



Finance and Administration Services Department

PURCHASING DIVISION

115 S. Andrews Avenue, Room 212, Fort Lauderdale, Florida 33301 | 954-357-6066 | FAX 954-357-8535 | broward.org/Purchasing
Hours of Operation: Monday through Friday 8:30 a.m. to 5:00 p.m.

PURCHASING AGENT'S REPORT

DATE: July 20, 2017
TO: Brenda J. Billingsley, Director of Purchasing, Purchasing Division
THRU: Carla Byrd, Purchasing Manager, Purchasing Division CARLA BYRD
FROM: Randy Plunkett, Purchasing Agent, Purchasing Division RANDALL PLUNKETT
SUBJECT: REQUEST FOR APPROVAL OF PIGGYBACK OFF STATE OF FLORIDA CONTRACT NO. 52100000-16-ACS, FLOORING WITH RELATED EQUIPMENT, PRODUCTS, SUPPLIES, INSTALLATION AND SERVICES

REFERENCE: Req. FMD0002130 ESTIMATED VALUE: \$250,000

Using Division[s]: Facilities Management Division (Lead Agency), Parks and Recreation Division, Libraries Division, Aviation Division, Port Everglades Department

AGENT ANALYSIS:

The Facilities Management Division (FMD) and Libraries Division have requested to piggyback the above referenced State of Florida Contract (State) for a not-to-exceed threshold of the Director of Purchasing's award authority of \$250,000 per memos dated July 20, 2017 (Exhibit 1). This request is for an interim contract to replace previous contract No. M1137401B1 awarded by the Board on June 4, 2013, Item 64, piggybacking State Contract No. 360-240-12-1-NJPA, Floor Coverings with Related Supplies, Equipment and Services, which expired on February 28, 2017 and bridge the gap between the expired contract and a pending request for Board approval of piggybacking this State contract for a three-year period. Contract usage to date is \$2,855,035.22 (44 months).

The requested procurement method is authorized by the Broward County Procurement Code Section 21.135.a.2 which states: "The Purchasing Division is expressly authorized to directly purchase from contracts generated by the State of Florida... Such purchases are to be in accordance with the terms and conditions of the contract held by the State or Federal entity." In addition, In accordance with the Broward County Procurement Code, Section 21.135.e, "The Director of Purchasing shall have the authority to enter into a contract awarded by a public procurement unit if the public procurement unit and-or the vendor agree to such an award of their contract and the procurement was accomplished under generally accepted public procurement principles."

The purpose of this contract is to provide the County with economical supply and installation of both carpet and flooring materials necessary to repair and replace flooring in existing and renovated facilities. The State of Florida awarded an alternate source contract for Flooring with Related Equipment, Products, Supplies, Installation and Services, Contract No. 52100000-16-ACS, to eight contractors based upon a competitive solicitation issued by the National Joint Powers Alliance (NJPA), RFP 121715. The basis of the RFP award was to responsive, responsible proposers offering the best overall quality and selection of equipment/products and services meeting the commonly requested specifications of the NJPA and NJPA Members.

Digitally signed by CARLA BYRD
DN: cn=Carla Byrd, o=Broward County, ou=Finance and Administration Services Department, email=carla.byrd@broward.org, c=US, date=2017.07.20 16:30:51 -0400
Digitally signed by RANDALL PLUNKETT
DN: cn=Randy Plunkett, o=Broward County, ou=Facilities Management Division, email=randall.plunkett@broward.org, c=US, date=2017.07.20 16:17:49 -0400

Request for Approval of Piggyback
State of Florida Contract No. 52100000-16-ACS
Flooring with Related Equipment, Products, Supplies, Installation and Service

RECOMMENDATIONS AND REASONS:

Approval of piggyback as the procurement method will save Broward County administrative time issuing various competitive solicitations that would not guarantee lower prices than those prices established by the State's competitive pricing structure based on their estimated annual spend of approximately \$7.5M annually as compared to the Broward County's estimated annual spend of \$2.0M per year. The State's contract includes eight different manufacturers offering different lines of carpet and flooring, installation materials and equipment and installation labor provided by local installers.

The Facilities Management Division and Purchasing Agent have determined that the materials and services offered on this contract provides for a steady source of supply, at the most advantageous (delivered) pricing, that can be procured in the most expeditious manner, thereby saving time for the County staff in the development of suitable specifications and avoid processing orders sporadically which would negatively impact operational requirements of various Broward County agencies that would use this contract. Approval to use this contract as a piggyback interim contract will provide Broward County with substantial savings to costs and time of processing.

APPROVAL AUTHORITY

APPROVE DISAPPROVE

Reason/suggested action (if disapproved):

**BRENDA
BILLINGS
LEY**

Digitally signed by BRENDA
BILLINGSLEY
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dc=bc, ou=Organization,
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Date: 2017.07.21 08:42:04
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Director of Purchasing

**Expedite the main contract to get to
the Board ASAP.**

EXHIBITS

- Exhibit 1 – Agency Request Memos dated July 20, 2017
- Exhibit 2 – State of Florida Contract No. 52100000-16-ACS



Public Works Department

Facilities Management Division

115 S Andrews Avenue, Room 501 • Fort Lauderdale, Florida 33301 • 954-357-5500 • FAX 954-357-6136

MEMORANDUM

TO: Brenda Billingsley, Director, Purchasing Division

THRU: Scott Campbell, Director, Facilities Management Division

FROM: Robin Swanson, Contract Grant Adm., Facilities Management Division

SUBJECT: Request for Interim Piggy-Back Carpet and Floor Covering Contract on State Carpet Contract 52100000-16-ACS up to Purchasing Director's Award Authority

DATE: July 20, 2017

The Facilities Management Division (FMD) requests the Purchasing Division to authorize an interim piggy-back carpet contract on the State Carpet Contract 5210000-16-ACS up to the Purchasing Director's award authority to accommodate an immediate and urgent need for carpet at various Broward County locations.

