

28
Beard

THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



Victoria F. Sheehan
Commissioner

William Cass, P.E.
Assistant Commissioner

Bureau of Turnpikes
September 6, 2016

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

REQUESTED ACTION

1. 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 \$4,258,900 from the Turnpike General Reserve Account to budget and expend revenue for a professional services agreement for operation of New Hampshire E-ZPass Customer Service Center Operations to be effective upon Governor and Council approval. 100% Turnpike Funds.

FROM: 04-096-096-961017-363615-0000 Turnpike Fund Balance

\$4,258,900

04-096-096-961017-70500000	Current Budget FY 2017	Requested Change	Revised Budget FY 2017
Tpk Toll Collection			
Expenses:			
020 500200 Current Expense	\$2,600,000	0	\$2,600,000
022 500255 Rents-Leases Other than State	1,633	0	1,633
023 500291 Heat, Electricity, Water	18,510	0	18,510
024 500225 Maint Other than Bldg-Grnds	3,926,309	0	3,926,309
026 500251 Membership Fees	75,000	0	75,000
046 500463 Eng Consultants Non-Benefits	8,778,000	0	8,778,000
080 500710 Out of State Travel	9,000	0	9,000
102 500731 Contracts for Program Svcs	\$9,605,181	\$4,258,900	\$13,864,081
103 502664 Contracts for Operational Svcs	9,200	0	9,200
Total	\$25,022,833	\$4,258,900	\$29,281,733
Source of Funds			
Revenue:			
000017 Turnpike Fund	\$25,022,833	\$4,258,900	\$29,281,733

The unaudited Turnpike Fund Balance Surplus account as of June 30, 2016 was \$93.8 million, and is projected to be \$56.1 million as of June 30, 2017. See attached.

2. Authorize the Department of Transportation to amend the contract with Xerox State and Local Solution (Xerox), Germantown, MD, 20876 (Vendor #174856) by increasing the contract amount by \$4,258,900 from \$67,990,000 to \$72,248,900 for a professional services agreement for operation of New Hampshire E-ZPass

Customer Service Center. 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 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.

	FY 2017
04-096-096-961017-7050 Toll Collection 102-500731 Contracts for Program Services	\$4,258,900

3. Further, authorize to amend the contract's completion date from September 30, 2016 to March 31, 2017, effective upon Governor and Council approval.

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.

On April 6, 2016, Governor and Council approved contract amendment #6 to increase the contract amount of \$1,990,000 with Xerox f/k/a ACS, Item #14A, for the operation of the NH E-ZPass Customer Service Center to be effective through September 30, 2016.

As mentioned in the Governor and Council Resolution letter for Contract Amendment #6, the Department needs to extend Xerox's Contract beyond September 30, 2016 to continue operating E-ZPass while allowing sufficient time for the transition from Xerox to the new vendor, Cubic due to delays outside of DOT and Cubic's control. This amendment is necessary because our current contract with Xerox to provide E-ZPass and Violations Processing back office services will expire on September 30, 2016. The cost increase also includes several transition tasks needed between Cubic/NHDOT and Xerox, and an additional data extraction.

Xerox will continue to provide the following key services during the 6 month contract extension (\$4,100,000.00):

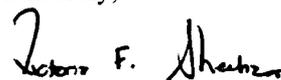
- Opening and closing NH E-ZPass accounts.
- Fund management on behalf of the State.
- Automatic replenishments to accounts backed by credit cards.
- Processing of E-ZPass transactions in-state and by NH accounts at out-of-state toll agencies (IAG financial reconciliation).
- Processing violation documents 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.
- PCI Compliance.
- Transponder price change programming.

Xerox requires completing several transition tasks in order for the full transition to the new Cubic E-ZPass back office to occur (\$158,900.00). The transition tasks include retention of current staff, decommissioning the three E-ZPass Walk-In-Centers in Hooksett, Portsmouth and Nashua, transferring the transponder inventory to NHDOT, coordination of Post Office boxes and incoming mail, wind-down expenses and residual activities that will cause Xerox to continue working for NHDOT through March 31, 2017 and costs that result from software license renewals and maintenance agreements.

