



**THE STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF TRANSPORTATION**



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*Victoria F. Sheehan*  
**Commissioner**

*William Cass, P.E.*  
**Assistant Commissioner**

Bureau of Turnpikes  
 March 28, 2016

Her Excellency, Governor Margaret Wood Hassan  
 and the Honorable Council  
 State House  
 Concord, New Hampshire 03301

**REQUESTED ACTION**

- Pursuant to RSA 237:15-a, Transfers from the General Reserve Account, authorize the Department of Transportation, Bureau of Turnpikes to transfer funds in the amount of \$1,990,000 from the Turnpike General Reserve Account to budget for a professional services agreement for operation of New Hampshire E-ZPass Customer Service Center Operations to be effective upon Governor and Council approval through September 30, 2016. 100% Turnpike Funds.

**FROM:** 04-096-096-961017-363615-0000 Turnpike Fund Balance \$1,990,000

04-096-096-961017-70500000	Current Budget FY 2016	Requested Change	Revised Budget FY 2016
<b>Tpk Toll Collection</b>			
<b>Expenses:</b>			
020 500200 Current Expense	\$2,500,000	0	\$2,500,000
022 500255 Rents-Leases Other than State	1,500	0	1,500
023 500291 Heat, Electricity, Water	18,510	0	18,510
024 500225 Maint Other than Bldg-Grnds	3,950,162	0	3,950,162
026 500251 Membership Fees	75,000	0	75,000
046 500463 Eng Consultants Non-Benefits	6,650,000		6,650,000
080 500710 Out of State Travel	9,000	0	9,000
102 500731 Contracts for Program Svcs	8,506,063	\$1,670,000	10,176,063
103 502664 Contracts for Operational Svcs	8,900	0	8,900
Total	\$21,719,135	\$1,670,000	\$23,389,135
<b>Source of Funds</b>			
<b>Revenue:</b>			
000017 Turnpike Fund	\$21,719,135	\$1,670,000	\$23,389,135

<b>04-096-096-961017-70500000</b>	<b>Budget Request FY 2017</b>	<b>Requested Change</b>	<b>Revised Budget Request FY 2017</b>
<b>Tpk Toll Collection</b>			
<b>Expenses:</b>			
020 500200 Current Expense	\$2,600,000	0	\$2,600,000
022 500255 Rents-Leases Other than State	1,500	0	1,500
023 500291 Heat, Electricity, Water	18,510	0	18,510
024 500225 Maint Other than Bldg-Grnds	2,100,000	0	2,100,000
026 500251 Membership Fees	75,000	0	75,000
046 500463 Eng Consultants Non-Benefits	2,850,000	0	2,850,000
080 500710 Out of State Travel	9,000	0	9,000
102 500731 Contracts for Program Svcs	7,900,000	\$320,000	8,220,000
103 502664 Contracts for Operational Svcs	9,200	0	9,200
<b>Total</b>	<b>\$15,563,210</b>	<b>\$320,000</b>	<b>\$15,883,210</b>
<b>Source of Funds</b>			
<b>Revenue:</b>			
000017 Turnpike Fund	\$15,563,210	\$320,000	\$15,883,210

The audited Turnpike Fund Balance Surplus account as of June 30, 2015 was \$52.3 million, and is projected to be \$58.7 million as of June 30, 2016. See attached.

2. Authorize the Department of Transportation to amend the contract with Xerox State and Local Solution (Xerox), Germantown, MD, 20876, Vendor Code #174856, by increasing the contract amount by \$1,990,000 from \$66,000,000 to \$67,990,000 for a professional services agreement for operation of New Hampshire E-ZPass Customer Service Center ending September 30, 2016. The original contract was approved by Governor and Council on September 22, 2004, late item letter F. 100% Turnpike Funds

Funds to support this request are anticipated to be available in the following accounts in State FY 2016, and State FY 2017 budget contingent upon the availability and continued appropriation of funds, with the ability to adjust encumbrances between State Fiscal Years through the Budget Office, if needed and justified.

	<b><u>FY 2016</u></b>	<b><u>FY 2017</u></b>
04-096-096-961017-7050		
Toll Collection	\$1,670,000	\$320,000
102-500731 Contracts for Program Services		

#### **EXPLANATION**

RSA 237:16-b as amended in 2001 authorized the Department to participate in a regional Electronic Toll Collection system (E-ZPass). Governor and Council on August 22, 2001 authorized the Department to enter into an Interagency Group (IAG) agreement, Item # 317, to address electronic toll collection issues in a manner that provides a seamless toll system for motorists and commercial operators along the eastern seaboard of the United States.

On September 22, 2004, Governor and Council approved the original contract with Xerox formally known as (f/k/a) ACS, Late Item F, for the operation of the NH E-ZPass Customer Service Center to be effective for a 3-year period through October 1, 2007, including provisions for three 3-year extensions through September 30, 2016.

On October 3, 2007, Governor and Council approved contract amendment #1 with Xerox f/k/a ACS, Item #84, for the first three-year extension in the amount of \$14,200,000, to be effective through September 30, 2010.

On May 20, 2009, Governor and Council approved contract amendment #2 to increase the contract amount of \$750,000 with Xerox f/k/a ACS, Item #120, for the operation of the NH E-ZPass Customer Service Center to be effective through September 30, 2010.

On June 9, 2010, Governor and Council approved contract amendment #3 to increase the contract amount of \$400,000 with Xerox f/k/a ACS, Item #194, for the operation of the NH E-ZPass Customer Service Center to be effective through September 30, 2010.

On September 22, 2010, Governor and Council approved contract amendment #4 with Xerox f/k/a ACS, Item #237, for a one year extension in the amount of \$5,975,000 to be effective through September 30, 2011.

On August 24, 2011, Governor and Council approved contract amendment #5 with Xerox f/k/a ACS, Item #81, for a five year extension in the amount of \$28,075,000 to be effective through September 30, 2016.

This amendment is necessary because E-ZPass use is higher than expected resulting in an increase in the number of E-ZPass transactions, accounts, image tolls (transactions charged via license plate image), invoices/violations, and postage cost. These increases can be attributed to Open Road Tolling, E-ZPass on the Go, Pre-paid and Post-paid accounts and new Lane System installed in 2014. E-ZPass transactions are 70% of total traffic and cost per E-ZPass transaction is \$0.12 compared to cash transaction at \$0.25 so overall E-ZPass is bringing a savings to the Department. The table below explains the increase from the FY estimate amount projected in the 2011 Contract Amendment #5 to this Contract Amendment #6.