The previous Broward County piggy-back Carpet and Flooring contract (M1137401B1) was unexpectedly terminated on February 28, 2017 due to the early expiration of the previous State Carpet Contract. FMD anticipated that this contract would have expired on February 28, 2018 thus, a new solicitation was not prepared. FMD approved Requisition FMD00002130 on March 8, 2017 to request the new solicitation. It is anticipated that the new solicitation is anticipated to be presented to the Board on September 14, 2018.

Please contact Robin Swanson at 954-357-6486 if additional information is required or if you have questions regarding this request.



Director's Office
100 S. Andrews Avenue • Fort Lauderdale, Florida 33301 • 954-357-7377



MEMORANDUM

DATE: July 20, 2017

TO: Brenda J. Billingsley, Director

From: Kelvin Watson, Director *Kevin Watson*

RE: Request to Piggy-back State of Florida Contract No. 52100000-16-ACS, Flooring with Related Equipment, Products, Supplies, Installation and Services.

Libraries is requesting to establish an open-end contract, piggybacking off the State of Florida Contract No. 52100000-16-ACS Flooring with Related Equipment, Products, Supplies, Installation and Services, for the purchase of replacement carpeting in the auditorium of the African American Research Library and Cultural Center (AARLCC).

Libraries is requesting this interim contract so that the needed repairs (replacement carpeting) can be made to the AARLCC auditorium before the 15 year anniversary gala to be held on October 13, 2017.

Although there will a Master agreement for carpeting it may not be approved by the Broward County Board of County Commissioners (BOCC), this may not be enough lead time to have the carpeting ordered and installed before the gala.

Therefore, Libraries respectfully requests approval of an open-end contract to piggyback the State of Florida Contract No. 52100000-16-ACS, Flooring with Related Equipment, Products, Supplies, Installation and Services.

EC: Jeff Tottenhoff, Business Manager, Libraries Division
Carla Byrd, Purchasing Manager, Purchasing Division
Randal Plunkett, Purchasing Agent, Purchasing Division

**PARTICIPATING AGREEMENT
to the
National Joint Powers Alliance® (herein NJPA)
FLOORING WITH RELATED EQUIPMENT, PRODUCTS,
SUPPLIES, INSTALLATION, AND SERVICES
Master Agreement No.: 121715-BPS**

**(Contractor Name)
And
The State of Florida**

Alternate Contract Source No.: 52100000-16-ACS

These Participating Agreement (PA) General Contract Conditions are superseded by the Master Agreement Contract Conditions, except those PA General Contract Conditions that are required by Florida Statutes (F.S.) or Florida Administrative Code (F.A.C.)

GENERAL CONTRACT CONDITIONS

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Scope: This Agreement is to acquire flooring with related equipment, products, supplies, installation and services for use by State Agencies and Eligible Users. Customers may procure flooring with related equipment, products, supplies, installation and services under this Agreement pursuant to the terms and conditions of the Master Agreement as modified and supplemented herein. Contractor will provide services statewide.

Purpose: The State of Florida (State) Department of Management Services (Department) is authorized by paragraph 287.042(16), Florida Statutes, "to evaluate contracts let by the Federal Government, another state, or a political subdivision for the provision of commodities and contract services, and, if it is determined in writing to be cost-effective and in the best interest of the state, to enter into a written agreement authorizing an agency to make purchases under such contract."

The Department's Contract No. 52100000-16 ACS with (Contractor Name), hereto attached as Exhibit A (the Master Agreement), for the provision of flooring with related equipment, products, supplies, installation and services, was competitively procured and awarded by the National Joint Powers Alliance (NJPA). The DMS Division of State Purchasing has evaluated the Master Agreement, together with any amendments and exhibits thereto, and hereby acknowledges in writing that use of the Master Agreement is cost-effective and in the best interest of the State.

SECTION 1. DEFINITIONS.

The following definitions apply in addition to the definitions in Chapter 287, F.S., and Rule Chapter 60A-1, F.A.C.:

1.1 Customer.

The agency or eligible user that purchases commodities or contractual services pursuant to the Contract.

1.2 State.

The State of Florida.

1.3 Contract.

The combination of this Participating Agreement and Master Agreement.

1.4 Participating Agreement.

This document and if applicable, incorporated addendum and exhibits when fully executed by the Department and Vendor.

1.5 Master Agreement.

The contract No.: 121715-BPS and if applicable, incorporated addendum and exhibits executed by the National Joint Powers Alliance.

SECTION 2. CONTRACT TERM AND TERMINATION.

2.1 Contract Term.

The initial term will begin on the date set forth in the Contract documents or on the date the Contract is signed by all Parties, whichever is later. The Contract is coterminous with the Master Agreement. The Parties may renew the Participating Agreement upon renewal of the Master Agreement only as set forth in the Contract documents, and in accordance with section 287.057(13), Florida Statutes (F.S.), and Rule 60A-1.048, F.A.C.

2.2 Suspension of Work and Termination.

2.2.1 Suspension of Work.

The Department may in its sole discretion suspend any or all activities under the Contract, at any time, when in the best interest of the State to do so. A Customer may suspend a purchase order, at any time, when in the best interest of the Customer to do so. The Department or Customer will provide the Contractor written notice outlining the particulars of suspension. Examples of the reason for suspension include, but are not limited to, budgetary constraints, declaration of emergency, or other such circumstances. After receiving a suspension notice, the Contractor shall comply with the notice and shall not accept any purchase orders. Within 90 days, or any longer period agreed to by the Contractor, the Department or Customer will either (1) issue a notice authorizing resumption of work, at which time activity shall resume, or (2) terminate the Contract or purchase order. Suspension of work shall not entitle the Contractor to any additional compensation.

2.2.2 Termination for Convenience.

The Contract may be terminated by the Department in whole or in part at any time, in the best interest of the State. If the Contract is terminated before performance is completed, the Contractor shall be paid only for that work satisfactorily performed for which costs can be substantiated. Such payment, however, may not exceed an amount which is the same percentage of the Contract price as the amount of work satisfactorily performed. All work in progress shall become the property of the Customer and shall be turned over promptly by the Contractor.

