



*Florida Department of Transportation*

**RICK SCOTT**  
GOVERNOR

605 Suwannee Street  
Tallahassee, FL 32399-0450

**JIM BOXOLD**  
SECRETARY

March 29, 2016

Weldon Cadwell, Chairman  
Central Florida Expressway Authority  
4974 Orl Tower Road  
Orlando, FL 32807

RE: Centralized Customer Service Center (CCSS)

Dear Chairman Cadwell:

I am writing regarding the status of the referenced project. While I know that your staff has been involved in the project since its inception, including their appreciated participation in the development of the procurement and evaluation and selection of the vendor, I want to emphasize that the Central Florida Expressway Authority is approaching a major decision point. The Department has been working for some time with the various toll agencies to memorialize the terms under which each may utilize the CCSS. At this time, both the Miami-Dade County Expressway Authority (MDX) and the Tampa-Hillsborough County Expressway Authority (THEA) have approved agreements with the Department under which each will participate in the CCSS.

Pursuant to the form of agreement that was provided to your executive director in February, agencies that join by April 30, 2016 will be considered Participating Agencies. Participating Agencies will continue to be an integral part of the final design and development of CCSS system and operational procedures. Each Participating Agency will have the opportunity to provide additional input into the development process, including any potential updates that the agency would offer since the cooperative drafting of the Intent to Negotiate document. A Participating Agency's financial contribution will be based on the usage day model. This model has proven to provide significant savings to both MDX and THEA. For example, MDX anticipates that its agreement to act as a Participating Agency will save the authority approximately \$9 million. In addition to the anticipated savings, the CCSS offers each Participating Agency the ability to enter into direct contracts with the vendor for agency specific services as required. The alternative is to be an External Agency as defined in the form

agreement. An External Agency does not enjoy any of the above listed benefits. It is simply a transaction fee-based relationship.

As you know, the Florida Transportation Commission (FTC) developed the initial concept for the project, the stated purpose of which was to achieve cost savings for all Florida toll agencies while delivering improved services to our customers ("one call solves it all"). The Department appreciates the efforts expended by the staff of all the toll agencies to cooperatively advance the concept as we worked through the procurement process, negotiations and now the first stages of building the new back office.

In discussing this issue with the Florida Transportation Commission, I have always maintained that each agency would have to make its own business decision as it weighed whether to join the back office. HNTB has worked with MDX and THEA to prepare savings estimates. They would be happy to work with CFX staff to perform the same analysis if it chooses to join the back office. I recognize that the decision for CFX is somewhat more complicated because it is not currently a SunPass agency. Given, however, that CFX has discussed the need for a new toll processing platform, it would seem an opportune time to consider this important decision.

The Department would certainly welcome CFX joining the back office on the same terms we have reached with MDX and THEA. We stand ready to do our part to make that happen.

As always, please feel free to contact me directly if I can be of assistance.

Sincerely,

A handwritten signature in black ink, appearing to read "Jim Boxold", written in a cursive style.

Jim Boxold  
Secretary

cc: CFX Board Members  
Laura Kelly, Executive Director CFX  
FTC Commissioners

# CENTRAL FLORIDA EXPRESSWAY AUTHORITY

January 21, 2016

Ms. Diane Gutierrez-Scaccetti  
Executive Director and Chief Executive Officer  
Florida's Turnpike Enterprise  
P.O. Box 613069  
Ocoee, Florida 34761

Subject: Centralized Customer Service System (CCSS) Interlocal Agreement

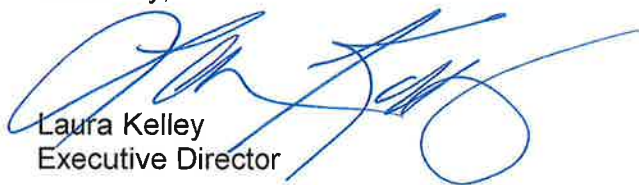
Dear Director Scaccetti,

We received your notification that Florida's Turnpike Enterprise has executed a CCSS contract with Xerox and is starting CCSS development. Time is critical, as an agreement between our agencies is required based on the executed Memorandum of Understanding (MOU) dated September 12, 2012. The MOU entered into on September 12, 2012 by Florida's Turnpike Enterprise, Miami-Dade Expressway Authority (MDX), Tampa-Hillsborough Expressway Authority (THEA) and Central Florida Expressway Authority's (CFX) predecessor, Orlando-Orange County Expressway Authority, stated that our four agencies would implement a Centralized Customer Service System (CCSS) through a jointly developed Interlocal Agreement (ILA) pursuant to Section 163.01, Florida Statutes.

According to the executed MOU, the ILA would include the requirements attached. In addition to the elements agreed to through the MOU, the Central Florida Expressway Authority has reaffirmed at its Board meeting on January 14, 2016 that at a minimum, the ILA should provide for a pro-rata share of ownership of the system, equal voice in management decisions, required key performance metrics and reasonable cost savings. As the Board reviews and considers the draft ILA, there could be additional elements recommended.

We look forward to working with you to develop this agreement in an expeditious manner and look forward to hearing from you in the near future.