Item	% Increase FY16	% Increase FY17
Accounts	12%	12%
Image Tolls	59%	59%
Invoice/Violations	93%	97%
Postage	11%	25%

The increase in FY 16 of \$1.67 million is mainly due to the cost of additional accounts of \$502,000, Image Toll of \$377,000 and Invoice/violations of \$193,000. The increase FY 16 also includes \$450,000 for the Data Migration/Transition Scope of Work (SOW) with Xerox and the New E-ZPass Back Office Vendor, Cubic Transportation Systems (Cubic). This SOW with Xerox provides the necessary support and resources to facilitate the transition and data migration. The data migration involves Xerox migrating approximately 390,000 active accounts which includes personnel data, credit card, vehicle information, transponders, transaction and financial history. The migration will also include all open violation accounts back to January 1, 2013 including images. The migration will be transferred over a secured network and data such as credit cards will be encrypted. The Department of Information Technology will

be supporting the DOT in this migration effort. Other minor cost increases in FY 16 are postage and SSAE 16 Annual Audit.

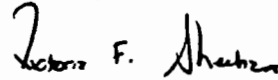
The increase in FY 17 of \$320,000 is mainly due to the additional accounts of \$149,250, Image Toll of \$99,000, Invoice/violations of \$49,000 and postage. FY 14 and 15 also experienced additional cost increases due to accounts, transactions (image tolls and invoice/violations), postage, annual audits, Hooksett Walk in Center improvements and Special programming/development which were addressed through cost reallocation within the existing program budget.

This amendment is for the increased cost within the current contract time frame. In addition to this contract amendment, the Department will need to extend Xerox's Contract beyond September 30, 2016 as a sole source extension to allow for sufficient time for the transition from Xerox to Cubic. This future contract amendment will be presented to Governor and Council once the Department and Cubic finalizes the schedule after approval of this amendment with the Data Migration/Transition Scope of Work.

The contract has been approved by the Attorney General as to form and execution Copies of the fully executed contract are on file at the Secretary of State's Office and the Department of Administrative Services' Office; and subsequent to Governor and Council approval will be on file at the Department of Transportation.

It is respectfully requested that this resolution be approved.

Sincerely,



Victoria F. Sheehan  
Commissioner

Attachment.



**STATE OF NEW HAMPSHIRE**  
**DEPARTMENT OF INFORMATION TECHNOLOGY**  
27 Hazen Dr., Concord, NH 03301  
Fax: 603-271-1516 TDD Access: 1-800-735-2964  
[www.nh.gov/doi](http://www.nh.gov/doi)

**Denis Goulet**  
*Commissioner*

March 28, 2016

Victoria F. Sheehan  
Commissioner  
State of New Hampshire  
Department of Transportation  
John O. Morton Bldg., 7 Hazen Drive  
Concord, NH 03302-0483

Dear Commissioner Sheehan:

This letter represents formal notification that the Department of Information Technology (DoIT) has approved your agency's request to amend a contract with Xerox State and Local Solutions (Xerox), as described below and referenced as DoIT No. 2004-017F.

The purpose of this amendment is to increase the contract value in order to account for higher than expected E-ZPass use and for Xerox to migrate existing data involving 390,000 active accounts to the new back Office Vendor Cubic Transportation Systems (Cubic). It will also include all open violation accounts going back to January 1, 2013. This amendment increases the total contract value by \$1,990,000 from \$66,000,000 to \$67,990,000. The contract end date remains September 30, 2016.

A copy of this letter should accompany the submission to the Governor and Executive Council for approval.

Sincerely,

A handwritten signature in black ink, appearing to read "Denis Goulet", written over a horizontal line.

Denis Goulet

DG/dcp  
DOT 2004-017F

cc: Gail Hambleton

**STATE OF NEW HAMPSHIRE**  
**Department of Transportation**  
**Bureau of Turnpikes**  
**RFP 2004-017**  
**E-ZPass Customer Service Center – Project # 13122D**  
**CONTRACT AMENDMENT 6**

**WHEREAS**, pursuant to an Agreement approved by Governor and Council, as a result of E-ZPass Customer Service Center Request for Proposal, on September 22, 2004, Late Item F (herein after referred to as the "Agreement"), Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) (hereinafter referred to as "Vendor") agreed to supply certain services upon the terms and conditions specified in the Agreement and the Department of Transportation (hereinafter referred to as the "Department") acting for the benefit of the Agency, agrees to manage the E-ZPass Customer Service Center Program;

**WHEREAS**, pursuant to Provision 17 of the Form P-37 to the Agreement, the Agreement may be modified or amended only by a written instrument executed by the parties thereto and approved by the Governor and Council;

**WHEREAS**, the Governor and Council approved an amendment 1 to the Agreement (Project #13122D, State Contract #500048) between the State of New Hampshire Department of Transportation and Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) of Germantown, MD on October 3, 2007, Item #84, to be effective, through September 30, 2010;

**WHEREAS**, the Governor and Council approved an amendment 2 to the Agreement (Project #13122D, State Contract #500048) between the State of New Hampshire Department of Transportation and Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) of Germantown, MD on May 20, 2009, Item # 120, to be effective through September 30, 2010;

**WHEREAS**, the Governor and Council approved an amendment 3 to the Agreement (Project #13122D, State Contract #500048) between the State of New Hampshire Department of Transportation and Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) of Germantown, MD on June 9, 2010 Item # 194, to be effective through September 30, 2010;

**WHEREAS**, the Governor and Council approved an amendment 4 to the Agreement (Project #13122D, State Contract #500048) between the State of New Hampshire Department of Transportation and Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) of Germantown, MD on September 22, 2010 Item # 237, to be effective through September 30, 2011;

**WHEREAS**, the Governor and Council approved an amendment 5 to the Agreement (Project #13122D, State Contract #500048) between the State of New Hampshire Department of Transportation and Xerox State and Local Solutions, Inc. f/k/a ACS State and Local Solutions, Inc. (VC# 174856) of Germantown, MD on August 24, 2011 Item # 81, to be effective through September 30, 2016;

**WHEREAS**, the Parties now wish to amend the Agreement further as set forth in this Sixth Amendment;

**WHEREAS**, Xerox and the Department have agreed to amend the Agreement in certain respects:

**NOW THEREFORE**, in consideration of the foregoing, and the covenants and conditions contained in the Agreement and set forth herein, the parties hereto do agree as follows:

**STATE OF NEW HAMPSHIRE**  
**Department of Transportation**  
**Bureau of Turnpikes**  
**RFP 2004-017**  
**E-ZPass Customer Service Center – Project # 13122D**  
**CONTRACT AMENDMENT 6**

**1. General Provisions of the Agreement (Form P-37) are hereby amended as follows:**

a. On Form P-37, amend Section 1.3 of the General Provisions of the Agreement by deleting the current Contractor Name of ACS State & Local Solutions, Inc. and adding a new contractor name of Xerox State & Local Solutions, Inc. to reflect the name change included within Attachment A.

b. On Form P-37, amend Section 1.8 of the General Provisions of the Agreement by increasing the current Price Limitation \$66,000,000 by \$1,990,000 to add the new Price Limitation of \$67,990,000.