2.2.3 Termination for Cause.

If the Department determines that the performance of the Contractor is not satisfactory, the Department shall have the option of (a) immediately terminating the Contract, or (b) notifying the Contractor of the deficiency with a requirement that the deficiency be corrected within a specified time, otherwise the Contract will be terminated at the end of such time, or (c) take other action deemed appropriate by the Department.

SECTION 3. PAYMENT AND FEES.

3.1 Pricing.

The Contractor shall not exceed the pricing set forth in the Contract documents.

3.2 Price Decreases.

The following price decrease terms will apply to the Contract:

(a) Quantity Discounts. Contractor may offer additional discounts for one-time delivery of large single orders.

(b) Preferred Pricing. Consistent with the goals of section 216.0113, F.S., Contractor acknowledges and recognizes that the Department wants to take advantage of any improvements in price/fees over the course of the Contract period. To that end, the price indicated in this Contract is a maximum guarantee. Contractor's fee or price under this Contract will not exceed the Contractor's total fees or price then in effect for substantially the same commodities or contractual services to any organization with similar services to those in this Contract. During the term of the Contract, if Contractor implements or provides any other client, whether a public or private entity, such pricing more favorable than the pricing in this Contract, then Contractor agrees to offer equivalent pricing terms to the Department and if the Department accepts, then the Department and Contractor will execute an amendment of this Contract. The Contractor shall submit to the Department a completed Preferred Pricing Affidavit form annually.

(c) Sales Promotions. In addition to decreasing prices for the balance of the Contract term due to a change in market conditions, a Contractor may conduct sales promotions involving price reductions for a specified lesser period. A Contractor shall submit documentation identifying the proposed (1) starting and ending dates of the promotion, (2) commodities or contractual services involved, and (3) promotional prices compared to then-authorized prices.

3.3 Payment Invoicing.

The Contractor will be paid upon submission of properly certified invoice(s) to the Customer after delivery and acceptance of commodities or contractual services is

confirmed by the Customer. Invoices shall contain detail sufficient for an audit and shall contain the Contract Number and the Contractor's Federal Employer Identification Number.

3.4 Purchase Order.

A Customer may use purchase orders to buy commodities or contractual services pursuant to the Contract. The Contractor shall provide commodities or contractual services pursuant to purchase orders. The purchase order period of performance survives the expiration of the Contract. The duration of purchase orders shall not exceed the expiration of the Contract by more than 12 months.

3.5 Travel.

Travel expenses are not reimbursable unless specifically authorized by the Customer in writing, and may be reimbursed only in accordance with section 112.061, F.S.

3.6 Annual Appropriation.

Pursuant to section 287.0582, F.S., if the Contract binds the State or an agency for the purchase of services or tangible personal property for a period in excess of one fiscal year, the State of Florida's performance and obligation to pay under the Contract is contingent upon an annual appropriation by the Legislature.

3.7 Transaction Fees.

The State of Florida, through the Department of Management Services, has instituted MyFloridaMarketPlace, a statewide eProcurement system pursuant to section 287.057(22), Florida Statutes. All payments issued by Agencies or Eligible Users to registered Vendors for purchases of commodities or contractual services shall be assessed Transaction Fees as prescribed by rule 60A-1.031, Florida Administrative Code, or as may otherwise be established by law. Vendors shall pay the Transaction Fees and agree to automatic deduction of the Transaction Fees, when automatic deduction becomes available. Vendors shall submit any monthly reports required pursuant to the rule. All such reports and payments shall be subject to audit. Failure to comply with the payment of the Transaction Fees or reporting of transactions shall constitute grounds for declaring the Vendor in default and subject the Vendor to exclusion from business with the State of Florida.

3.8 Taxes.

The State of Florida is not required to pay any taxes, including customs and tariffs, on commodities or contractual services purchased under the Contract.

3.9 Return of Funds.

Contractor will return any overpayments due to unearned funds or funds disallowed pursuant to the terms of the Contract that were disbursed to the Contractor by the Department or Customer. The Contractor shall return any overpayment within 40 calendar days after either discovery by the Contractor, its independent auditor, or notification by the Department or Customer of the overpayment.

SECTION 4. CONTRACT MANAGEMENT.

4.1 Composition and Priority.

The Contractor agrees to provide commodities or contractual services to the Customer within the manner and at the location specified in the Contract and any attachments to the Contract. Additionally, the terms of the Contract supersede the terms of any and all prior agreements between the Parties.

4.2 Notices.

All notices required under the Contract shall be delivered to the designated Contract Manager by certified mail, return receipt requested, by reputable air courier service, email, or by personal delivery, or as otherwise identified by the Department.

4.3 Department's Contract Manager.

The Department's Contract Manager, who is primarily responsible for the Department's oversight of the Contract, will be:

Brenda Wells
Division of State Purchasing
Florida Department of Management Services
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950
Telephone: (850) 488-6904
Email: Brenda.Wells@dms.myflorida.com

In the event that the Department changes the Contract Manager, the Department will notify the Contractor. Such a change does not require an amendment to the Contract.

4.4 Contractor's Contract Manager.

The Contractor's Contract Manager, who is primarily responsible for the Contractor's oversight of the Contract performance, will be:

(Name and contact information)

In the event that the Contractor changes the Contractor's Contract Manager, the Contractor will notify the Department. Such a change does not require an amendment to the Contract.

4.5 Diversity Reporting.

The State of Florida supports its diverse business community by creating opportunities for woman-, veteran-, and minority-owned small business enterprises to participate in procurements and contracts. The Department encourages supplier diversity through certification of woman-, veteran-, and minority-owned small business enterprises, and provides advocacy, outreach, and networking through regional business events. For additional information, please contact the Office of Supplier Diversity (OSD) at osdinfo@dms.myflorida.com.