Sincerely,



Laura Kelley  
Executive Director

cc: CFX Board members  
Jim Boxold, Secretary, FDOT  
Florida Transportation Commission  
Joe Waggoner, Executive Director, THEA  
Javier Rodriguez, Executive Director, MDX

4974 ORL TOWER RD. ORLANDO, FL 32807 | PHONE: (407) 690-5000 | FAX: (407) 690-5011

WWW.CFXWAY.COM



**CCSS Interlocal Agreement Requirements**  
**In accordance with the**  
**Executed Memorandum of Understanding**  
**Dated September 12, 2012**

1. Guidelines for development of a procurement document for the provision of CCSS services by a third party vendor, including system technology and data requirements;
2. The location of the centralized service center, disaster recovery and backup operations site(s), and regional walk-in customer service centers which support walk-up counter services, resolution of transaction discrepancies, and development of billable transactions and image reviews;
3. Interoperability between the CCSS and non-participants;
4. Interfaces with third parties such as parking facilities, rental car providers, fleet services and special customer requests;
5. Common business rules for customer account management, customer account types, and customer communications;
6. Common procedures for the issuance of unpaid toll notices, citations, and vehicle registration holds and releases;
7. Procedures to adopt or modify business rules related to functions of the CCSS. The Participating Agencies agree to work cooperatively to address and resolve any issues that may arise during the administration of the CCSS contract and to promptly address issues and effect written modification to the ILA as it from time to time may be required,
8. Procedures for protection of customer data;
9. Quality control processes and reporting requirements;
10. Data retrieval and reporting requirements;
11. A violation enforcement system that meets the requirements of all court jurisdictions;
12. Criteria for a common customer service center website;
13. Audit processes and reporting needs;
14. Administrative fees;
15. Collection criteria;
16. The use of collection agencies;
17. Maintenance of minimum account balances and handling of negative balances;
18. Allocation and distribution to each agency the toll transaction and violations revenues and fees for their roadways and the associated processes for allocation and distribution.
19. The disposition of interest earnings on prepaid toll accounts;
20. Identification of each agency's costs related to the operations and administration of the CCSS and the method of allocation and collection of those costs.

# EXECUTIVE SUMMARY OF MASTER AGREEMENT

**Centralized Customer Service System (CCSS)**  
**Executive Summary**  
**March 2016**

**BACKGROUND**

In September 2012, Florida's Turnpike Enterprise (FTE), Central Florida Expressway Authority (CFX), Miami Dade Expressway Authority (MDX), and Tampa Hillsborough Expressway Authority (THEA) executed a Memorandum of Understanding (MOU) to implement a CCSS through a jointly developed Interlocal Agreement pursuant to Section 163.01, Florida Statutes.

CFX developed the first electronic toll collection system in the State of Florida (1994) and has maintained its own customer service system since the beginning. When MDX and THEA began electronic toll collection years later, FTE processed their electronic toll transactions through FTE's customer service system. MDX and THEA pay a fee to FTE for each electronic transaction processed.

By letter dated December 9, 2015, CFX was informed that the Florida Department of Transportation (FDOT) concluded the protest pertaining to the CCSS procurement and executed the contract with Xerox State and Local Solutions, Inc. The letter included a proposed Master Agreement and a copy of the 1600+ page Contract. Staff has reviewed the proposed Master Agreement and the executed contract and noted the following key points.

**DEPARTURES FROM THE MOU**

Contrary to the MOU, the proposed Master Agreement is not an "Interlocal Agreement" prepared in accordance with Section 163.01, Florida Statutes.

According to the MOU, the ILA was expected to include agreement on a number of items. Nevertheless, many key items were not addressed in the proposed Master Agreement, including:

- a. "Procedures to adopt or modify business rules related to functions of the CCSS." MOU, para. 4.vii.
- b. "Disposition of interest earnings on pre-paid toll accounts." MOU, para. 4.xix.
- c. Complete description of the approach to the "allocation and distribution to each agency the toll transaction and violation revenues and fees for their roadways and the associated processes for allocation and distribution." MOU, para. 4.xviii.
- d. Complete description of the approach to the "identification of each agency's costs related to the operations and administration of the CCSS and the method of allocation and collection of those costs." MOU, para. 4.xx.

## FDOT's PROPOSED MASTER AGREEMENT

CFX must agree that the terms negotiated by FDOT in the Customer Service System Contract are acceptable to CFX, but such acceptance shall not be construed as making CFX a party to the CCSS contract.<sup>1</sup>

CFX must agree to pay its share of the pro rata cost, but CFX would not have any control over the contract, including cost overruns, delays, liquidated damages, defective performance, and other issues.<sup>2</sup>

CFX can monitor the implementation, operation, and maintenance of the CCSS, but has no right to control, manage, or work directly with the Vendor.<sup>3</sup>

CFX would be obligated to pay its share of the operational costs, including the cost of providing operational services to external agencies.<sup>4</sup> As a result, CFX would have an ongoing payment obligation, without any control over the deliverables or the cost, without a right to audit the allocation or determination of costs (including maintenance and subsequent capital costs), and without the right to possession of any deliverables or intellectual property in the event of termination of the contract or default by Xerox.

It cannot be determined at this point whether it would be more cost-effective to be a participating agency or an external agency.<sup>5</sup>

There are two types of agencies: participating agencies and external agencies. Participating agencies have to pay the capital, operational, and maintenance costs on an ongoing basis. The Participating Agencies are FDOT, CFX, MDX and THEA. All other agencies are external agencies. External agencies shall pay a transaction fee, which has not yet been set. The participating agencies shall divide the revenues received from the external agencies.