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/doit

Denis Goulet
Commissioner

September 7, 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 extend E-ZPass operating terms for the period of October 1, 2016 through March 31, 2017. This will 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 amendment increases the total contract value by \$4,258,900 from \$67,990,000 to \$72,248,900. The Completion Date is extended by six months to March 31, 2017.

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", with a long horizontal flourish extending to the right.

Denis Goulet

DG/ik
DOT 2004-017

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 7

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” or “Xerox”) 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” or “NHDOT”) 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 Governor and Council approved an amendment 6 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 April 6, 2016 Item # 14A, to be effective through September 30, 2016;

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

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

STATE OF NEW HAMPSHIRE
Department of Transportation
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CONTRACT AMENDMENT 7

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:

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

- a. On Form P-37, amend Section 1.6 of the General Provisions of the Agreement by extending the Completion Date by six months to March 31, 2017 (the "Extension").
- b. On Form P-37, amend Section 1.8 of the General Provisions of the Agreement by increasing the current Price Limitation \$67,990,000 by \$4,258,900 to add the new Price Limitation of \$72,248,900.

2. The payment amount contained in Table 2 Exhibit B Section 2 Firm Price/Not to Exceed Price Payments Schedule, as amended by Contract Amendment 7: 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 \$67,990,000 to \$72,248,900.

CONTRACT NUMBER	DESCRIPTION / DELIVERABLE	DELIVERABLE DUE DATE	PAYMENT AMOUNT
Contract # 13122D Amendment # 7	Unit Pricing <ul style="list-style-type: none"> • CSC Fixed Monthly Costs for accounts up to 165,000 • WIC Portsmouth Operation • WIC Hooksett Operation • WIC Nashua Operations • VPC Fixed Monthly Costs for violations up to 2,000 • CSC Number of Accts in Excess of 165,000 in units of 5,000 • V-Toll Trans per Type 1 with OCR Plate Data in Excess of 2,000 in units of 1,000 • V-Toll Trans per Type 1 without OCR Plate Data in Excess of 2,000 in units of 1,000 from VIPN report line # 3-Debited from Acct • V-Toll Trans per Type 1 without OCR Plate Data in Excess of 2,000 in units of 1,000 from VIPN report line # 12.2.2.5 Debited from Acct 	October 1, 2016 – March 31, 2017	\$152,011.84 \$24,744.51 \$19,212.17 \$22,085.59 \$21,715.99 \$5,790.93 \$506.71 \$579.10 \$579.10

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Department of Transportation
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	<ul style="list-style-type: none"> • Violation Trans per Type 1 with OCR Plate Data in Excess of 2,000 includes Notices Mailed and Multi State DMV Lookup in units of 1,000 • Violation Trans per Type 1 without OCR Plate Data in Excess of 2,000 includes Notices Mailed and Multi State DMV Lookup (New Hampshire 1st Notice) in units of 1,000 • Statements Mailed fee (each) • Commercial Summary Statement Fee (each) • Commercial Transaction Detail (each) 		<p style="text-align: right;">\$434.32</p> <p style="text-align: right;">\$434.32</p> <p style="text-align: right;">\$0.43</p> <p style="text-align: right;">\$2.10</p> <p style="text-align: right;">\$4.33</p>
<p>Contract # 13122D Amendment # 7</p>	<p>E-ZPass Customer Service Center FY 17</p> <ul style="list-style-type: none"> • Opening and Closing of NH E-ZPass accounts • Funds management on behalf of the State • Automatic replenishments to accounts backed by credit cards • Processing of E-ZPass transactions in-state and by away toll agencies (reciprocity) • Violation enforcement activities (VES) • Operation of permanent Walk in Center in Portsmouth • Operation of permanent Walk in Center in Nashua • Operation of temporary Walk in Center in Hooksett • Account Management functions • Customer Call Center functions • Website functions related to account management • Estimated amounts for variable billing and pass-through expenses detailed in Schedule A • 	<p>October 1, 2016 – March 31, 2017</p>	<p>Estimated Increase of Amendment 7 based on the above pricing</p> <p style="text-align: right;">\$4,000,000.00</p>
<p>Contract # 13122D Amendment # 7</p>	<p>SSAE16 Audit</p>		<p style="text-align: right;">\$100,000.00</p>
<p>Contract # 13122D Amendment # 7</p>	<p>Data Migration</p> <ul style="list-style-type: none"> • Additional costs for Data Migration due to contract extension 	<p>October 1, 2016 – March 31, 2017</p>	<p style="text-align: right;">\$158,900.00</p>