Upon request, the Contractor shall report to the Department its spend with business enterprises certified by the OSD. These reports must include the time period covered, the

name and Federal Employer Identification Number of each business enterprise utilized during the period, commodities and contractual services provided by the business enterprise, and the amount paid to the business enterprise on behalf of each Customer purchasing under the Contract.

4.6 RESPECT.

Subject to the agency determination provided for in Section 413.036, F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES THAT ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM A NONPROFIT AGENCY FOR THE BLIND OR FOR THE SEVERELY HANDICAPPED THAT IS QUALIFIED PURSUANT TO CHAPTER 413, FLORIDA STATUTES, IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 413.036(1) AND (2), FLORIDA STATUTES; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THE STATE AGENCY INsofar AS DEALINGS WITH SUCH QUALIFIED NONPROFIT AGENCY ARE CONCERNED.

Additional information about the designated nonprofit agency and the commodities or contractual services it offers is available at <http://www.respectofflorida.org>.

4.7 PRIDE.

Subject to the agency determination provided for in Sections 946.515 and 287.042(1), F.S., the following statement applies:

IT IS EXPRESSLY UNDERSTOOD AND AGREED THAT ANY ARTICLES WHICH ARE THE SUBJECT OF, OR REQUIRED TO CARRY OUT, THIS CONTRACT SHALL BE PURCHASED FROM THE CORPORATION IDENTIFIED UNDER CHAPTER 946, F.S., IN THE SAME MANNER AND UNDER THE SAME PROCEDURES SET FORTH IN SECTION 946.515(2) AND (4), F.S.; AND FOR PURPOSES OF THIS CONTRACT THE PERSON, FIRM, OR OTHER BUSINESS ENTITY CARRYING OUT THE PROVISIONS OF THIS CONTRACT SHALL BE DEEMED TO BE SUBSTITUTED FOR THIS AGENCY INsofar AS DEALINGS WITH SUCH CORPORATION ARE CONCERNED.

Additional information about PRIDE and the commodities or contractual services it offers is available at <http://www.pride-enterprises.org>.

SECTION 5. COMPLIANCE WITH LAWS.

5.1 Conduct of Business.

The Contractor shall comply with all laws, rules, codes, ordinances, and licensing requirements that are applicable to the conduct of its business, including those of federal,

state, and local agencies having jurisdiction and authority. For example, the Contractor shall comply with Section 247A of the Immigration and Nationality Act, the Americans with Disabilities Act, Health Insurance Portability and Accountability Act, and all prohibitions against discrimination on the basis of race, religion, sex, creed, national origin, handicap, marital status, or veteran's status.

Pursuant to subsection 287.058(1), F.S., the provisions of subparagraphs 287.058(1)(a)-(c), and (g), F.S., are hereby incorporated by reference, to the extent applicable.

5.2 Governing Law and Venue.

The laws of the State of Florida shall govern the Contract. The Parties submit to the jurisdiction of the courts of the State of Florida exclusively for any legal action related to the Contract. Further, the Contractor hereby waives any and all privileges and rights relating to venue it may have under Chapter 47, F.S., and any and all such venue privileges and rights it may have under any other statute, rule, or case law, including, but not limited to those based on convenience. The Contractor hereby submits to venue in the county chosen by the Department.

5.3 Department of State Registration.

The Contractor and any subcontractors that assert corporate status must provide the Department with conclusive evidence, per section 607.0127, F.S., of a certificate of status, not subject to qualification, if a Florida business entity, or of a certificate of authorization if a foreign business entity.

5.4 Convicted and Discriminatory Vendor Lists.

In accordance with sections 287.133 and 287.134, F.S., an entity or affiliate who is on the Convicted Vendor List or the Discriminatory Vendor List may not perform work as a contractor, supplier, subcontractor, or consultant under the Contract. The Contractor shall notify the Department if it or any of its suppliers, subcontractors or consultants have been placed on the Convicted Vendor List or the Discriminatory Vendor List during the term of the Contract.

5.5 Contractor Certification.

If the Contract exceeds \$1,000,000.00 in total, not including renewal years, Contractor certifies that it is not listed on either the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List, created pursuant to section 215.473, F.S. Pursuant to section 287.135(5), F.S., Contractor agrees the Department may immediately terminate the Contract for cause if the Contractor is found to have submitted a false certification or if Contractor is placed on the Scrutinized Companies with Activities in Sudan List or the Scrutinized Companies with Activities in the Iran Petroleum Energy Sector List during the term of the Contract.

5.6 Cooperation with Inspector General.

Pursuant to subsection 20.055(5), F.S., Contractor, and any subcontractor to the Contractor, understand and will comply with their duty to cooperate with the Inspector General in any investigation, audit, inspection, review, or hearing. Upon request of the Inspector General or any other authorized State official, the Contractor shall provide any type of information the Inspector General deems relevant to the Contractor's integrity or responsibility. Such information may include, but shall not be limited to, the Contractor's business or financial records, documents, or files of any type or form that refer to or relate

to the Contract. The Contractor shall retain such records for five years after the expiration of the Contract, or the period required by the General Records Schedules maintained by the Florida Department of State (available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>), whichever is longer. The Contractor agrees to reimburse the State for the reasonable costs of investigation incurred by the Inspector General or other authorized State official for investigations of the Contractor's compliance with the terms of this or any other agreement between the Contractor and the State which results in the suspension or debarment of the Contractor. Such costs shall include, but shall not be limited to: salaries of investigators, including overtime; travel and lodging expenses; and expert witness and documentary fees.

5.7 Inspection.

Section 215.422, F.S., provides that agencies have five working days to inspect and approve commodities or contractual services. Items may be tested for compliance with specifications. Items delivered not conforming to specifications may be rejected and returned at the Contractor's expense. Interest penalties for late payment are also provided for in section 215.422, F.S.

SECTION 6. MISCELLANEOUS.