In an effort to attempt to estimate the relative costs, the price proposal lists the total initial contract cost (with the fee per paid invoice) with maintenance for years 1 through 6 of \$293,937,607 and an optional renewal cost for years 7 to 13 of \$299,958,760. A copy of the price proposal is attached as **Composite Exhibit A**. The initial estimate of CFX contribution of capital cost to the Department prior to go live is \$8 to \$10 million with a less-than-two-year

---

<sup>1</sup> Contract, Section 3, CCSS Contract.

<sup>2</sup> See Contract, Section 5, Capital Contributions: The capital cost of Design and Implementation of the CCSS System shall be allocated to the participating agencies pro rata based on a Usage Day Formula.

<sup>3</sup> Contract, Section 6, Design and Implementation Phase: CFX would be required to direct concerns to the FDOT project manager, not the vendor. If CFX staff is not satisfied, staff should advise his/her respective executive director. CFX's primary contact is invited to attend progress meetings. FDOT will address the concerns with the vendor.

<sup>4</sup> Contract, Section 7, Operational Expenses for CCSS Services.

<sup>5</sup> Contract, Section 8. External Agencies Receiving Service from the CCSS.

project schedule and a general go live date in 2017, assuming there are no project delays. The exact price to be charged to the external agencies is unknown.

CFX has no right to control amendments to the CCSS Contract between FDOT and Xerox, even though it is being asked to partially fund the capital contributions as well as the operations and maintenance costs. The Department will be making all of the decisions on any CCSS Contract amendment.<sup>6</sup>

The proposed Master Agreement does not include provisions such as the following:

- a. All rights associated with equal partnership status, such as joint management and ownership, warranties, liquidated damages, transaction fees that are provided to FDOT, but not CFX, that was contemplated in the MOU through the development of an ILA.
- b. An interest in the capital investment
- c. An interest in the data and intellectual property rights
- d. A not-to-exceed amount or some assurance that the contribution will not exceed a certain amount for budgeting purposes
- e. A termination clause allowing CFX to exit out of the Master Agreement and recoup some of its investment in the event that the project is unsuccessful, too costly, or for some other reason.
- f. A process for CFX to participate and decide on and prioritize changes to the CCSS system.
- g. The dedication of an office for CFX at the Primary CCSS facility.<sup>7</sup>
- h. Detailed and specific cost allocations encompassing all facets of CCSS, including but not limited to:
  - o transponder purchases;
  - o fees charged by external agencies for the CCSS to be interoperable with external agencies, such as EZ-Pass in the northeast;
  - o allocation of salary and administrative overhead;
  - o handling of pre-paid tolls;
  - o revenue allocation for fees and fines;
  - o revenue allocation for negative balances;
  - o revenue allocation for interest on accounts.

---

<sup>6</sup> Contract, Section 9, Amendment of the CCSS Contract: FDOT has the right to amend the CCSS contract with Xerox, even if it has a material impact, so long as FDOT provides CFX with 60-day notice.

<sup>7</sup> The CCSS Contract requires Xerox to provide an office for CFX at the Primary CCSS facility for a CFX assigned staff person.



## HIGHLIGHTS OF THE CCSS CONTRACT BETWEEN FDOT AND XEROX

1. Property Rights. All specifications, files, reports, data are the exclusive property of the Department.<sup>8</sup> Observation: The contract specifically excludes an ownership interest in the specifications, files, reports, and data to CFX. Originally, CFX, through a review of the ITN, believed that it would have access to a replicated copy of the CCSS database. ITN, Exhibit A, Volume 1, System Requirements, section 1.1.3
2. Authority to Decide. The Director of the Department has the right to decide whether the vendor's services are satisfactory.<sup>9</sup> Observation: CFX does not have the right to determine whether the vendor's performance is satisfactory.
3. Term. The term is for an initial period of seven (7) years with a renewal that may not exceed seven (7) years. One extension may be granted for a term not to exceed six months.<sup>10</sup> Observation: FDOT has total control over the term and the extensions of the contract.
4. State's Transaction Fee. The State assesses a 1% transaction fee, which the Vendor shall pay to the State.<sup>11</sup> Observation: This is revenue that should be shared with the participating agencies.
5. Cap. The Department's obligations are limited to the amount budgeted.<sup>12</sup> Observation: CFX does not have a similar budget restriction.
6. Indemnification. The Vendor agreed to indemnify the Department.<sup>13</sup> Observation: CFX is not included as an indemnified party.
7. Bond. The Vendor is required to provide the Department with a bond which is payable to the Department.<sup>14</sup> Observation: CFX is not entitled to enforce the bond.
8. Insurance. The Department is an additional insured.<sup>15</sup> Observation: CFX is not named as an additional insured.

---

<sup>8</sup> Contract, Section 1C. Services and Performance.

<sup>9</sup> Contract, Section 1F.

<sup>10</sup> Contract, Section 2.

<sup>11</sup> Contract, Section 3G. Compensation and Payment.

<sup>12</sup> Contract, Section 3J.

<sup>13</sup> Contract, Section 4A.

<sup>14</sup> Contract, Section 4D. See also, ITN, page 45, 2.38, Performance Bond (The performance bond is payable to the Department).

