

By Senator Burgess

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1 A bill to be entitled
2 An act relating to road construction; creating the
3 Rural Roads Initiative Pilot Program within the
4 Department of Transportation; providing the purpose of
5 the pilot program; defining the term "East Pasco
6 County"; providing application and funding
7 requirements; specifying the role of the department in
8 distributing funds; specifying project standards;
9 authorizing the Governor to reallocate funds under
10 certain circumstances; providing an exception;
11 requiring the department to submit an annual report to
12 the Legislature; requiring the Legislature to
13 designate a pilot program review committee; providing
14 an appropriation; amending s. 337.14, F.S.; revising
15 the amount of a construction contract for which a
16 contractor must first be certified by the department
17 in order to bid on such contract; amending s. 337.11,
18 F.S.; conforming provisions to changes made by the
19 act; providing an effective date.
20

21 Be It Enacted by the Legislature of the State of Florida:
22

23 Section 1. Rural Roads Initiative Pilot Program.—

24 (1) The Rural Roads Initiative Pilot Program is created
25 within the Department of Transportation for the purpose of
26 paving state, county, or municipal roads within East Pasco
27 County that are currently unpaved. As used in this section, the
28 term "East Pasco County" means that portion of Pasco County that
29 is located east of U.S. 41.

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30 (2) Under the pilot program, the Pasco County Board of
31 County Commissioners or the governing board of a municipality
32 within East Pasco County may apply to the Department of
33 Transportation for funding to pave roads within an area under
34 such board's jurisdiction which are currently unpaved and the
35 cost of which cannot be met by the residents of such area. In
36 determining whether an applicant receives funding, the
37 department shall consider the number of dwellings located along
38 each applicable road, as well as connectivity and the impact
39 each newly paved road will have on moving residents, goods, and
40 services within such area. The department's role in distributing
41 funds under the pilot program shall be strictly fiduciary in
42 nature. The department may not rank projects according to
43 importance and may not reject an application based on a
44 determination of feasibility. A road paving project funded under
45 the pilot program is subject only to construction standards
46 established by the county or the municipality in which the road
47 is located and is not subject to department standards.

48 (3) Each applicant that receives funding from the
49 department under the pilot program shall be awarded 50 percent
50 of the cost of paving roads within an area under its
51 jurisdiction which are unpaved. The remaining 50 percent shall
52 be borne by the applicant.

53 (4) Funding awarded to an applicant under the pilot program
54 may be reallocated by the Governor for other uses if the
55 Governor has declared a state of emergency and determined such
56 reallocation is necessary as a result of such emergency, except
57 that funding that has been allocated to a road paving project
58 may not be reallocated for other uses once construction for the

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59 project has commenced.

60 (5) The Department of Transportation shall submit an annual
61 report to the President of the Senate and the Speaker of the
62 House of Representatives which includes the number of roads in
63 each area for which paving has been completed, the amount of
64 pilot program funds expended for each road paving project, and
65 the number of residents in each area who were impacted by the
66 paving of each road. The President of the Senate and the Speaker
67 of the House of Representatives shall designate a committee to
68 review the report and determine the efficacy of the pilot
69 program.

70 (6) The sum of \$20 million is appropriated from the General
71 Revenue Fund to the Department of Transportation for
72 distribution under the Rural Roads Initiative Pilot Program.

73 Section 2. Subsections (1) and (2) and paragraph (a) of
74 subsection (9) of section 337.14, Florida Statutes, are amended
75 to read:

76 337.14 Application for qualification; certificate of
77 qualification; restrictions; request for hearing.—

78 (1) Any contractor desiring to bid for the performance of
79 any construction contract in excess of \$5 million ~~\$250,000~~ which
80 the department proposes to let must first be certified by the
81 department as qualified pursuant to this section and rules of
82 the department. The rules of the department must address the
83 qualification of contractors to bid on construction contracts in
84 excess of \$5 million ~~\$250,000~~ and must include requirements with
85 respect to the equipment, past record, experience, financial
86 resources, and organizational personnel of the applying
87 contractor which are necessary to perform the specific class of

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88 work for which the contractor seeks certification. Any
89 contractor who desires to bid on contracts in excess of \$50
90 million and who is not qualified and in good standing with the
91 department as of January 1, 2019, must first be certified by the
92 department as qualified and must have satisfactorily completed
93 two projects, each in excess of \$15 million, for the department
94 or for any other state department of transportation. The
95 department may limit the dollar amount of any contract upon
96 which a contractor is qualified to bid or the aggregate total
97 dollar volume of contracts such contractor is allowed to have
98 under contract at any one time. Each applying contractor seeking
99 qualification to bid on construction contracts in excess of \$5
100 million ~~\$250,000~~ shall furnish the department a statement under
101 oath, on such forms as the department may prescribe, setting
102 forth detailed information as required on the application. Each
103 application for certification must be accompanied by audited,
104 certified financial statements prepared in accordance with
105 generally accepted accounting principles and auditing standards
106 by a certified public accountant licensed in this state or
107 another state. The audited, certified financial statements must
108 be for the applying contractor and must have been prepared
109 within the immediately preceding 12 months. The department may
110 not consider any financial information of the parent entity of
111 the applying contractor, if any. The department may not certify
112 as qualified any applying contractor who fails to submit the
113 audited, certified financial statements required by this
114 subsection. If the application or the annual financial statement
115 shows the financial condition of the applying contractor more
116 than 4 months before the date on which the application is