6.1 Notice of Legal Actions.

The Contractor shall notify the Department of any legal actions filed against it for a violation of any laws, rules, codes, ordinances or licensing requirements within 30 days of the action being filed. The Contractor shall notify the Department of any legal actions filed against it for a breach of a contract of similar size and scope to this Contract within 30 days of the action being filed. Failure to notify the Department of a legal action within 30 days of the action shall be grounds for termination for cause of the Contract.

6.2 Subcontractors.

The Contractor shall not subcontract any work under the Contract without prior written consent of the Department. The Contractor is fully responsible for satisfactory completion of all subcontracted work. The Department supports diversity in its procurements and contracts, and requests that Contractors offer subcontracting opportunities to certified woman-, veteran-, and minority-owned small businesses. The Contractor may contact the OSD at osdhelp@dms.myflorida.com for information on certified small business enterprises available for subcontracting opportunities.

6.3 Assignment.

The Contractor shall not sell, assign or transfer any of its rights, duties or obligations under the Contract without the prior written consent of the Department. In the event of any assignment, the Contractor remains secondarily liable for performance of the Contract, unless the Department expressly waives such secondary liability. The Department may assign the Contract with prior written notice to the Contractor.

6.4 Independent Contractor.

The Contractor and its employees, agents, representatives, and subcontractors are not employees or agents of the Department and are not entitled to the benefits of State of Florida employees. The Department shall not be bound by any acts or conduct of the

Contractor or its employees, agents, representatives, or subcontractors. The Contractor agrees to include this provision in all of its subcontracts under the Contract.

6.5 Risk of Loss.

Matters of inspection and acceptance are addressed in section 215.422, F.S. Until acceptance, risk of loss or damage shall remain with the Contractor. The Contractor shall be responsible for filing, processing, and collecting all damage claims. To assist the Contractor with damage claims, the Customer shall: record any evidence of visible damage on all copies of the delivering carrier's Bill of Lading; report damages to the carrier and the Contractor; and provide the Contractor with a copy of the carrier's Bill of Lading and damage inspection report. When a Customer or the Department rejects a commodity, Contractor shall remove the commodity from the premises within 10 days after notification of rejection and the risk of loss shall remain with the Contractor. Commodities not removed by the Contractor within 10 days shall be deemed abandoned by the Contractor and the Customer or the Department shall have the right to dispose of it as its own property. Contractor shall reimburse the Customer or the Department for costs and expenses incurred in storing or effecting removal or disposition of rejected commodities.

6.6 Safety Standards. All manufactured items and fabricated assemblies subject to operation under pressure, operation by connection to an electric source, or operation involving connection to a manufactured, natural, or LP gas source shall be constructed and approved in a manner acceptable to the appropriate State inspector. Acceptability customarily requires, at a minimum, an identification marking of the appropriate safety standard organization, where such approvals of listings have been established for the type of device offered and furnished, for example: the American Society of Mechanical Engineers for pressure vessels; the Underwriters Laboratories and/or National Electrical Manufacturers' Association for electrically operated assemblies; and the American Gas Association for gas-operated assemblies. In addition, all items furnished shall meet all applicable requirements of the Occupational Safety and Health Act and State of Florida and federal requirements relating to clean air and water.

6.7 Ombudsman.

A Vendor Ombudsman has been established within the Department of Financial Services. The duties of this office are found in section 215.422, F.S., which include disseminating information relative to prompt payment and assisting contractors in receiving their payments in a timely manner from a Customer. The Vendor Ombudsman may be contacted at (850) 413-5516.

6.8 Time is of the Essence.

Time is of the essence regarding each and every obligation of the Contractor. Each obligation is deemed material, and a breach of any such obligation (including a breach resulting from untimely performance) is a material breach.

6.9 Waiver.

The delay or failure by the Department or Customer to exercise or enforce any rights under the Contract shall not constitute waiver of such rights.

6.10 Modification and Severability.

The Contract may only be modified by written agreement between the Department and the Contractor. Should a court determine any provision of the Contract is invalid, the

remaining provisions shall not be affected, and the rights and obligations of the Parties shall be construed and enforced as if the Contract did not contain the provision held invalid.

SECTION 7. WORKERS' COMPENSATION AND GENERAL LIABILITY INSURANCE, AND INDEMNIFICATION

7.1 Workers' Compensation Insurance.

To the extent required by law, the Contractor shall be self-insured against, or shall secure and maintain during the life of the contract, Worker's Compensation Insurance for all its employees connected with the work of this project, and in case any work is subcontracted, the Contractor shall require the subcontractor similarly to provide Worker's Compensation Insurance for all of the latter's employees unless such employees engaged in work under the resulting contract are covered by the Contractor's insurance program. Self-insurance or insurance coverage shall comply with the Florida Worker's Compensation law. In the event hazardous work is being performed by the Contractor under the resulting contract and any class of employees performing the hazardous work is not protected under Worker's Compensation statutes, the Contractor shall provide, and cause each subcontractor to provide adequate insurance satisfactory to the Department for the protection of employees not otherwise protected.

7.2 General Liability Insurance

The Contractor shall secure and maintain Commercial General Liability Insurance including bodily injury, property damage, products, personal & advertising injury and completed operations. This insurance shall provide coverage for all claims that may arise from the services and/or operations completed under the contract, whether such services or operations are by the Contractor or anyone directly or indirectly employed by them. Such insurance shall include a Hold Harmless Agreement in favor of the State of Florida and also include the State of Florida as an Additional Named Insured for the entire length of the resulting contract. The Contractor is responsible for determining the minimum limits of liability necessary to provide reasonable financial protections to the Contractor and the State of Florida under the resulting contract.

All insurance policies shall be with insurers licensed or eligible to transact business in the State of Florida. The Contractor's current certificate of insurance shall contain a provision that the insurance shall not be canceled for any reason except after thirty (30) days written notice to the Department's Contract Manager.

The Contractor(s) shall submit insurance certificates evidencing such insurance coverage prior to execution of a contract with the Department.