**2. Exhibit A of Section 14.0 Deliverables of the Agreement is hereby further amended by adding the following section to Table 1: Deliverables and Schedule:**

<b>Contract #</b> 13122D	<b>AMENDED TEXT</b>
<b>Exhibit A</b>	
<b>Section 16.0</b>	Data Migration Xerox's current contract with the New Hampshire DOT (NHDOT) to provide the E-ZPass and Violations Processing back office system ("BOS") will expire on September 30, 2016. The NHDOT issued a RFP to re-procure a new E-ZPass and Violations Processing BOS and a new back office provider was selected. Therefore it is necessary to transition the back office services from the current Xerox Vector 4BOS to the successor provider's BOS. The scope of work for Xerox's role in this transition is as described in Exhibit D.

**3. The payment amount contained in Table 2 Exhibit B Section 2 Firm Price/Not to Exceed Price Payments Schedule, as amended by Contract Amendment 6: Xerox State & Local Solutions, Inc. Deliverables is hereby amended to increase the payment amounts for the following deliverables in the amounts set forth below and the total available payment amount from \$66,000,000 to \$67,990,000.**

CONTRACT NUMBER	DESCRIPTION / DELIVERABLE	DELIVERABLE DUE DATE	PAYMENT AMOUNT
Contact # 13122D Amendment # 6	<ul style="list-style-type: none"> <li>• E-ZPass Customer Service Center FY 16</li> <li>• Opening and Closing of NH E-ZPass accounts</li> <li>• Funds management on behalf of the State</li> <li>• Automatic replenishments to accounts backed by credit cards</li> <li>• Processing of E-ZPass transactions in-state and by away toll agencies (reciprocity)</li> <li>• Violation enforcement activities (VES)</li> <li>• Operation of permanent Walk in Center in Portsmouth</li> <li>• Operation of permanent Walk in Center in Nashua</li> <li>• Operation of temporary Walk in Center in Hooksett</li> </ul>	July 1, 2015 to June 30, 2016	Estimated Increase of Amendment 6  \$1,220,000

**STATE OF NEW HAMPSHIRE**  
**Department of Transportation**  
**Bureau of Turnpikes**  
**RFP 2004-017**  
**E-ZPass Customer Service Center – Project # 13122D**  
**CONTRACT AMENDMENT 6**

	<ul style="list-style-type: none"> <li>• Account Management functions</li> <li>• Customer Call Center functions</li> <li>• Website functions related to account management</li> <li>• <b>SSAE 16 Audit increase</b></li> <li>• <b>Postage increase</b></li> <li>• <b>PCI Compliance</b></li> <li>• <b>Frequency User Program</b></li> <li>• <b>Computer Enhancements</b></li> </ul>		
	<ul style="list-style-type: none"> <li>• <b>Data Migration</b> <ul style="list-style-type: none"> <li>○ Initial Extraction completed payment 50% of total cost</li> <li>○ Final Completion of validation of extracted data payment 50% of total cost</li> <li>○ Contingency</li> </ul> </li> </ul> <p style="text-align: right;"><b>Total</b></p>	July 1, 2015 to June 30, 2016	<p>\$400,954.00</p> <p>\$49,046</p> <p>\$450,000</p>
<b>July 1, 2015 to June 30, 2016 Total</b>			<b>\$1,670,000</b>
<p>Contact # 13122D Amendment # 6</p>	<ul style="list-style-type: none"> <li>• E-ZPass Customer Service Center FY 17</li> <li>• Opening and Closing of NH E-ZPass accounts</li> <li>• Funds management on behalf of the State</li> <li>• Automatic replenishments to accounts backed by credit cards</li> <li>• Processing of E-ZPass transactions in-state and by away toll agencies (reciprocity)</li> <li>• Violation enforcement activities (VES)</li> <li>• Operation of permanent Walk in Center in Portsmouth</li> <li>• Operation of permanent Walk in Center in Nashua</li> <li>• Operation of temporary Walk in Center in Hooksett</li> <li>• Account Management functions</li> <li>• Customer Call Center functions</li> <li>• Website functions related to account management</li> <li>• <b>Postage increase</b></li> <li>• <b>PCI Compliance</b></li> </ul>	July 1, 2016 to September 30, 2016	\$320,000

**4. Contract # 13122D - E-ZPass Customer Service Center Contract Amendment Descriptions:**

CONTRACT AND AMENDMENT	AMENDMENT TYPE	EFFECTIVE DATE	CONTRACT AMOUNT
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**STATE OF NEW HAMPSHIRE**  
**Department of Transportation**  
**Bureau of Turnpikes**  
**RFP 2004-017**  
**E-ZPass Customer Service Center – Project # 13122D**  
**CONTRACT AMENDMENT 6**

<b>NUMBER</b>			
Contract # 13122D	<b>Original Contract</b>	September 22, 2004 through October 1, 2007	<b>\$16,600,000</b>
Contract # 13122D Amendment # 1	<b>Amendment 01</b>	October 2, 2007 through September 30, 2010	<b>\$14,200,000</b>
Contract # 13122D Amendment # 2	<b>Amendment 02</b>	July 1, 2008 through June 30, 2009	<b>\$750,000</b>
Contract # 13122D Amendment # 3	<b>Amendment 03</b>	July 1, 2009 through June 30, 2010	<b>\$400,000</b>
Contract # 13122D Amendment # 4	<b>Amendment 04</b>	October 1, 2010 through September 30, 2011	<b>\$5,975,000</b>
Contract # 13122D Amendment # 5	<b>Amendment 05</b>	October 1, 2011 through September 30, 2016	<b>\$28,075,000</b>
Contract # 13122D Amendment # 6	<b>Amendment 06</b>	G&C approval date through September 30, 2016	<b>\$1,990,000</b>
	<b>CONTRACT TOTAL</b>		<b>\$67,990,000</b>

**5. Data Migration Scope of Work**

The Data Migration Scope of Work is attached hereto as Exhibit D.

STATE OF NEW HAMPSHIRE  
Department of Transportation  
Bureau of Turnpikes  
RFP 2004-017  
E-ZPass Customer Service Center – Project # 13122D  
CONTRACT AMENDMENT 6

Except as provided herein, all provisions of the Agreement shall remain in full force and effect. This modification shall take effect upon the approval date from the Governor and the Executive Council.

IN WITNESS WHEREOF, the parties have hereunto set their hands as of the day and year first above written.

