

SECTION 3 AWARD AND EXECUTION OF CONTRACT

3-1 Consideration of Bids.

For the purpose of award, after opening and reading the Proposals, the Department will consider as the bid the correct summation of each unit bid price multiplied by the estimated quantities shown in the Proposal. On this basis, the Department will compare the amounts of each bid and make the results of such comparison available to the public. Until the actual award of the Contract, however, the Department reserves the right to reject any or all Proposals and to waive technical errors that the Department determines, in its sole discretion, to be in the best interest of the State.

The Department reserves the right to delete the bid portion of the utility relocation work from the Contract. When the Department deletes utility relocation work from the Contract, the Department will recalculate the Contract bid tabulations based on the remaining project quantities.

In the event that the Department deletes utility relocation work from the Contract, the utility owner will relocate such utilities in accordance with the backup Utility Relocation Schedule contained in the Contract Documents.

3-2 Award of Contract.

3-2.1 General: If the Department decides to award the Contract, the Department will award the Contract to the lowest responsible Bidder whose Proposal complies with all the Contract Document requirements. If awarded, the Department will award the Contract within 50 days after the opening of the Proposals, unless the Special Provisions change this time limit or the Bidder and the Department extend the time period by mutual consent.

Prior to award of the Contract by the Department, the Bidder must provide proof of authorization to conduct business in the State of Florida.

3-2.2 Bids Exceeding Bidder's Maximum Capacity Rating: Prior to award of the Contract, the Department will address bids exceeding a Bidder's maximum capacity rating, and the resulting impact on the Bidder's qualification to bid, in accordance with Florida Administrative Code Rules 14-22.003 and 14-22.009.

3-3 Cancellation of Award.

The Department reserves the right to cancel the award of any Contract at any time before the execution of the Contract by all parties, with no compensation due any of the Bidders.

3-4 Release of Proposal Guaranty.

The Department will release all Proposal Guaranties except those of the two lowest responsible Bidders immediately following the opening and checking of the Proposals. The Department will immediately release the Proposal Guaranty of the two lowest responsible Bidders after the successful Bidder delivers the executed Contract and a satisfactory Contract Bond to the Department, except that the Department will not retain the Proposal Guaranty of the next-to-lowest responsible Bidder longer than 50 days after the opening of the Proposals unless the Department awards the Contract to the next lowest responsible Bidder prior to the expiration of this time limit.

3-5 Contract Bond Required.

3-5.1 General Requirements of the Contract Bond: Upon award, furnish to the Department, and maintain in effect throughout the life of the Contract, an acceptable Contract Bond in a sum at least equal to the amount of the Contract. Execute such Contract Bond on Department Form 375-020-27. Obtain the Contract Bond from a Surety licensed to conduct business in the State of Florida, meeting all of the requirements of the laws of Florida and the regulations of the Department, and having the Department's approval. Ensure that the Surety's Florida Licensed Insurance Agent's name, address, and telephone number is clearly stated on the Contract Bond form.

The Department may waive the requirement for all or a portion of a Contract Bond if:

1. The Contract amount is \$250,000 or less, and the Department determines that the project is of a noncritical nature and that nonperformance will not endanger the public health, safety, or property;
2. The Contractor is a qualified nonprofit agency for the blind or for the other severely handicapped under Section 413.036(2), Florida Statutes; or,
3. The Contractor uses a subcontractor that is a qualified nonprofit agency for the blind or for the other severely handicapped under Section 413.036(2), Florida Statutes. However, the Department may not waive more than the amount of the subcontract.

The Department may require alternate means of security if it waives the requirement for a Contract Bond.

3-5.2 Continued Acceptability of Surety: Provide a Contract Bond that remains acceptable to the Department throughout the life of the Contract. In the event that the Surety executing the Contract Bond, although acceptable to the Department at the time of execution of the Contract, subsequently becomes insolvent or bankrupt, or becomes unreliable or otherwise unsatisfactory due to any cause that becomes apparent after the Department's initial approval of the Surety, then the Department may require that the Contractor immediately replace the Contract Bond with a similar Contract Bond issued by a Surety that is reliable and acceptable to the Department. In such an event, the Department will bear all costs of the premium for the new Contract Bond, after deducting any amounts that are returned to the Contractor from their payment of premium on the original Contract Bond.

3-5.3 Default by Contractor: In case of default on the part of the Contractor, the Department will charge against the Contract Bond all expenses for services incidental to ascertaining and collecting losses under the Contract Bond, including accounting, engineering, and legal services, together with any and all costs incurred in connection with renegotiation of the Contract.