The Contractor shall require its insurance carrier to add the Department to the insurance policies as an additional insured, as provided below:

Florida Department of Management Services
c/o Division of State Purchasing
4050 Esplanade Way, Suite 360
Tallahassee, Florida 32399-0950

7.3 Indemnification.

To the extent permitted by Florida law, the Contractor agrees to indemnify, defend, and hold the Department, Customer, the State of Florida, its officers, employees and agents harmless from all fines, claims, assessments, suits, judgments, or damages, including consequential, special, indirect, and punitive damages, including court costs and attorney's fees, arising from or relating to violation or infringement of a trademark, copyright, patent, trade secret or intellectual property right or out of any acts, actions, breaches, neglect or omissions of the Contractor, its employees, agents, subcontractors, assignees or delegates related to the Contract, as well as for any determination arising out of or related to the Contract that the Contractor or Contractor's employees, agents, subcontractors, assignees or delegates are not independent contractors in relation to the Department. The Contract does not constitute a waiver of sovereign immunity or consent by the Department or the State of Florida or its subdivisions to suit by third parties.

Without limiting this indemnification, the Department or Customer may provide the Contractor (1) written notice of any action or threatened action, (2) the opportunity to take over and settle or defend any such action at Contractor's sole expense, and (3) assistance in defending the action at Contractor's sole expense.

SECTION 8. PUBLIC RECORDS, TRADE SECRETS, DOCUMENT MANAGEMENT AND INTELLECTUAL PROPERTY.

8.1 Public Records.

IF THE CONTRACTOR HAS QUESTIONS REGARDING THE APPLICATION OF CHAPTER 119, FLORIDA STATUTES, TO THE CONTRACTOR'S DUTY TO PROVIDE PUBLIC RECORDS RELATING TO THIS CONTRACT, CONTACT THE CONTRACT MANAGER.

The Department may unilaterally cancel this Contract for refusal by the Contractor to comply with this section by not allowing public access to all documents, papers, letters or other material made or received by the Contractor in conjunction with the Contract, unless the records are exempt from section 24(a) of Article I of the State Constitution and section 119.07(1), F.S.

If, under this Contract, the Contractor is providing services and is acting on behalf of a public agency as provided by section 119.0701(2)(b), F.S., the Contractor shall:

- (a) Keep and maintain public records required by the public agency to perform the service.
- (b) Upon request from the public agency, provide the public agency 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, F.S., or as otherwise provided by law.
- (c) 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 public agency.

- (d) Upon completion of the contract, transfer, at no cost, to the public agency all public records in possession of the Contractor or keep and maintain public records required by the public agency to perform the service. If the contractor transfers all public records to the public agency 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 public agency in a format that is compatible with the information technology systems of the public agency.

8.2 Protection of Trade Secrets or Confidential Information.

If the Contractor considers any portion of materials made or received in the course of performing the Contract ("contract-related materials") to be trade secret under section 812.081, F.S., or otherwise confidential under Florida or federal law, the Contractor must clearly designate that portion of the materials as "confidential" when submitted to the Department.

If the Department receives a public records request for contract-related materials designated by the Contractor as "confidential," the Department will provide only the portions of the contract-related materials not designated as "confidential." If the requester asserts a right to examine contract-related materials designated as "confidential," the Department will notify the Contractor. The Contractor will be responsible for responding to and resolving all claims for access to contract-related materials it has designated "confidential."

If the Department is served with a request for discovery of contract-related materials designated "confidential," the Department will promptly notify the Contractor about the request. The Contractor will be responsible for filing the appropriate motion or objection in response to the request for discovery. The Department will provide materials designated "confidential" only if the Contractor fails to take appropriate action, within timeframes established by statute and court rule, to protect the materials designated as "confidential" from disclosure.

The Contractor shall protect, defend, and indemnify the Department for claims, costs, fines, and attorney's fees arising from or relating to its designation of contract-related materials as "confidential."

8.3 Document Management.

The Contractor shall retain sufficient documentation to substantiate claims for payment under the Contract and all other records, electronic files, papers and documents that were made in relation to this Contract. Contractor shall retain all documents related to the Contract for five years after expiration of the Contract, or, if longer, the period required by the General Records Schedules maintained by the Florida Department of State available at: <http://dos.myflorida.com/library-archives/records-management/general-records-schedules/>.

8.4 Intellectual Property.

Unless specifically addressed in the Contract, intellectual property rights to all property created or otherwise developed by the Contractor for the Department will be owned by the State of Florida through the Department at the completion of the Contract. Proceeds to the Department derived from the sale, licensing, marketing or other authorization related to any such Department-controlled intellectual property right shall be handled in the manner specified by applicable Florida statute.

SECTION 9. DATA SECURITY AND SERVICES.

9.1 Duty to Provide Secure Data.

The Contractor will maintain the security of State of Florida Data including, but not limited to, a secure area around any display of such Data or Data that is otherwise visible. The Contractor will also comply with all HIPAA requirements and any other state and federal rules and regulations regarding security of information.

9.2 Warranty of Security.

Unless otherwise agreed in writing, the Contractor and its subcontractors will not perform any of the services from outside of the United States, and the Contractor will not allow any State of Florida Data to be sent by any medium, transmitted or accessed outside of the United States.

The Contractor agrees that a violation of items listed above will result in immediate and irreparable harm to the Department and will entitle the Department to a credit of \$50,000 per violation, with a total cap of \$500,000 per event. This credit is intended only to cover the Department's internal staffing and administrative costs as well as the diminished value of services provided under the Contract and will not preclude the Department from recovering other damages it may suffer as a result of such violation. For purposes of determining the damages due hereunder, a group of violations relating to a common set of operative facts (e.g., same location, same time period, same off-shore entity) will be treated as a single event. A violation of this provision will also entitle the Department to recover damages, if any, arising from a breach of this section and constitutes an event of default.