Thomas Dorazio  
Thomas Dorazio, Senior Vice President  
Xerox State and Local Solutions, Inc.

Date: 3/24/16

Corporate Signature Notarized:

STATE OF New Jersey COUNTY OF Essex

On this the 24<sup>th</sup> day of March, 2016, before me,  
Gail DeGraaf, the undersigned Officer Thomas Dorazio  
personally appeared and acknowledged her/himself to be the Vice President  
of Xerox State Local Solutions, a corporation, and that she/he, as such  
Vice President being authorized to do so, executed the foregoing instrument for  
the purposes therein contained, by signing the name of the corporation by her/himself as  
Thomas Dorazio.

IN WITNESS WHEREOF I hereunto set my hand and official seal.

Gail J DeGraaf  
Notary Public/Justice of the Peace

My Commission Expires: 8/12/18

(SEAL)

Victoria F. Sheehan  
for Commissioner  
State of New Hampshire  
Department of Transportation

Date: 3/20/16

M. W. [Signature]  
Approval by Attorney General Office

Date: 3/28/16

Approval by the Governor and Council

Date: \_\_\_\_\_

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**EXHIBIT D TO  
CONTRACT AMENDMENT 6,  
NHDOT RFP 2004-017**

## EXHIBIT D

### NHDOT – Scope of Work Request Xerox Back Office Data Extraction Support 03-09-2016

#### Overview

Xerox's current contract with the New Hampshire DOT (NHDOT) to provide E-ZPass and Violations Processing back office services is due to expire in September 2016. The intent of this scope of work ("SOW") is to detail the work necessary to extract the NHDOT data that resides in Vector and provide it to NHDOT.

#### Scope of Work

The following SOW outlines the various tasks and efforts provided by Xerox to extract data from Vector 4 and provide it to NHDOT.

#### Project Management and Oversight

Xerox shall provide all necessary project management and oversight efforts required to successfully extract and provide NHDOT's data from Xerox's Vector 4 back office to NHDOT. For purposes of this SOW, "successfully" is defined as validation against the Interface Control Document ("ICD") as defined in Table 1 in accordance with its terms. The following shall be provided by Xerox:

- Designated Project Manager – The Project Manager (PM) shall serve as the overall coordinator of this SOW on behalf of Xerox. Serve as the primary contact between the NHDOT and Xerox. Manage all Xerox resources required to support the efforts under this SOW. Coordinate efforts under this SOW while ensuring unimpeded operations of the current back office operations.
- Weekly Coordination & Status Meetings (Xerox, NHDOT)
- Weekly Reporting & Status Meetings (Xerox & NHDOT). Risk Management to be included.
- Initial Data Extraction Schedule (in MS Project). Risk Management – Risk Identification, Assessment and Mitigation Strategy.
- Quality Assurance & Quality Control (QA/QC)

#### Extraction Planning & Collaboration

Xerox shall provide all necessary planning and coordination support to successfully extract the data elements in ASCII format from the current Xerox back office and provide the following deliverables:

- Data Extraction and Provision Plan – Development of an overall Data Extraction and Provision Plan documenting Xerox's anticipated efforts, dependencies and external resource needs such as those from the NHDOT. This plan shall be

submitted to the NHDOT for review and comment within 30 calendar days of Notice to Proceed.

- Data Extraction and Provision Communications Plan – As a component of the overall Data Extraction and Provision Plan, Xerox shall develop a Data Extraction and Provision Communications Plan which outlines communication during the extraction period with NHDOT and other stakeholders agreed upon by Xerox and NHDOT. This plan shall be submitted to the NHDOT for review and comment within 30 calendar days of Notice to Proceed.
- Interface Control Document (“ICD”) – Xerox will prepare an ICD containing a description of the fields into which the extracted data will be placed. The ICD will be drafted specifically for the data being extracted. The ICD will be submitted to the NHDOT for review and comment within 45 calendar days of Notice to Proceed.
- Xerox to provide an initial extraction of the data for the current year plus the three previous years and a cutover extraction (incremental) at or near the end of the contract term. Xerox will provide another extraction between the initial and cutover extractions upon written request from NHDOT. Extractions after the initial extraction will be only of data accumulated since the previous extraction. Unless otherwise agreed in writing by Xerox, all extractions under this SOW to be completed by September 30, 2016, and NHDOT shall be responsible for scheduling the extractions with Xerox so that they can be completed by that date. NHDOT’s instruction to proceed with any data extraction shall constitute a conclusive, irrebuttable presumption that Xerox has complied with all of its obligations under this SOW up until the time of such instruction, and no such obligation shall survive the giving of such instruction. All performance related penalties to which Xerox may be subject under Xerox’s contract with NHDOT for E-ZPass back office services shall be waived while the data extraction is being performed or which arise directly or indirectly due to the performance of the extraction.
- Schedule for Deliverables – Xerox contemplates that the completion of deliverables under this SOW will be as depicted in the attached schedule (Attachment 1) based on receipt of Notice to Proceed on or before April 6, 2016.

Collaboration – Xerox shall support all coordination meetings with NHDOT in data extraction, testing and validating the data extraction efforts. Xerox shall provide the testing & validation efforts necessary to verify the successful extraction of all NHDOT E-ZPass, Violations Processing and Customer data during the time period defined below from the Xerox Vector 4 back office, in ASCII format. Xerox shall provide the following:

- Perform extraction, and store extracted data in staging area provided by Xerox.

- Toll and Financial data will be extracted individually and range by fiscal period (Transaction date). Toll and Financial data will include current year plus three years' worth of data as per the retention rules. All active customer accounts will be extracted in this effort.
- Credit-card data will continue to be encrypted while in staging area. Xerox and NHDOT to agree as to how the data will be decrypted when required as part of the objectives of the data extraction.
- The validation process shall include NHDOT representatives for QA and sign-off.
- CSR and system notes will be extracted for the current year plus three years.
- NHDOT Website certification is not a Xerox responsibility.
- Testing & validation to coincide with remaining months on current Xerox back office contract unless otherwise agreed to in writing by Xerox.
- Xerox will extract violations for the current year plus the three prior years.
- Xerox will extract all closed invoice and violation details for the current year plus the three prior years.

Images will be put on the NHDOT owned drop box for access by NHDOT. Xerox has included cost for 4TB of additional storage required to move/validate the data being extracted.

This SOW does not include any consultation between NHDOT and Xerox regarding data that has been extracted, validated, and delivered by Xerox. Any such consultations shall be voluntary on Xerox's part and shall be billed on a time and materials basis at the rates contained in the attached rate schedule (Attachment 2).