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117 received by the department, the applicant must also submit
118 interim audited, certified financial statements prepared in
119 accordance with generally accepted accounting principles and
120 auditing standards by a certified public accountant licensed in
121 this state or another state. The interim financial statements
122 must cover the period from the end date of the annual statement
123 and must show the financial condition of the applying contractor
124 no more than 4 months before the date that the interim financial
125 statements are received by the department. However, upon the
126 request of the applying contractor, an application and
127 accompanying annual or interim financial statement received by
128 the department within 15 days after either 4-month period under
129 this subsection shall be considered timely. An applying
130 contractor desiring to bid exclusively for the performance of
131 construction contracts with proposed budget estimates of less
132 than \$1 million may submit reviewed annual or reviewed interim
133 financial statements prepared by a certified public accountant.
134 The information required by this subsection is confidential and
135 exempt from s. 119.07(1). The department shall act upon the
136 application for qualification within 30 days after the
137 department determines that the application is complete. The
138 department may waive the requirements of this subsection for
139 projects having a contract price of \$500,000 or less if the
140 department determines that the project is of a noncritical
141 nature and the waiver will not endanger public health, safety,
142 or property.

143 (2) Certification shall be necessary in order to bid on a
144 road, bridge, or public transportation construction contract of
145 more than \$5 million ~~\$250,000~~. However, the successful bidder on

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146 any construction contract must furnish a contract bond prior to
147 the award of the contract. The department may waive the
148 requirement for all or a portion of a contract bond for
149 contracts of \$150,000 or less under s. 337.18(1).

150 (9) (a) Notwithstanding any other law to the contrary, for
151 contracts in excess of \$5 million ~~\$250,000~~, an authority created
152 pursuant to chapter 348 or chapter 349 may require that persons
153 interested in performing work under contract first be certified
154 or qualified to do the work. Any contractor may be considered
155 ineligible to bid by the governmental entity or authority if the
156 contractor is behind an approved progress schedule for the
157 governmental entity or authority by 10 percent or more at the
158 time of advertisement of the work. Any contractor prequalified
159 and considered eligible by the department to bid to perform the
160 type of work described under the contract shall be presumed to
161 be qualified to perform the work so described. The governmental
162 entity or authority may provide an appeal process to overcome
163 that presumption with de novo review based on the record below
164 to the circuit court.

165 Section 3. Paragraphs (a) and (b) of subsection (3) and
166 paragraph (c) of subsection (6) of section 337.11, Florida
167 Statutes, are amended to read:

168 337.11 Contracting authority of department; bids; emergency
169 repairs, supplemental agreements, and change orders; combined
170 design and construction contracts; progress payments; records;
171 requirements of vehicle registration.-

172 (3) (a) On all construction contracts of \$5 million ~~\$250,000~~
173 or less, and any construction contract of less than \$500,000 for
174 which the department has waived prequalification under s.

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175 337.14, the department shall advertise for bids in a newspaper
176 having general circulation in the county where the proposed work
177 is located. Publication shall be at least once a week for no
178 less than 2 consecutive weeks, and the first publication shall
179 be no less than 14 days before ~~prior to~~ the date on which bids
180 are to be received.

181 (b) On all construction contracts greater than \$5 million
182 ~~\$250,000~~, the department shall provide a bid solicitation notice
183 to all prequalified contractors at least 2 weeks before the date
184 bids are scheduled to be received.

185 (6)

186 (c) When the department determines that it is in the best
187 interest of the public for reasons of public concern, economy,
188 improved operations, or safety, and only when circumstances
189 dictate rapid completion of the work, the department may, up to
190 the amount of \$5 million ~~\$250,000~~, enter into contracts for
191 construction and maintenance without advertising and receiving
192 competitive bids. The department may enter into such contracts
193 only upon a determination that the work is necessary for one of
194 the following reasons:

195 1. To ensure timely completion of projects or avoidance of
196 undue delay for other projects;

197 2. To accomplish minor repairs or construction and
198 maintenance activities for which time is of the essence and for
199 which significant cost savings would occur; or

200 3. To accomplish nonemergency work necessary to ensure
201 avoidance of adverse conditions that affect the safe and
202 efficient flow of traffic.

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204 The department shall make a good faith effort to obtain two or
205 more quotes, if available, from qualified contractors before
206 entering into any contract. The department shall give
207 consideration to disadvantaged business enterprise
208 participation. However, when the work exists within the limits
209 of an existing contract, the department shall make a good faith
210 effort to negotiate and enter into a contract with the prime
211 contractor on the existing contract.

212 Section 4. This act shall take effect July 1, 2022.