<sup>15</sup> Contract, Section 4E. See also ITN, page 43, 2.37, Insurance (The Department is named as an additional insured on all applicable coverage)

9. Termination. The Department has the right to terminate or take whatever action is deemed appropriate in the event of unsatisfactory performance of the Vendor.<sup>16</sup> Observation: CFX does not have the right to terminate. Observation: CFX does not have a companion right to terminate.
10. Right to Work in Progress. All work in progress shall become the property of the Department.<sup>17</sup> Observation: CFX does not have a similar right.
11. Warranties. The system warranty is for a period of one year from the date of acceptance by the Department. All servers shall have a warranty of not less than five years from the date of acceptance. There are similar warranties for equipment, software, third parties, services, data accuracy, and additional warranties. All of their warranties are for the benefit of the Department.<sup>18</sup> Observation: CFX does not have the right to any of the warranties.
12. Liquidated Damages. The Department has the right to exercise liquidated damages in the amount of \$5,000 per day for each calendar day after the designated date for go live.<sup>19</sup> Observation: CFX does not have a right to a refund or a share of the liquidated damages.
13. Escrow. The Department has the right to remove all technical documentation deposited with the escrow agent.<sup>20</sup> Observation: The Escrow is not available to CFX. CFX and the other Participating Agencies are paying for the capital cost of the project without any ownership interests.
14. Default. The Department may exercise a number of rights in the event of default including forcing performance and taking possession.<sup>21</sup> Observation: CFX does not have the right to possession.
15. Lost Revenue. The contractor is obligated to reimburse the Department for revenues that are lost.<sup>22</sup> Observation: The distribution of any such revenues to CFX is unclear.
16. Transition. The contractor shall cooperate with the Department to facilitate a smooth succession.<sup>23</sup> Observation: If the vendor is unsuccessful, it is unclear what rights and remedies CFX would have to recover its capital investment and to participate in the succession process.

---

<sup>16</sup> Contract, Section 4B. There are two paragraphs numbered four. See also, ITN, page 50, 2.42, Notice of Default/Chance to Cure and Termination.

<sup>17</sup> Contract, Section 4D.

<sup>18</sup> ITN, page 39, 2.34, Warranties.

<sup>19</sup> ITN, page 47, 2.40 Liquidated Damages.

<sup>20</sup> ITN, page 49, Section 2.41, Event of Default.

<sup>21</sup> ITN, page 50, 2.43, Remedies in the Event of Default.

<sup>22</sup> ITN, page 51, 2.44, Actual Damages.

<sup>23</sup> ITN, page 52, 2.45, Succession and Transition.

17. Inventions. The Department has the right, title and interest in and to inventions, software, ideas developed by the contractor and any subs for the Department.<sup>24</sup> Observation: This may encompass ideas that originated from CFX.
18. License. The Contractor grants to the Department a royalty-free, perpetual, universal, irrevocable, nonexclusive license in object code, etc.<sup>25</sup> Observation: The license does not extend to CFX.

---

<sup>24</sup> ITN, page 54, 2.48, Department Owned Inventions and Software.

<sup>25</sup> ITN, page 56, 2.51, License and Escrow.

# CCSS MEMORANDUM OF UNDERSTANDING (MOU)

**CENTRALIZED CUSTOMER SERVICE SYSTEM  
MEMORANDUM OF UNDERSTANDING**

This Memorandum of Understanding ("MOU") is entered into as of this 12<sup>th</sup> day of Sept., 2012 between Florida's Turnpike Enterprise ("FTE"), Miami Dade Expressway Authority ("MDX"), Orlando-Orange County Expressway Authority ("OOCEA"), Tampa Hillsborough Expressway Authority ("THEA") (individually a "Participating Agency" and collectively "Participating Agencies"). The Participating Agencies agree as follows:

1. The Participating Agencies desire to implement a centralized customer service system (CCSS) for statewide back office operation for administration of electronic toll collection activities to: (i) provide a single point of contact for all of the Participating Agencies' non-cash toll collection customers to improve and simplify customer service; (ii) reduce the cost of non-cash toll collection; and (iii) provide a single, centralized service center with regional satellite offices.

2. The Participating Agencies envision that a CCSS will provide various services, including, but not limited to, those relating to the establishment and maintenance of customer accounts, the distribution of transponders for customers, violations processing and enforcement, and interfacing with third parties such as airport parking facilities, private parking facilities, rental car providers, fleet customers and others.

3. Each Participating Agency expressly reserves its respective statutory powers and autonomy.

4. As a result of this MOU, the Participating Agencies intend to implement a CCSS through a jointly developed Interlocal Agreement among all the Participating Agencies pursuant to Section 163.01, Florida Statutes. In connection with execution of the Interlocal Agreement, each Participating Agency will obtain an opinion of bond counsel that the terms of the Interlocal Agreement and the implementation of the centralized statewide back office in accordance with those terms will not violate any

bond covenants of the Participating Agency. The Interlocal Agreement (ILA) is expected to include agreement on:

- i. Guidelines for development of a procurement document for the provision of CCSS services by a third party vendor, including system technology and data requirements;
- ii. The location of the centralized service center, disaster recovery and backup operations site(s), and regional walk-in customer service centers which support walk-up counter services, resolution of transaction discrepancies, and development of billable transactions and image reviews;
- iii. Interoperability between the CCSS and non-participants;
- iv. Interfaces with third parties such as parking facilities, rental car providers, fleet services and special customer requests;
- v. Common business rules for customer account management, customer account types, and customer communications;
- vi. Common procedures for the issuance of unpaid toll notices, citations, and vehicle registration holds and releases;
- vii. Procedures to adopt or modify business rules related to functions of the CCSS. The Participating Agencies agree to work cooperatively to address and resolve any issues that may arise during the administration of the CCSS contract and to promptly address issues and effect written modification to the ILA as it from time to time may be required.
- viii. Procedures for protection of customer data;
- ix. Quality control processes and reporting requirements;
- x. Data retrieval and reporting requirements;
- xi. A violation enforcement system that meets the requirements of all court jurisdictions;
- xii. Criteria for a common customer service center website;
- xiii. Audit processes and reporting needs;

- xiv. Administrative fees;
- xv. Collection criteria;
- xvi. The use of collection agencies;
- xvii. Maintenance of minimum account balances and handling of negative balances;
- xviii. Allocation and distribution to each agency the toll transaction and violations revenues and fees for their roadways and the associated processes for allocation and distribution.
- xix. The disposition of interest earnings on prepaid toll accounts;
- xx. Identification of each agency's costs related to the operations and administration of the CCSS and the method of allocation and collection of those costs.

5. The Participating Agencies expect that FTE will take the lead and provide funds for the cost of the development of the procurement document needed to implement the CCSS.. The procurement document will provide that the other Participating Agencies have the right to enter into separate agreements with the selected vendor on the same or substantially the same terms as contained in the agreement executed between FTE and the selected vendor. Each Participating Agency will be equally represented on the vendor selection committee. The other Participating Agencies will execute agreements with the selected vendor immediately following execution of an agreement by FTE and the selected vendor. Each Participating Agency will administer its contract with the selected vendor in accordance with the terms and conditions of the Interlocal Agreement.

6. No amendment of the Memorandum of Understanding will be effective unless made in writing and executed by each of the parties of the MOU.

7. This Memorandum of Understanding and the contemplated Interlocal Agreement are subject to approval and ratification by the governing bodies of OOCEA, THEA, and MDX.

The parties have executed this MOU on the dates indicated below.

[SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE]



FLORIDA'S TURNPIKE ENTERPRISE

MIAMI DADE  
EXPRESSWAY AUTHORITY

BY:   
Diane Gutierrez-Scazzetti

BY:   
Javier Rodriguez, P.E.

DATE: 09/12/2012

DATE: 9/4/2012

Legal Review:




Legal Review:



ORLANDO-ORANGE COUNTY  
EXPRESSWAY AUTHORITY

TAMPA HILLSBOROUGH  
EXPRESSWAY AUTHORITY

BY:   
Max Crumit, P.E.

BY:   
Joe Waggoner

DATE: 8/30/2012

DATE: 9/10/2012

Legal Review:



Legal Review:



# **FDOT PROPOSED MASTER AGREEMENT**

**CENTRALIZED CUSTOMER SERVICE SYSTEM  
MASTER AGREEMENT**

THIS AGREEMENT is dated as of \_\_\_\_\_, 2015, and is entered into between the State of Florida Department of Transportation (the "Department"), the Central Florida Expressway Authority ("CFX"), the Miami-Dade County Expressway Authority ("MDX"), and the Tampa-Hillsborough County Expressway Authority ("THEA") (individually a "Participating Agency" and collectively, the "Participating Agencies").

**RECITALS**

A. Each of the Participating Agencies is an agency of the State of Florida which owns and operates toll facilities that are included in the State Highway System.

B. The Participating Agencies desire to implement a single centralized customer service system ("CCSS") for statewide administration of electronic toll collection activities and to provide a single point of contact for all of the Participating Agencies' non-cash toll collection customers to improve and simplify customer service.

C. The Participating Agencies cooperatively developed the Scope of Work and Requirements for operation of the CCSS, which contains the mutually agreed upon requirements and rules under which the CCSS will operate, and was included in the ITN (as defined below).

D. On November 1, 2013, the Department advertised Invitation to Negotiate ITN-DOT-13/14-8001-SM (the "ITN"), soliciting proposals from firms interested in participating in competitive negotiations for the award of a contract to provide the CCSS and associated Operations and Maintenance (the "CCSS Contract").

E. Each of the Participating Agencies assigned qualified staff who participated in technical review of proposals from firms submitted in response to the ITN and in the ranking of the proposing firms to determine the proposer with which the Department will conduct negotiations for the CCSS Contract.

F. The Department appointed qualified Department staff to act as the Department Negotiation Team pursuant to the ITN and section 287.057(16)(a)2. The Department's Negotiation Team has conducted negotiations of the CCSS Contract with the selected proposer in accordance with the Final Order issued by the Department in the consolidated bid protests that were filed regarding the ITN (Division of Administrative Hearings Case Nos. 14-2322BID and 14-2323BID). Each of the Participating Agencies assigned qualified staff who were present for the negotiations, evaluated the terms being negotiated by the Department Negotiation Team, and addressed comments or concerns to the Department Negotiation Team to assist the Department with negotiating terms that would be acceptable to each Participating Agency.