### **Xerox Documentation Submittal, Review & Approval Process**

For each deliverable identified in Table 1 below NHDOT will provide one initial round of review comments. Xerox shall address these comments, update the document/deliverable accordingly and resubmit for final review and approval by NHDOT. In the event there is the need for any comment resolution (i.e. clarification, discussion or consensus) between Xerox and NHDOT this shall be conducted in a single review meeting.

NHDOT will provide review and comments with 10 business days of receipt of the document/deliverable.

Any required review meeting shall be scheduled within 5 business days of Xerox's receipt of the NHDOT's initial comments. The review meeting shall be conducted no later than 10 business days after receipt of the NHDOT's comments.

Xerox shall resubmit a final document/deliverable in Word/Excel formats within 10 business days of the corresponding review meeting. NHDOT will review the final submittal for completeness and approval. In the event the document/deliverable does not conform to the requirements of this SOW, NHDOT shall notify Xerox promptly in

writing and identify each such non-conformity. Within 7 business days of its receipt of any such notice, Xerox shall either correct the non-conformity and resubmit the document/deliverable or explain in writing why it believes that the document/deliverable conforms to the requirements of this SOW. NHDOT and Xerox will negotiate the resolution of any such dispute in good faith. All documentation shall be finalized no less than forty-five (45) days prior to the initiation of data extraction.

**Pricing, Schedule & Payment**

As part of the Scope of Work, Xerox shall provide an initial Data Extraction and Provision Schedule and the estimated timeframe for completion of each task effort. This schedule shall include the efforts of external resources and dependencies required for Xerox to complete its efforts. This schedule and overall timeline will be used to monitor the completion of Xerox's work efforts and corresponding monthly payments for actual work performed. If the actual time goes over the estimated time, the change will need to be submitted and approved before proceeding.

Xerox shall be compensated in accordance with the Milestone Payment Schedule provided in Table 1 below, and should be broken out and invoiced. Upon completion of the data drops contemplated by the Milestone Payment Schedule, Xerox's obligations under this SOW shall be satisfied and it shall have no further obligations hereunder.

**Table 1 – Milestone Payment Schedule**

<b>Event /Deliverable /Milestone</b>	<b>Percent Payment*</b>	<b>Cumulative Gross Payment</b>
Initial extraction and validation of data to NHDOT in ASCII format and provision of an interface control document ("ICD") mapping the data.	50.0%	50.0%
Completion of validation of extracted data and provision of data drops to NHDOT in ASCII format and mapped consistent with the ICD provided as part of the first deliverable above. (To be completed by September 30, 2016, unless otherwise agreed in writing by Xerox.)	50.0%	100.0%

NHDOT shall pay Xerox invoices within thirty days of receipt.

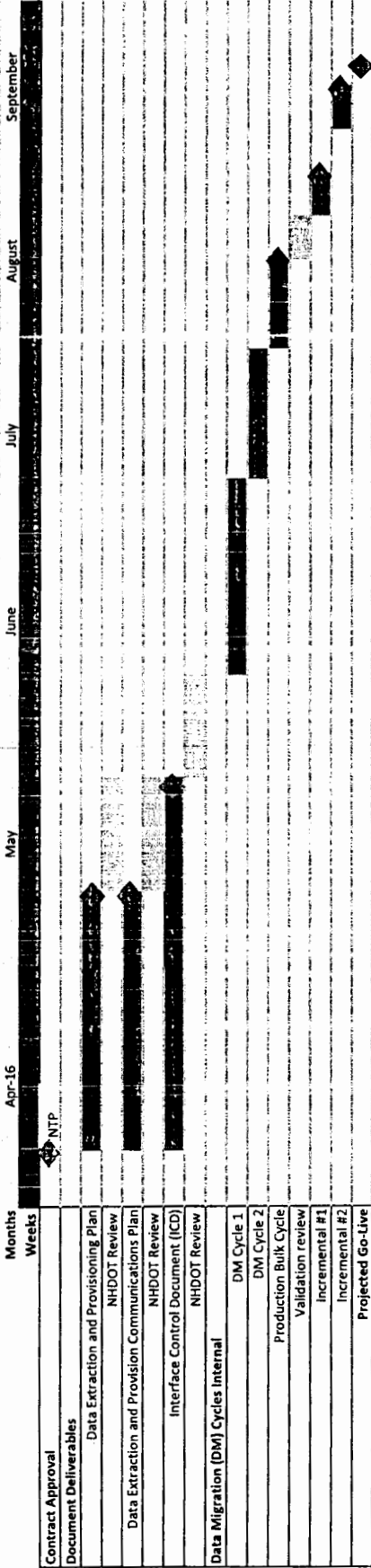
### **Representations and Warranties**

As further inducement to Xerox to enter into this SOW, NHDOT, on behalf of the State of New Hampshire, represents and warrants to Xerox that (1) there is no previous agreement between Xerox and NHDOT for the extraction and transfer of NHDOT's data from Vector 4; (2) this SOW is the parties' final and complete agreement with respect to the extraction and transfer of NHDOT's data from Vector 4 and supersedes all previous agreements, proposals, representations, drafts, discussions, and understandings between the parties, whether oral or written or express or implied with respect to the same subject matter; (3) it hereby releases and fully discharges Xerox and its agents, representatives, parents, affiliates, subsidiaries, shareholders, directors, officers, employees, successors, and assigns (the "Released Parties") from any and all claims, actions, causes of action, damages, and suits, including, without limitation, claims for breach of any legal duty or for duress, whether known or unknown, whether in contract, tort, or otherwise, and whether at law or in equity, which it now has or may ever have against the Released Parties arising from any and all negotiations for the extraction and transfer of NHDOT's data from Vector 4; and (4) there are no intended third-party beneficiaries of any agreement between the Parties, it has made no representation to any third party that such third party is entitled to rely upon any such agreement or upon any other statement or commitment Xerox has made to NHDOT at any time, and no third party is entitled to rely on Xerox's performance of this SOW. NHDOT acknowledges and agrees that the foregoing representations and warranties are a substantial inducement for Xerox to enter into this SOW and that without such representations and warranties Xerox would not have entered into this SOW.



