthly Estimate* Date and the period that the ~~invoice~~*certified monthly estimate* represents.

9-11.3 Payment to the Contractor: Upon receipt of the ~~invoice~~*Contractor's certified monthly estimate* and approval by the Engineer, payment will be made, less an amount retained or withheld per provisions included in the Contract. The monthly payments will be approximate only and will be subject to reduction for overpayments or increase for underpayments on preceding payments to the Contractor and to correction in the subsequent estimates and the final estimate and payment process.