G. The Participating Agencies desire to continue to cooperate through the implementation of the CCSS Contract.

## AGREEMENT

In consideration of the mutual covenants contained in this Agreement and other good and valuable consideration, the receipt and sufficiency of which is acknowledged, the Participating Agencies agree as follows:

1. Recitals. The foregoing recitals are true, correct, and incorporated into the body of this Agreement as terms.

2. Definitions. Words and terms not otherwise defined in this Agreement shall have the meanings provided in the ITN, the Exhibits to the ITN, and the ITN Addenda. Particular reference should be made to:

The Standard Written Agreement

The ITN Special Conditions

Exhibit A – Scope of Work and Requirements

Volume I – Systems Requirements

Volume II – Operations Requirements

Volume III – Implementation Related Services, Training and Maintenance Requirements

Volume IV – Performance Requirements

Attachment 1 – CCSS Business Rules

Attachment 2 – Agency Volume and Operations Information

Attachment 3 – Agency Facility Maps

Attachment 4 – Agency Toll Rate Schedules

Attachment 5 – Agency Discount Plans and Special Programs

Attachment 6 – Interface Control Documents

Attachment 7 – Pinellas Bayway Walk-in Center

Attachment 8 – Future Transit Functionality

Attachment 9 – CCSS Process Flows

Attachment 10 – Agency Specific Reports

Exhibit D – Glossary of Terms.

3. CCSS Contract. The Department has concluded negotiations and has published notice of its intent to award the CCSS Contract to the successful proposer (the “Vendor”). The CCSS Contract will, among other things, require the Vendor to furnish the System and Services capability and associated Hardware, Equipment, and Software to meet the requirements in the ITN Exhibit A Volume I System Requirements, and associated Volume IV Performance Requirements, of the integrated, single statewide CCSS that will serve each of the Participating Agencies, through Approval of Go-Live and Final Acceptance of the Implementation Phase. The CCSS Contract will also require the Vendor to: (i) furnish all

necessary Operations Equipment and physical build-out of the CCSS facilities, including walk-in centers; (ii) furnish all necessary Services required to meet the Volume III Implementation Related Services, Training and Maintenance Requirements and associated Volume IV Performance Requirements, including training of all Participating Agencies' users; and (iii) furnish all support and Maintenance of all CCSS Equipment and facilities. The CCSS Contract will further provide the terms under which the Vendor operates the CCSS System to provide Operations Services to the Department, CFX, MDX, and THEA.

By execution of this Agreement, each Participating Agency acknowledges that the CCSS Contract terms negotiated by the Department are acceptable to the Participating Agency. Acknowledgement of acceptability of the CCSS Contract terms shall not be construed as making the Participating Agency a party to the CCSS Contract or prohibiting the Participating Agency from negotiating for additional or enhanced Operations Services as provided in section 4 of this Agreement. Each Participating Agency shall make the capital contributions required under section 5 of this Agreement and shall be entitled to obtain Operations Services from the CCSS as provided in this Agreement.

4. Supplemental CCSS Contracts. The CCSS Contract will specifically provide that CFX, MDX, and THEA may obtain additional or enhanced Operations Services for their individual benefit from the Vendor that exceed the scope or requirements included in the CCSS Contract at their individual cost, on such terms as they may individually later negotiate with the Vendor, including any Agency Specific Reports any of them may require. To ensure that the CCSS operates in a consistent fashion to provide the public with a streamlined single point of contact for non-cash toll collection business, the right to obtain additional or enhanced Operations Services shall not include the right to request that the Vendor operate the CCSS in a manner different than provided in the CCSS Contract or vary any aspect of the Operations Services which is accessible by the public. Additional or enhanced Operations Services will be provided directly by the Vendor to each Participating Agency under the terms of the specific contract between the Vendor and the Participating Agency. Each Participating Agency shall be responsible for compensating the Vendor for the capital expense of development and any additional ongoing operational costs associated with the services provided to the Participating Agency under any specific contracts for enhanced or additional services.

5. Capital Contributions. In recognition of the fact that the CCSS will serve each of the Participating Agencies, the capital cost for Design and Implementation of the CCSS System, through Final Acceptance of the CCSS System at the conclusion of the Design and Implementation Phase, shall be allocated to the Participating Agencies pro rata based on a Prepaid Account usage day formula calculated for the period from July 1, 2013 through June 30, 2014. The Prepaid Account usage day formula allocates a usage day to a Participating Agency if a transponder or a license plate associated with a pre-paid account has a transaction on a given day on the Participating Agency's facility. Only one usage day shall be allocated to a Participating Agency for use of the Participating Agency's facilities on a given day by a single pre-paid account, regardless of the number of transactions, license plates, or transponders associated with the account. The usage day formula shall be calculated as reflected on Exhibit A to this Agreement. Each Participating Agency's share of the capital costs for the CCSS System shall be equal to the ratio of its total usage days to the total number of usage days over the

specified year period for all Participating Agencies. The initial expected schedule of payments to the Vendor is Exhibit B to the ITN. CFX, MDX, and THEA shall pay their share of the cost for Design and Implementation of the CCSS System to the Department no later than thirty (30) days after receipt of invoicing from the Department. The Department shall provide each of the Participating Agencies copies of invoices from the Vendor and such other documentation as they may reasonably request to substantiate the costs incurred by the Department for Design and Implementation of the CCSS System.