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

Contract # 13122D Exhibit D	AMENDED TEXT
Section 16.0	<p>Data Migration Scope of Work, Exhibit D</p> <p>The Data Migration Scope of Work is Amended to identify the new Contract Expiration date of March 31, 2017, and one additional extraction for a total of four (4) as noted below upon approval of Contract Amendment 7.</p> <p>Xerox is to provide the extractions for the following dates with an understanding that the dates can be adjusted as needed based on an approved date between NHDOT and Xerox.</p> <ul style="list-style-type: none"> • Initial extraction to begin by September 21, 2016, with the first batch of the extracted data for the current year plus the three previous years by September 22, 2016, and with each successive batch of data provided on the date following extraction until initial extraction is completed. • Second extraction of the data by December 15, 2016 • Third extraction of the data by February 6, 2017 • Cutover extraction by March 10, 2017. <p>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 March 31, 2017.</p> <p>Revised Data Migration Payment Schedule:</p> <ul style="list-style-type: none"> • Initial extraction completed payment 40% of total cost • Second extraction completed payment of 40% of total cost • Third extraction completed payment of 10% of total cost • Final completion of validation of extracted data payment of 10% of total cost

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

CONTRACT AND AMENDMENT NUMBER	AMENDMENT TYPE	EFFECTIVE DATE	CONTRACT AMOUNT
Contract # 13122D	Original Contract	September 22, 2004 through October 1, 2007	\$16,600,000
Contract # 13122D Amendment # 1	Amendment 01	October 2, 2007 through September 30, 2010	\$14,200,000

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Contract # 13122D Amendment # 2	Amendment 02	July 1, 2008 through June 30, 2009	\$750,000
Contract # 13122D Amendment # 3	Amendment 03	July 1, 2009 through June 30, 2010	\$400,000
Contract # 13122D Amendment # 4	Amendment 04	October 1, 2010 through September 30, 2011	\$5,975,000
Contract # 13122D Amendment # 5	Amendment 05	October 1, 2011 through September 30, 2016	\$28,075,000
Contract # 13122D Amendment # 6	Amendment 06	G&C approval date through September 30, 2016	\$1,990,000
Contract # 13122D Amendment # 7	Amendment 07	October 1, 2016 through March 31, 2017	\$4,258,900.00
	CONTRACT TOTAL		\$72,248,900.00

5. Additional Terms and Conditions: Except as provided in the terms and conditions set forth herein, all existing terms of and amendments to the Agreement shall remain in force throughout the Extension period. The parties agree that the following terms and conditions shall apply to Contract Amendment 7 during the Extension period:

- a. All pass-through expenses incurred by Xerox during the Extension period but billed beyond the Extension end date will be paid by NHDOT within 30 days of Xerox invoice date to NHDOT.
- b. NHDOT shall not have the right to terminate the Agreement for convenience during the Extension period.
- c. NHDOT shall not have the right to impose penalties or liquidated damages upon Xerox arising from or related to the Service Level Agreements (SLAs).
- d. NHDOT's access to and use of any version of Xerox's proprietary back office system, Vector, shall be terminated at 11:59 p.m on March 31, 2017.
- e. NHDOT's obligations under the Agreement, as amended, to protect and prevent disclosure of any information in its possession that Xerox has designated as proprietary, trade secret, or confidential shall survive through the Extension period and in perpetuity thereafter.