**ATTACHMENT 1**

### Data Migration Schedule



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ATTACHMENT 2

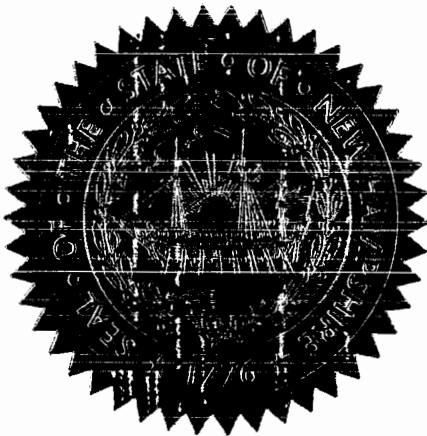
**Xerox Business Services  
Electronic Toll Collection Services  
Extra Work Rates**

Executive	Operations	\$ 200.00
Operations Analyst	Operations	\$ 57.14
Senior Developer	Software Development	\$ 157.14
Mid-Level Developer	Software Development	\$ 121.43
Junior Developer	Software Development	\$ 100.00
Tier IV	Software Development	\$ 78.57
Senior QA Analyst	Quality Assurance	\$ 121.43
Mid-Level QA Analyst	Quality Assurance	\$ 92.86
Tier III	Quality Assurance	\$ 71.43
Project Manager.	Project Delivery	\$ 157.14
Business Analyst/Scheduler	Project Delivery	\$ 114.29
Senior Engineer	Engineering Services	\$ 128.57
Engineer	Engineering Services	\$ 114.29
Senior Technician	Maintenance Services	\$ 78.57
CVO Technician	Maintenance Services	\$ 57.14
Technician	Maintenance Services	\$ 42.86
India Employee	India Transport Center (ITC)	\$ 24.29
India Contractor	India Transport Center (ITC)	\$ 42.86
Employee - RM	India Transport Center (ITC)	\$ 7.14

# State of New Hampshire Department of State

## CERTIFICATE

I, William M. Gardner, Secretary of State of the State of New Hampshire, do hereby certify that XEROX STATE & LOCAL SOLUTIONS, INC. a(n) New York corporation, is authorized to transact business in New Hampshire and qualified on January 28, 1991. I further certify that all fees and annual reports required by the Secretary of State's office have been received.



In TESTIMONY WHEREOF, I hereto set my hand and cause to be affixed the Seal of the State of New Hampshire, this 17<sup>th</sup> day of March, A.D. 2016

A handwritten signature in cursive script, appearing to read "William M. Gardner".

William M. Gardner  
Secretary of State



Factory Mutual Insurance Company  
 301 Merritt 7  
 3rd Floor  
 P.O. Box 5414  
 Norwalk, Connecticut  
 06856-5414  
 United States of America  
 Tel: (1) 203 849-0010  
 Fax: (1) 203 845-7675

**POLICY INFORMATION FORM**

This document is issued as a matter of information only and confers no rights upon the document holder. This Policy Information Form does not amend, extend, or alter the coverage, terms, exclusions, conditions, or other provisions afforded by the policy. We hereby certify that insurance coverage is now in force with our Company as outlined below.

**Policy No.:** 1000891 **Policy Term**  
**Account No.:** 1-39406 **Effective Date:** 31 March 2015  
**Expiration Date:** 31 March 2016

**NAMED INSURED:**  
 Xerox State & Local Solutions Inc. a subsidiary of Xerox Business Services LLC

**DESCRIPTION AND LOCATION OF PROPERTY COVERED:**

Personal Property	<b>Location No.:</b>	<b>INDEX No.:</b>
XBS	TX16	074211.69
2828 North Haskell Avenue	<b>Division:</b>	
Dallas, Texas 75204-2909, USA	XBS	

**COVERAGE IN FORCE:** (subject to limits of liability, deductibles and conditions in the Policy)

<b>Insurance Provided:</b>	<b>Peril:</b>	<b>Limit Of Liability:</b>
Property Damage - PD & BI Combined	All Risk	USD 10,000,000

**CERTIFICATE TERM:** **Effective:** 31 March 2015  
**Expires:** 31 March 2016

All Risk of Physical Loss or Damage on a Repair or Replacement Basis.

Property Damage Includes Boiler & Machinery, Valuable Papers, Business Interruption, Earth Movement & Flood.

Evidence of Coverage with respects to loss or damage to owned and/or rented equipment; tools brought on to and/or used on any property by the Service Contractor; property covered under Master Lease Agreements and/or servicing agreements, in accordance with Additional Interest Clause stated above.

-  
 -  
 -, USA

Certificate No: 00082-001

Authorized Signature / Issue Date  
 Carl Solly / 24 March 2016

For questions, contact: Lori Fern



# CERTIFICATE OF LIABILITY INSURANCE

DATE (MM/DD/YYYY)  
03/21/2016

THIS CERTIFICATE IS ISSUED AS A MATTER OF INFORMATION ONLY AND CONFERS NO RIGHTS UPON THE CERTIFICATE HOLDER. THIS CERTIFICATE DOES NOT AFFIRMATIVELY OR NEGATIVELY AMEND, EXTEND OR ALTER THE COVERAGE AFFORDED BY THE POLICIES BELOW. THIS CERTIFICATE OF INSURANCE DOES NOT CONSTITUTE A CONTRACT BETWEEN THE ISSUING INSURER(S), AUTHORIZED REPRESENTATIVE OR PRODUCER, AND THE CERTIFICATE HOLDER.

**IMPORTANT: If the certificate holder is an ADDITIONAL INSURED, the policy(ies) must be endorsed. If SUBROGATION IS WAIVED, subject to the terms and conditions of the policy, certain policies may require an endorsement. A statement on this certificate does not confer rights to the certificate holder in lieu of such endorsement(s).**

<b>PRODUCER</b> MARSH USA, INC. 1166 AVENUE OF THE AMERICAS NEW YORK, NY 10036 Attn: ACS.CertRequest@marsh.com	<b>CONTACT NAME:</b> _____	
	<b>PHONE (A/C, No, Ext):</b> _____	<b>FAX (A/C, No):</b> _____
<b>E-MAIL ADDRESS:</b> _____		
<b>INSURER(S) AFFORDING COVERAGE</b>		<b>NAIC #</b>
<b>INSURER A:</b> ACE American Insurance Company		22667
<b>INSURER B:</b> N/A		N/A
<b>INSURER C:</b> Indemnity Ins Co Of North America		43575
<b>INSURER D:</b> ACE Fire Underwriters Ins. Co.		20702
<b>INSURER E:</b>		
<b>INSURER F:</b>		

**INSURED**  
 Xerox Business Services, LLC  
 2626 N Haskell Avenue  
 Dallas, TX 75204

**COVERAGES**                      **CERTIFICATE NUMBER:** NYC-007894058-32                      **REVISION NUMBER:** 23

THIS IS TO CERTIFY THAT THE POLICIES OF INSURANCE LISTED BELOW HAVE BEEN ISSUED TO THE INSURED NAMED ABOVE FOR THE POLICY PERIOD INDICATED. NOTWITHSTANDING ANY REQUIREMENT, TERM OR CONDITION OF ANY CONTRACT OR OTHER DOCUMENT WITH RESPECT TO WHICH THIS CERTIFICATE MAY BE ISSUED OR MAY PERTAIN, THE INSURANCE AFFORDED BY THE POLICIES DESCRIBED HEREIN IS SUBJECT TO ALL THE TERMS, EXCLUSIONS AND CONDITIONS OF SUCH POLICIES. LIMITS SHOWN MAY HAVE BEEN REDUCED BY PAID CLAIMS.