6. Design and Implementation Phase. Upon execution of the CCSS Contract, the Department will designate a Project manager. To enable Design and Implementation of the CCSS System, each Participating Agency shall provide the Department Project manager with such information and cooperation as is required for the Vendor to establish an Interface between the CCSS System and each Participating Agency's Toll collection and image processing Host System. Each Participating Agency shall further provide the Department Project manager with such information and cooperation as is required for the Vendor to establish the other Interfaces specified in Exhibit A Volume I System Requirements, or otherwise required for Operation of the CCSS System, including, but not limited to, the Interfaces to the Florida Department of Law Enforcement for Registered Owner of Vehicle ("ROV") Information and Registration Stops, Merchant Service Providers, Credit Card Update Service Providers, CCSS Banking Services Providers, Collection Agencies, and Court Clerks. Each Participating Agency shall provide the Department Project manager with such information and cooperation as is required for the Vendor to: (i) Design, develop, and test the CCSS System, including the Software required to operate the CCSS; (ii) perform the data migration, transition, and Go-Live testing; and (iv) perform the operational and Acceptance testing of the CCSS System.

During the Design and Implementation Phase, CFX, MDX, and THEA shall each designate a staff member who will be the primary contact for the Department Project manager to obtain any information needed by the Vendor. CFX, MDX, and THEA shall advise the Department Project manager of any concerns they may have regarding the Vendor's performance in the Design and Implementation Phase. To avoid the potential for inconsistent direction to the Vendor, the representatives of CFX, MDX, and THEA shall address comments and concerns regarding the Vendor's performance to the Department Project manager and not the Vendor. If a Participating Agency's staff are not satisfied with the manner in which an expressed comment or concern is being addressed, they will advise their respective Executive Director. The Participating Agencies will work cooperatively throughout the Design of the CCSS System and the Implementation Phase.

Monthly Project reports furnished by the Vendor to the Department will be promptly provided to each other Participating Agency. The Department shall also invite the other Participating Agencies' designated primary contact to all monthly progress meetings with the Vendor. The Participating Agencies will timely provide the Department Project manager with all comments and concerns regarding documentation required of the Vendor to allow the Department adequate time to formally address those concerns with the Vendor before approval of the Vendor's Project Management Plan or other required documentation.

7. Operational Expenses for CCSS Services. At the start of the Operational Phase of the CCSS Contract, the operational costs for services provided by the CCSS shall be allocated to the Participating Agencies based on the Usage Day Model and Usage Methodology formulas as calculated in Exhibit A to this agreement.

The Usage Day Model will be used to allocate costs for Prepaid Accounts as defined in Exhibit A to this agreement. Only one usage day shall be allocated to a Participating Agency for use of the Participating Agency's facilities on a given day by a single pre-paid account, regardless of the number of transactions, license plates, or transponders associated with the account.

The Usage Methodology shall be used to allocate costs for Postpaid invoices and enforcement activities as defined in Exhibit A to this agreement.

Additional costs incurred by the Department for credit card fees shall be paid by all of the Participating Agencies on the monthly basis. Credit card fees shall be paid by each Participating Agency based on the agency's pro rata share of the fees. The pro rata share for each agency shall be calculated by dividing the agency's revenue from prepaid accounts by the total net revenues for all of the Participating Agencies prepaid accounts for the billing month.

CFX, MDX, and THEA shall pay their share of the cost for Operational Costs of the CCSS System, including the cost of providing operational services to external agencies, to the Department no later than thirty (30) days after receipt of invoicing from the Department. The Department shall provide each of the Participating Agencies copies of invoices from the Vendor and such other documentation as they may reasonably request to substantiate the costs incurred by the Department for Operations of the CCSS System.

8. External Agencies Receiving Service from the CCSS. As defined in this Master Agreement, the Participating Agencies to the Agreement are the Florida Department of Transportation, the Central Florida Expressway Authority, the Miami-Dade County Expressway Authority, and the Tampa-Hillsborough County Expressway Authority. All other agencies that receive services from the CCSS shall be considered External Agencies. Only Participating Agencies will be able to obtain Operations Services from the CCSS Vendor under the terms of the CCSS Vendor's Agreement with the Department. All External Agencies shall pay a 'per transaction' fee for the processing of the transaction by the CCSS. The per transaction fee shall be established by the Department with input from the other Participating Agencies. The revenues from the fees collected for External Agency Transaction Processing shall be divided between the Participating Agencies on an annual basis. The revenues will be distributed to each of the Participating Agencies based on each agencies pro rata share of the revenues. The pro rata share for each agency shall be calculated by dividing the agency's revenues from toll collections by the total revenues collected by all of the Participating Agencies for the prior 12 month period.

9. Amendment of the CCSS Contract. Following execution of the CCSS Contract, the Department shall not agree to any amendment of the CCSS Contract that has a material impact on any of the terms thereof without: (i) providing CFX, MDX, and THEA at least sixty (60) days advance notice of its intent to amend the CCSS Contract; and (ii) considering in good

faith any comments or concerns regarding the proposed amendment that CFX, MDX, or THEA submits to the Department, in writing, within such time period.