Notwithstanding any provision of this Contract to the contrary, the Contractor shall notify the Department as soon as possible, in accordance with the requirements of section 501.171, F.S., and in all events within one (1) business day in the event Contractor discovers any Data is breached, any unauthorized access of Data occurs (even by persons or companies with authorized access for other purposes), any unauthorized transmission of Data or any credible allegation or suspicion of a material violation of the above. This notification is required whether the event affects one agency/customer or the entire population. The notification shall be clear and conspicuous and include a description of the following:

- (a) The incident in general terms.
- (b) The type of information that was subject to the unauthorized access and acquisition.
- (c) The type and number of entities who were, or potentially have been affected by the breach.

(d) The actions taken by the Contractor to protect the Data from further unauthorized access. However, the description of those actions in the written notice may be general so as not to further increase the risk or severity of the breach.

9.3 Remedial Measures.

Upon becoming aware of an alleged security breach or security incident under section 12, the Contractor's Contract Manager shall set up a conference call with the Department's Contract Manager. The conference call invitation shall contain a brief description of the nature of the event. When possible, a 30 minute notice shall be given to allow Department personnel to be available for the call. If the designated time is not practical for the Department, an alternate time for the call shall be scheduled. All available information shall be shared on the call. The Contractor shall answer all questions based on the information known at that time and shall answer additional questions as additional information becomes known. The Contractor shall provide the Department with final documentation of the incident including all actions that took place. If the Contractor becomes aware of a security breach or security incident outside of normal business hours, the Contractor shall notify the Department's Contract Manager and in all events, within one business day.

9.4 Indemnification (Breach of Warranty of Security).

The Contractor agrees to defend, indemnify and hold harmless the Department, Customer, the State of Florida, its officers, directors and employees for any claims, suits or proceedings related to a breach of the Warranty of Security. The Contractor will include credit monitoring services at its own cost for those individuals affected or potentially affected by a breach of this warranty for a two year period of time following the breach.

9.5 Annual Certification.

The Contractor is required to submit an annual certification demonstrating compliance with the Warranty of Security to the Department by December 31 of each Contract year.

SECTION 10. GRATUITIES AND LOBBYING.

10.1 Gratuities.

The Contractor shall not, in connection with this Contract, directly or indirectly (1) offer, give, or agree to give anything of value to anyone as consideration for any State officer or employee's decision, opinion, recommendation, vote, other exercise of discretion, or violation of a known legal duty, or (2) offer, give, or agree to give to anyone anything of value for the benefit of, or at the direction or request of, any State officer or employee.

10.2 Lobbying.

In accordance with sections 11.062 and 216.347, F.S., Contract funds are not for the purpose of lobbying the Legislature, the judicial branch, or the Department. Pursuant to subsection 287.058(6), F.S., the Contract does not prohibit the Contractor from lobbying the executive or legislative branch concerning the scope of services, performance, term, or compensation regarding the Contract, after the Contract execution and during the Contract's term.

SECTION 11. CONTRACT MONITORING.

11.1 Performance Standards.

The Contractor agrees to perform all tasks and provide deliverables as set forth in the Statement of Work and attachments to the Contract. The Department shall be entitled at all times, upon request, to be advised as to the status of work being done by the Contractor and of the details thereof. Coordination shall be maintained by the Contractor with representatives of the Department, or of other agencies involved in the Contract on behalf of the Department.

11.2 Performance Deficiency.

In addition to the processes set forth in section 2.2 of the Contract, if the Department or Customer determines that the performance of the Contractor is unsatisfactory, the Department or Customer may notify the Contractor of the deficiency to be corrected, which correction shall be made within a time-frame specified by the Department or Customer. The Contractor shall provide the Department or Customer with a corrective action plan describing how the Contractor will address all issues of contract non-performance, unacceptable performance, and failure to meet the minimum performance levels, deliverable deficiencies, or contract non-compliance.

11.3 Financial Consequences of Non-Performance.

If the corrective action plan is unacceptable to the Department or Customer, or fails to remedy the performance deficiencies, the Contractor will be assessed a non-performance retainage equivalent to 10% of the total invoice amount or as specified in the contractual documents. The retainage will be applied to the invoice for the then-current billing period. The retainage will be withheld until the Contractor resolves the deficiency. If the deficiency is subsequently resolved, the Contractor may invoice the Customer for the retained amount during the next billing period. If the Contractor is unable to resolve the deficiency, the funds retained will be forfeited.

11.4 Liquidated Damages.

The Contractor will promptly notify the Department or Customer upon becoming aware of any circumstances that may reasonably be expected to jeopardize the timely and successful completion (or delivery) of any commodity or contractual service. The Contractor will use commercially reasonable efforts to avoid or minimize any delays in performance and will inform the Department or Customer of the steps the Contractor is taking or will take to do so, and the projected actual completion (or delivery) time. If the Contractor believes a delay in performance by the Department or Customer has caused or will cause the Contractor to be unable to perform its obligations on time, the Contractor will promptly so notify the Department or Customer and use commercially reasonable efforts to perform its obligations on time notwithstanding the Department or Customer's delay.

The Contractor acknowledges that untimely performance or other material noncompliance will damage the Department or Customer, but by their nature such damages are difficult to ascertain. Accordingly, the liquidated damages provisions stated in the solicitation will apply to this Contract. Liquidated damages are not intended to be a penalty and are solely intended to compensate for damages.