3-5.4 Surety to Furnish Legal Defense as to Payment and Performance Claims or Suits: The Surety shall indemnify and provide defense for the Department when called upon to do so for all claims or suits against the Department, by third parties, pertaining to Contractor payment or performance issues arising out of the Contract where the Contractor has failed to timely provide the Department such defense. It is expressly understood that the monetary limitation on the extent of the indemnification shall be the approved Contract amount, which shall be the original Contract amount as may be modified by subsequent Supplemental Agreements.

3-5.5 Liability for Wrongful or Criminal Act by Contractor: The principal and Surety executing the Contract Bond shall be liable to the State in any civil action that might be instituted

by the Department or any officer of the State authorized in such cases, for double any amount in money or property the State might lose, or be overcharged, or otherwise be defrauded of by any wrongful or criminal act of the Contractor, their agent or their employees.

3-6 Execution of Contract and Contract Bond.

Within 10 calendar days, excluding Saturdays, Sundays, and State holidays, after receipt of the Contract award, execute the necessary agreements to enter into a Contract with the Department and return the Contract along with a satisfactory Contract Bond and documentation evidencing all insurance required by 7-13 to the Department's Contracts Office that awarded the Contract. For each calendar day, excluding Saturdays, Sundays, and State holidays, the Contractor is late in delivering to the Department's Contracts Office all required documents in properly executed form, the Department will deduct one day from the Contract Time. The Department will not be bound by any Proposal until the Department executes the associated Contract.

The Department will execute the Contract within 5 calendar days, excluding Saturdays, Sundays, and State holidays, after receipt of the signed Contract, necessary agreements, Contract Bond, and all other required documents from the Contractor.

3-7 Failure by Contractor to Execute Contract and Furnish Bond.

In the event that the Contractor fails to execute the awarded Contract and to submit an acceptable Contract Bond, as prescribed in 3-5 and 3-6, within 10 calendar days, excluding Saturdays, Sundays, and State holidays, of receipt of the Contract award, the Department may annul the award, causing the Contractor to forfeit the Proposal Guaranty to the Department as liquidation of damages sustained. The Department may then award the Contract to the next lowest responsible Bidder, re-advertise, or accomplish the Work using alternate resources.

3-8 Audit of Contractor's Records.

Upon execution of the Contract, the Department reserves the right to conduct an audit of the Contractor's records pertaining to the project. The Department or its representatives may conduct an audit, or audits, at any time prior to final payment, or thereafter pursuant to 5-13. The Department may also require submittal of the records from either the Contractor or any subcontractor or material supplier. As the Department deems necessary, records include all books of account, supporting documents, and papers pertaining to the cost of performance of the Work.

Retain all records pertaining to the Contract for a period of not less than three years from the date of the Engineer's final acceptance of the project, unless a longer minimum period is otherwise specified. Upon request, make all such records available to the Department or its representative(s). For the purpose of this Article, records include but are not limited to all books of account, supporting documents, and papers that the Department deems necessary to ensure compliance with the provisions of the Contract Documents.

If the Contractor fails to comply with these requirements, the Department may disqualify or suspend the Contractor from bidding on or working as a subcontractor on future Contracts.

Ensure that the subcontractors provide access to their records pertaining to the project upon request by the Department.

Comply with Section 20.055(5), Florida Statutes, and incorporate in all subcontracts the obligation to comply with Section 20.055(5), Florida Statutes.

3-9 Public Records.

The Contractor shall comply with Chapter 119, Florida Statutes. Specifically, the Contractor shall:

1. Keep and maintain public records required by the Department to perform the service.

2. Upon request from the Department's custodian of public records, provide the Department with a copy of the requested records or allow the records to be inspected or copied within a reasonable time at a cost that does not exceed the cost provided in Chapter 119, Florida Statutes, or as otherwise provided by law.

3. Ensure that public records that are exempt or confidential and exempt from public records disclosure requirements are not disclosed except as authorized by law for the duration of the Contract term and following completion of the Contract if the Contractor does not transfer the records to the Department.

4. Upon completion of the Contract, transfer at no cost to the Department, all public records in possession of the Contractor or keep and maintain public records required by the Department to perform the service. If the Contractor transfers all public records to the Department upon completion of the Contract, the Contractor shall destroy any duplicate public records that are exempt or confidential and exempt from public records disclosure requirements. If the Contractor keeps and maintains public records upon completion of the Contract, the Contractor shall meet all applicable requirements for retaining public records. All records stored electronically must be provided to the Department, upon request from the Department's custodian of public records, in a format that is compatible with the information technology systems of the Department.

Failure to comply with Chapter 119, Florida Statutes and the Article 3-9 shall be grounds for immediate unilateral termination of this Contract by the Department pursuant to 8-9.1.