INSR LTR	TYPE OF INSURANCE	ADDL SUBR INSD WVD	POLICY NUMBER	POLICY EFF (MM/DD/YYYY)	POLICY EXP (MM/DD/YYYY)	LIMITS	
A	<input checked="" type="checkbox"/> <b>COMMERCIAL GENERAL LIABILITY</b> <input type="checkbox"/> CLAIMS-MADE <input checked="" type="checkbox"/> OCCUR  GEN'L AGGREGATE LIMIT APPLIES PER: <input checked="" type="checkbox"/> POLICY <input type="checkbox"/> PRO-JECT <input type="checkbox"/> LOC OTHER: _____		HDO G27403359	01/01/2016	01/01/2017	EACH OCCURRENCE	\$ 2,000,000
						DAMAGE TO RENTED PREMISES (Ea occurrence)	\$ 2,000,000
						MED EXP (Any one person)	\$ N/A
						PERSONAL & ADV INJURY	\$ 2,000,000
						GENERAL AGGREGATE	\$ 10,000,000
						PRODUCTS - COMP/OP AGG	\$ INCLUDED
							\$
	<b>AUTOMOBILE LIABILITY</b>  <input type="checkbox"/> ANY AUTO <input type="checkbox"/> ALL OWNED AUTOS <input type="checkbox"/> SCHEDULED AUTOS <input type="checkbox"/> HIRED AUTOS <input type="checkbox"/> NON-OWNED AUTOS					COMBINED SINGLE LIMIT (Ea accident)	\$
						BODILY INJURY (Per person)	\$
						BODILY INJURY (Per accident)	\$
						PROPERTY DAMAGE (Per accident)	\$
							\$
	<input type="checkbox"/> <b>UMBRELLA LIAB</b> <input type="checkbox"/> OCCUR <input type="checkbox"/> <b>EXCESS LIAB</b> <input type="checkbox"/> CLAIMS-MADE  DED    RETENTION \$					EACH OCCURRENCE	\$
						AGGREGATE	\$
							\$
C	<b>WORKERS COMPENSATION AND EMPLOYERS' LIABILITY</b> <input type="checkbox"/> ANY PROPRIETOR/PARTNER/EXECUTIVE OFFICER/MEMBER EXCLUDED? (Mandatory in NH) If yes, describe under DESCRIPTION OF OPERATIONS below	Y/N <input checked="" type="checkbox"/> N    N/A	WLR C48597208 (AOS) WLR C48597166 (AZ, CA and MA) SCF C48597245 (WI)	01/01/2016	01/01/2017	<input checked="" type="checkbox"/> PER STATUTE <input type="checkbox"/> OTH-ER	
A				01/01/2016	01/01/2017	E.L. EACH ACCIDENT	\$ 1,000,000
D				01/01/2016	01/01/2017	E.L. DISEASE - EA EMPLOYEE	\$ 1,000,000
						E.L. DISEASE - POLICY LIMIT	\$ 1,000,000

DESCRIPTION OF OPERATIONS / LOCATIONS / VEHICLES (ACORD 101, Additional Remarks Schedule, may be attached if more space is required)  
 Re: NHDOT RFP #:2004-017 Customer Service Center. Other named insured: Xerox State & Local Solutions, Inc.  
 The State of New Hampshire, Department of Transportation is additional insured under the above general liability but only with respect to liability arising from negligent acts or omissions of Xerox Business Services, LLC and to the extent required by written contract.

<b>CERTIFICATE HOLDER</b>  The State of New Hampshire Department of Transportation Attn: John O. Morton Building 7 Hazen Drive P.O. Box 483 incord, NH 03302-0483	<b>CANCELLATION</b>  SHOULD ANY OF THE ABOVE DESCRIBED POLICIES BE CANCELLED BEFORE THE EXPIRATION DATE THEREOF, NOTICE WILL BE DELIVERED IN ACCORDANCE WITH THE POLICY PROVISIONS.  AUTHORIZED REPRESENTATIVE of Marsh USA Inc.  Daniel Rivera
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**CERTIFICATE OF ASSISTANT SECRETARY**

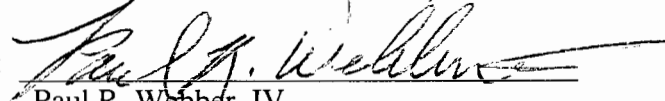
I, Paul R. Webber, IV, in my capacity as Assistant Secretary of Xerox State & Local Solutions, Inc., a New York corporation (“the Corporation”), am delivering this Certificate of Assistant Secretary to certify that Thomas Dorazio is a qualified and acting Vice President of the Corporation, and in such capacity is authorized to sign Amendment Number 6 (“the Amendment”) to the New Hampshire Department of Transportation E-Z Pass Customer Service Center contract, and all other documents to be executed in connection with the Amendment.

**IN WITNESS WHEREOF**, I have set my hand to this Certificate as of this 24th day of March 2016.

Xerox State & Local Solutions, Inc.

SEAL: \_\_\_\_\_

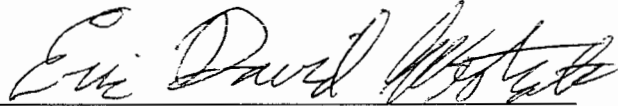
By: \_\_\_\_\_



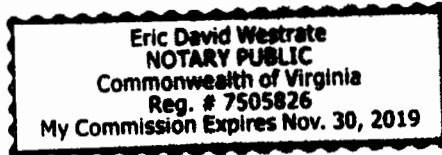
Paul R. Webber, IV  
Assistant Secretary

Commonwealth of Virginia )  
   )  
County of Fairfax               )

This instrument was acknowledged before this 24th day of March 2016 by Paul R. Webber, IV, Assistant Secretary of Xerox State & Local Solutions, Inc., a New York corporation, on behalf of said Corporation.



Notary Public, Commonwealth of Virginia







THE STATE OF NEW HAMPSHIRE  
DEPARTMENT OF TRANSPORTATION

GAC # 81  
Approved 8/24/11

JEFF BRILLHART, P.E.  
ASSISTANT COMMISSIONER

August 11, 2011  
Bureau of Turnpikes

His Excellency, Governor John H. Lynch  
And the Honorable Council  
State House  
Concord, New Hampshire 03301

REQUESTED ACTION

Authorize the Department of Transportation to exercise a final contract renewal option with ACS State and Local Solutions, Inc (ACS), Germantown, MD, 20876, Vendor Code #81705, in an amount not to exceed \$28,075,000 for a professional services agreement for operation of New Hampshire E-ZPass Customer Service Center from October 1, 2011 to September 30, 2016. The original contract was approved by Governor and Council on September 22, 2004, late item letter F. 100% Turnpike Funds.