11.5 Force Majeure, Notice of Delay, and No Damages for Delay.

The Contractor shall not be responsible for delay resulting from its failure to perform if neither the fault nor the negligence of the Contractor or its employees or agents

contributed to the delay and the delay is due directly to acts of God, wars, acts of public enemies, strikes, fires, floods, or other similar cause wholly beyond the Contractor's control, or for any of the foregoing that affect subcontractors or suppliers if no alternate source of supply is available to the Contractor. In case of any delay the Contractor believes is excusable, the Contractor shall notify the Department or Customer in writing of the delay or potential delay and describe the cause of the delay either (1) within 10 days after the cause that creates or will create the delay first arose, if the Contractor could reasonably foresee that a delay could occur as a result, or (2) if delay is not reasonably foreseeable, within five days after the date the Contractor first had reason to believe that a delay could result. The foregoing shall constitute the Contractor's sole remedy or excuse with respect to delay. Providing notice in strict accordance with this paragraph is a condition precedent to such remedy. No claim for damages shall be asserted by the Contractor. The Contractor shall not be entitled to an increase in the Contract price or payment of any kind from the Department or Customer for direct, indirect, consequential, impact or other costs, expenses or damages, including but not limited to costs of acceleration or inefficiency, arising because of delay, disruption, interference, or hindrance from any cause whatsoever. If performance is suspended or delayed, in whole or in part, due to any of the causes described in this paragraph, after the causes have ceased to exist the Contractor shall perform at no increased cost, unless the Department or Customer determines, in its sole discretion, that the delay will significantly impair the value of the Contract to the State or to Customers, in which case the Department or Customer may (1) accept allocated performance or deliveries from the Contractor, provided that the Contractor grants preferential treatment to Customers with respect to commodities or contractual services subjected to allocation, or (2) purchase from other sources (without recourse to and by the Contractor for the related costs and expenses) to replace all or part of the commodity or contractual services that are the subject of the delay, which purchases may be deducted from the Contract quantity, or (3) terminate the Contract in whole or in part.

SECTION 12. CONTRACT AUDITS.

12.1 Performance or Compliance Audits.

The Department may conduct or have conducted performance and/or compliance audits of the Contractor and subcontractors as determined by the Department. The Department may conduct an audit and review all the Contractor's and subcontractor's data and records that directly relate to the Contract. To the extent necessary to verify the Contractor's fees and claims for payment under the Contract, the Contractor's agreements or contracts with subcontractors, partners or agents of the Contractor, pertaining to this Contract, may be inspected by the Department upon 15 days' notice, during normal working hours and in accordance with the Contractor's facility access procedures where facility access is required. Release statements from its subcontractors, partners or agents are not required for the Department or its designee to conduct compliance and performance audits on any of the Contractor's contracts relating to this Contract. The State's Chief Financial Officer and the Office of the Auditor General also have authority to perform audits and inspections.

12.2 Payment Audit.

Records of costs incurred under terms of the Contract shall be maintained in accordance with section 8 of the Contract. Records of costs incurred shall include the Contractor's

general accounting records, together with supporting documents and records of the Contractor and all subcontractors performing work, and all other records of the Contractor and subcontractors considered necessary by the Department, State's Chief Financial Officer or the Office of the Auditor General for audit.

SECTION 13. BACKGROUND SCREENING AND SECURITY.

13.1 Background Check.

The Department may require the Contractor and its employees, agents, representatives and subcontractors to provide fingerprints and be subject to such background check(s) as directed by the Department. The cost of the background check(s) shall be borne by the Contractor. The Department may require the Contractor to exclude the Contractor's employees, agents, representatives or subcontractors based on the background check results. In addition, the Contractor shall ensure that all persons have a responsibility to self-report to the Contractor within three calendar days any arrest for any Disqualifying Offense. The Contractor shall notify the Contract Manager within 24 hours of all details concerning any reported arrest. The Contractor will ensure that all background screening will be refreshed upon the request of the Department for each person during the term of the Contract.

13.2 E-Verify.

In accordance with Executive Order 11-116, the Contractor agrees to utilize the U.S. Department of Homeland Security's E-Verify system to verify the employment eligibility of all new employees hired during the term of the Contract for the services specified in the Contract. The Contractor shall also include a requirement in subcontracts that the subcontractor shall utilize the E-Verify system to verify the employment eligibility of all new employees hired by the subcontractor during the Contract term. In order to implement this provision, the Contractor shall provide a copy of its DHS Memorandum of Understanding (MOU) to the Contract Manager within five days of Contract execution. If the Contractor is not enrolled in DHS E-Verify System, it will do so within five days of notice of Contract award, and provide the Contract Manager a copy of its MOU within five days of Contract execution. The link to E-Verify is provided below. <http://www.uscis.gov/e-verify>. Upon each Contractor or subcontractor new hire, the Contractor shall provide a statement within five days to the Contract Manager identifying the new hire with its E-Verify case number.

13.3 Disqualifying Offenses.

If at any time it is determined that a person has a criminal misdemeanor or felony record regardless of adjudication (e.g., adjudication withheld, a plea of guilty or nolo contendere, or a guilty verdict) within the last six years from the date of the court's determination for the crimes listed below, or their equivalent in any jurisdiction, the Contractor is required to immediately remove that person from any position with access to State of Florida Data or directly performing services under the Contract. The disqualifying offenses are as follows:

- (a) Computer related or information technology crimes
- (b) Fraudulent practices, false pretenses and frauds, and credit card crimes
- (c) Forgery and counterfeiting
- (d) Violations involving checks and drafts
- (e) Misuse of medical or personnel records
- (f) Felony theft

13.4 Communications and Confidentiality.

The Contractor agrees that it shall make no statements, press releases, or publicity releases concerning the Contract or its subject matter or otherwise disclose or permit to be disclosed any of the data or other information obtained or furnished in compliance with the Contract, or any particulars thereof, during the period of the Contract, without first notifying the Department's Contract Manager or the Department designated contact person and securing prior written consent. The Contractor shall maintain confidentiality of all confidential data, files, and records related to the services and/or commodities provided pursuant to the Contract and shall comply with all state and federal laws, including, but not limited to sections 381.004, 384.29, 392.65, and 456.057, F.S. The Contractor's confidentiality procedures shall be consistent with the most recent version of the Department security policies, protocols, and procedures. The Contractor shall also comply with any applicable professional standards with respect to confidentiality of information.

IN WITNESS WHEREOF, the parties have executed this Agreement as of the last date signed by both parties below.

State of Florida
Department of Management Services

(Contractor Name)

Signature: _____

Signature: _____

Name: Ben Wolf

Name: _____

Title: Chief of Staff

Title: _____

Date: _____

Date: _____