10. Notices. Any notices which may be permitted or required hereunder shall be in writing and shall be deemed to have been duly given as of the date and time the same are personally delivered or within three (3) days after depositing with the United States Postal Service postage prepaid by registered or certified mail return receipt requested or within one (1) day after depositing with an overnight delivery service from which a receipt may be obtained and addressed as follows:

Department:	Executive Director Florida's Turnpike Enterprise Turkey Lake Service Plaza, Milepost 263 Ocoee, FL 34761
CFX:	Executive Director Central Florida Expressway Authority 4974 ORL Tower Road Orlando, FL 32807
MDX:	Executive Director Miami-Dade County Expressway Authority 3790 NW 21st Street Miami, Florida 33142
THEA:	Executive Director Tampa-Hillsborough County Expressway Authority 1104 East Twiggs Tampa, FL 33602

11. Binding Effect. This Agreement and all of the terms, covenants and conditions hereof shall be binding upon and inure to the benefit of the Participating Agencies and their respective successors and assigns.

12. Further Assurances. From and after the execution of this Agreement, the Participating Agencies shall do all such additional and further acts, and shall execute and deliver all such additional and further instruments and documents as any other Participating Agency may reasonably require in order to more fully perform the actions contemplated by and provided for in this Agreement.



13. Third Party Beneficiaries. Notwithstanding any provision of this Agreement to the contrary, no provision of this Agreement shall inure to the benefit of or be enforceable by any third party not a party hereto, it being the express intent of the Participating Agencies that there be no third party beneficiary to this Agreement.

14. Amendments. Neither this Agreement nor any term, covenant or condition hereof may be modified or amended, except by written agreement signed by all Participating Agencies.

15. Waiver. Failure by any party to complain of any action, non-action or breach of any other party shall not constitute a waiver of any aggrieved party's rights hereunder. Waiver by any party of any right arising from any breach of any other party shall not constitute a waiver of any other right arising from a subsequent breach of the same obligation or for any other default, past, present or future.

16. Execution. Notwithstanding any statutory or decisional law to the contrary, a facsimile transmittal or electronic transmittal of a .pdf shall constitute an original and be deemed to be "written" and a "writing" for all purposes of this Agreement. This Agreement may be executed in several counterparts, each of which shall be deemed an original, and all of such counterparts together shall constitute one and the same instrument.

[SIGNATURE PAGE FOLLOWS ON THE NEXT PAGE]

IN WITNESS WHEREOF, the duly authorized representatives of the Participating Agencies have executed this Agreement this \_\_\_ day of \_\_\_\_\_, 2015.

FLORIDA DEPARTMENT OF  
TRANSPORTATION  
BY:  
FLORIDA'S TURNPIKE ENTERPRISE

MIAMI-DADE COUNTY  
EXPRESSWAY AUTHORITY

\_\_\_\_\_  
Executive Director

Legal Review:

\_\_\_\_\_

\_\_\_\_\_  
Executive Director

Legal Review:

\_\_\_\_\_

CENTRAL FLORIDA  
EXPRESSWAY AUTHORITY

TAMPA-HILLSBOROUGH  
COUNTY EXPRESSWAY  
AUTHORITY

\_\_\_\_\_  
Interim Executive Director

Legal Review:

\_\_\_\_\_

\_\_\_\_\_  
Executive Director

Legal Review:

\_\_\_\_\_

## EXHIBIT A

### USAGE DAY FORMULA

#### **Prepaid Accounts – Usage Day Model**

In the Usage Day Model, when a customer's account has one or more transactions on a single agency's facilit(y)ies during the course of a day, they are assigned a 'single usage' of the customer's account for the day. The 'usage of the account' is independent of the number of transactions on the agency's facilit(y)ies and is also independent of whether one or more transponders from a customer's account had a transaction. If a transponder on the customer's account is used on another agency's facilit(y)ies on the same day, then this second agency would also be assigned a 'single usage' of the customer account and would share in the cost of the account for that *Usage Day*. At the end of each billing period, the number of daily 'account usages' is added up for each agency and the vendor's charges for the prepaid active accounts are allocated to the participating agencies based on their pro-rata share of 'account usages' during the billing period.

In order to calculate the allocation, a report will be run each billing period. The report will reflect the total number of 'account usages' by day for each participating agency over the entire billing period. Each agency will be allocated costs based on the following:

$$\left( \frac{\text{\# of agency's 'account usages' for billing period}}{\text{total\# of 'account usages' for billing period}} \right) \times \text{vendor's charges for prepaid active accounts}$$

#### **Postpaid Invoices and Enforcement Activities Usage Methodology**

The Usage Methodology is used for allocating agency costs for postpaid invoices generated and enforcement activities administered by the back office vendor. This methodology associates a single 'usage' if a toll agency had a single or multiple transactions on the invoice, or any associated enforcement activity. The costs associated with the invoice generation and administration of the invoice would be shared by each of the agencies that had 'usage' on the invoice.

In order to calculate the allocation, a report(s) will be run each billing period. The report(s) will reflect, by agency (separately for each type of notice). The total number of invoices on which one or more of the agency's transactions appeared, and the enforcement activity associated with each transaction.

Each agency will be allocated costs based on the following:

$$\left( \frac{\text{\# of invoices on which one or more of the agency's transactions appeared}}{\text{total \# of invoices for billing period}} \right) \times \text{vendor's charges for postpaid invoices}$$

$$\left( \frac{\text{\# of enforcement activities for the agency's transactions}}{\text{total \# of enforcement activities for billing period}} \right) \times \text{vendor's charges for enforcement activities}$$