Funding is available for FY 2012 and 2013 in account, Turnpikes Division, as follows with the authority to adjust encumbrances for the State fiscal year through the Budget Office if needed and justified. Funding for FY 2014 to 2017 is contingent upon availability and continued appropriation.

	<u>FY 2012</u>	<u>FY2013</u>
04-96-96-961017-7050	9 months	12 months
Toll Collection		
102-500731 Contract for program services	\$3,850,000	\$6,875,000
	<u>FY2014</u>	<u>FY2015</u>
04-96-96-961017-7050	12 months	12 months
Toll Collection		
102-500731 Contract for program services	\$5,100,000	\$5,300,000
	<u>FY2016</u>	<u>FY2017</u>
04-96-96-961017-7050	12 months	3 months
Toll Collection		
102-500731 Contract for program services	\$5,500,000	\$1,450,000

## EXPLANATION

RSA 237:16-b as amended in 2001 authorized the Department to participate in a regional Electronic Toll Collection system (E-ZPass). Governor and Council on August 22, 2001 authorized the Department to enter into an Interagency Group (IAG) agreement, Item # 317, to address electronic toll collection issues in a manner that provides a seamless toll system for motorists and commercial operators along the eastern seaboard of the United States.

On September 22, 2004, Governor and Council approved the original contract with ACS, Late Item F, for the operation of the NH E-ZPass Customer Service Center to be effective for a 3-year period through October 1, 2007, including provisions for three 3-year extensions through September 30, 2016.

On October 3, 2007, Governor and Council approved contract amendment #1 with ACS, Item #84, for the first three-year extension in the amount of \$14,350,000, to be effective through September 30, 2010.

On May 20, 2009, Governor and Council approved contract amendment # 2 to increase the contract amount (\$750,000) with ACS, Item #120, for the operation of the NH E-ZPass Customer Service Center to be effective through September 30, 2010.

On June 9, 2010, Governor and Council approved contract amendment # 3 to increase the contract amount (\$400,000) with ACS, Item #194, for the operation of the NH E-ZPass Customer Service Center to be effective through September 30, 2010.

On September 22, 2010, Governor and Council approved contract amendment # 4 with ACS, Item # 237, for a one year extension in the amount of \$5,975,000 to be effective through September 30, 2011.

The Department presently has provisions in the contract to extend ACS's contract for a two-year extension followed by another three-year extension, for a total of five years. The Department is requesting that a five-year extension be approved. The five-year extension will provide the Department the following:

- ACS agrees to restructure the price of the contract, resulting in annual contract savings of approximately \$1,300,000.
- ACS will provide a software upgrade to "Vector 4" and perform the necessary data migration at no additional cost to the Department. Some of the key functionalities of the software upgrade for customer service representatives and Department staff working with E-ZPass customers are as follows:
  - Web based User Interface.
  - Dashboard view that will allow the customer service representative to see several screens at once instead of the current inefficient mechanism of going through one screen at a time to resolve issues posed by customers.

- Improved workflow capabilities with the implementation of a paperless office that will allow on-line viewing by customer service representatives.
- Ability for customer service representatives to view embedded license plate images, invoices, and customer correspondence, and easily share this information with the customer.
- Added customer security (encryption feature). Encryption is used to protect electronic data being transferred from one network to another.
- Enhanced reporting capabilities using Crystal Reporting tools and Ad hoc database, as well as automated report scheduling and distribution.
- Fully Payment Card Industry (PCI) Compliant.
- Generally Accepted Accounting Principles (GAAP) compliant to ensure financial integrity and be audit-ready.
- All existing programming enhancements such as plate types, DMV Hold, EZPass-on-the-Go, and transponder leasing will be maintained with the upgraded software.

The additional software upgrades offer the following enhancements to further improve customer convenience:

- Enhanced self service functions on the website.
- Ability to access account history and statement/invoice data, along with improved capability to download information in multiple formats for easy printing.
- Increased payment options (pre-payment and post-payment options, cash replenishment cards).
- Customizable customer messages (email, text, voice, and or mail).
- Website improvements for easy navigation.
- Easy access to view vehicle and device data for large commercial accounts (i.e. UPS, trucking, etc).

ACS will continue to provide the following key services as they have over the past seven years:

- Opening and closing NH E-ZPass accounts.
- Fund management on behalf of the State.
- Automatic replenishments to accounts backed by credit cards.
- Processing of E-ZPass transactions in-state and by NH accounts at out-of-state toll agencies (IAG financial reconciliation).
- Processing violation documents in accordance with RSA 236:31.
- Operation of Walk in Centers in Portsmouth, Nashua, and Hooksett.
- Account management functions.
- Transponder management.
- Customer Call Center functions.
- Website hosting and management.
- SSAE 16 Audit.
- Processing all incoming mail and payments.
- Computer programming enhancements.

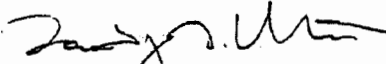
ACS has consistently demonstrated responsiveness, attention to detail, cooperation, and good communication in working with the Department, other State Agencies and vendors during their first seven years as NH's Customer Service provider. During the recent one-year contract extension, ACS has made improvements to NH's E-ZPass system to accommodate E-ZPass-On-The-Go and the transponder leasing program. This proposed contract extension also includes the cost for future E-ZPass initiatives, which include the Transponder Swap Program in FY 13 at an approximate cost of \$1.9M, and a possible Frequent User Discount Plan at an approximate cost of \$50,000.

Through all the years of service, ACS's cost for its core operations involving the Customer Service Center, violation processing, and Walk-in-Centers have remained within the contract allowances with increases limited to annual Cost of Living Adjustments (COLA) as specified in the contract, and additional work and overages negotiated and approved. It is the Department's recommendation to extend this contract with ACS given their cooperation, professionalism, experience, expertise with electronic tolling, and willingness to alter the contract pricing structure, which results in significant savings.

The contract has been approved by the Attorney General as to form and execution and the Department has verified that the necessary funds are available as noted above. Copies of the fully executed contract are on file at the Secretary of State's Office and the Department of Administrative Services' Office; and subsequent to Governor and Council approval will be on file at the Department of Transportation.

It is respectfully requested that this resolution be approved.

Sincerely;



David J. Brillhart, P.E.  
Assistant Commissioner

cc: C. Waszczuk  
J. Corcoran