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- f. Xerox shall dispose of its inventory of expired transponders in a manner consistent with industry practice.
- g. On or before March 31, 2017, NHDOT shall notify Xerox in writing of the location to which it wants Xerox to transfer all archived information now stored on behalf of NHDOT and its customers at Xerox's Iron Mountain location.
- h. Xerox shall be entitled to charge NHDOT an increased unit price for DMV lookups if DMV lookup fees charged to Xerox increase.
- i. All equipment, including, without limitation, computers, servers, and mail-opening equipment, acquired by Xerox for the performance, in whole or in part, of its obligations under the Agreement, as amended, shall remain the property of Xerox.
- j. The parties agree that the asset inventory contained in Schedule B accurately describes Xerox's personal property at the Portsmouth and Nashua Walk-In Centers. Xerox shall remove its personal property from the Portsmouth, Nashua, and Hooksett Walk-In Centers on or before March 31, 2017.
- k. Upon written request from NHDOT, Xerox will provide the following to NHDOT:
 - i. Printed materials such as E-ZPass applications and guidebooks;
 - ii. Final financial reconciliations for banking and credit card transactions;
 - iii. Cash and checks that are the property of NHDOT as demonstrated in the final reconciliation;
 - iv. Current/live transponder inventory after final reconciled inventory is completed; and
 - v. All in-process and unprocessed work and transactions, including lock-box and mail house items, refund processing, correspondence, fulfillment, banking and charge-backs, invoices, violations, and customer disputes.
 - vi. Xerox agrees that it will contact the telephone carrier to request a transfer of the telephone numbers for the Customer Service Center (#1-877-643-9727) and Fax (#1-973-824-0115) from Xerox to NHDOT on or before March 31, 2017;
 - vii. Xerox will contact the United States Postal Service to provide forwarding instructions for mail sent to the current post office box to an address of NHDOT's choice. Xerox should request that mail be forwarded for the maximum amount of time allowed by the United States Postal Service.
- l. Xerox will leave all data lines in place at, and will return all keys and fobs for, the Walk-In Centers at the end of the Extension period.

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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: 9/1/16

Corporate Signature Notarized:

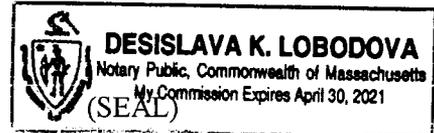
STATE OF Massachusetts COUNTY OF Barnstable

On this the 01 day of September, 2016, before me, Desislava K. Lobodova, the undersigned Officer Thomas Dorazio, personally appeared and acknowledged her/himself to be the Senior Vice President of Xerox State and Local Solutions, Inc. corporation, and that she/he, as such Senior 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 Senior Vice President.

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

Desislava K. Lobodova
Notary Public/Justice of the Peace

My Commission Expires: April 30, 2021



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

Date: 09/07/2016

[Signature]
Approval by Attorney General's Office

Date: 9/8/16

Approval by the Governor and Council

Date: _____

STATE OF NEW HAMPSHIRE
 Department of Transportation
 Bureau of Turnpikes
 RFP 2004-017
 E-ZPass Customer Service Center – Project # 13122D
 CONTRACT AMENDMENT 7

SCHEDULE A
Variable Billing

Operations Variable Charges	10/1/16-3/31/17 Unit Price
CSC Number of Accounts in Excess of 165,000 (remains constant through remainder of extension period)	\$5,790.93
Violations Processing Center	10/1/16-3/31/17 Unit Price
V-Toll Transactions per Type 1 with OCR Plate Data in excess of 2,000	\$506.71
3-Debited from Acct	\$579.10
12.2.2.5 Debited from Acct	\$579.10
Violation Transactions per Type 1 with OCR Plate Data in Excess of 2,000; includes Notices Mailed and Multi-State DMV Lookup	\$434.32
New Hampshire 1 st Notice	\$434.32
Customer Costs	10/1/16-3/31/17 Unit Price
Statements Mailed	\$0.43
Commercial summary statement fee	\$2.10
Commercial Transaction Detail	\$4.33
NH Labor Rates	10/1/16-3/31/17 Unit Price
Project MGR	\$0.00
Data Analyst	\$165.04
Senior Programmer – On Shore	\$175.17
Senior Programmer – Off Shore	\$75.66
Data Base Administrator	\$189.65

Pass-Through Expense

Pass-Through Expenses	10/1/16-3/31/17
Postage	✓
Telephone Billings	✓

STATE OF NEW HAMPSHIRE
Department of Transportation
Bureau of Turnpikes
RFP 2004-017
E-ZPass Customer Service Center – Project # 13122D
CONTRACT AMENDMENT 7

SCHEDULE B
Walk-In Center Asset Inventory

Portsmouth Walk-In Center Xerox Assets:

- Supervisors Office
 - Laptop
 - Computer
 - Monitor
 - Office Supplies
- Team Lead
 - Safe
 - Computer
 - Monitor
- Common Area/Teller Counter
 - Atomic Clock
 - Tag Programmer
 - Four (4) Monitors
 - Four (4) Computers
 - Three (3) Receipt Printers
 - Three (3) Cash Drawers
 - Two (2) Plastic Carts
- Storage
 - Routers
 - Two (2) Filing Cabinets
 - Black Rack
 - White Rack
 - Cart
 - Step Stool
 - Plastic Table
 - Plastic Chair
- Kitchen
 - Plastic Shelf
- Reception Area
 - Three (3) Plastic Chairs
 - One (1) Plastic Table
 - Waiting line partition rope/sign

Nashua Walk-In Center Xerox Assets:

- Supervisor Office
 - Monitor
 - Computer
 - 1 HP Printer
 - 2 Black Storage Racks
 - 1 White Storage Rack
- Team Lead Office

STATE OF NEW HAMPSHIRE
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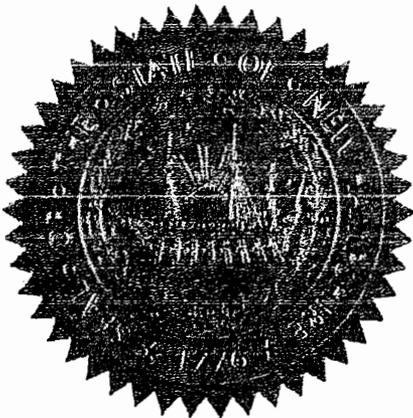
- Safe
- 2 Filing Cabinets
- Monitor
- Computer
- Scanner
- Bulletin Board
- Common Area
 - Tag Reader
 - Computer
 - Monitor
 - Appliances, i.e. fridge, coffee maker etc.
 - Plastic Folding Table
 - Water Cooler
- Teller Counter
 - Three (3) Receipt Printers
 - Three (3) Cash Drawers
 - Three (3) Computers
 - Three (3) Monitors
 - Two (2) Plastic Shelves
 - Small Plastic Table
- Two Storage Rooms
 - Routers
 - Three (3) Shelving Units

4833-6108-7031, v. 1

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 17th day of March, A.D. 2016

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

William M. Gardner
Secretary of State



Corporation Division

- Search
- By Business Name
- By Business ID
- By Registered Agent
- Annual Report
- File Online
- Guidelines
- Name Availability
- Name Appeal Process

Date: 9/6/2016 **Filed Documents**
 (Annual Report History, View Images, etc.)

Business Name History

Name	Name Type
XEROX STATE & LOCAL SOLUTIONS, INC.	Legal
XEROX STATE & LOCAL SOLUTIONS, INC.	Home State
ACS STATE & LOCAL SOLUTIONS, INC.	Prev Legal
LOCKHEED INFORMATION MANAGEMENT SERVICES COMPANY, INC.	Prev Legal
LOCKHEED MARTIN IMS CORPORATION	Prev Legal
ACS STATE & LOCAL SOLUTIONS, INC.	Prev Home State

Corporation - Foreign - Information

Business ID: 152777
Status: Good Standing
Entity Creation Date: 1/28/1991
State of Business.: NY
Principal Office Address: 8260 WILLOW OAKS CORPORATE DRIVE,
 6TH FL
 FAIRFAX VA 22031
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Last Annual Report Filed Date: 4/13/2016 10:04:17 AM
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Registered Agent

Agent Name: Lawyers Incorporating Service
Office Address: 10 Ferry Street Suite 313
 Concord NH 03301

Mailing Address:

Important Note: The status reflected for each entity on this website only refers to the status of the entity's filing requirements with this office. It does not necessarily reflect the disciplinary status of the entity with any state agency. Requests for disciplinary information should be directed to agencies with licensing or other regulatory authority over the entity.

CERTIFICATE OF ASSISTANT SECRETARY

I, Richard J. Russin, in my capacity as Assistant Secretary of Xerox State & Local Solutions, Inc., a New York corporation ("Corporation"), am delivering this Certificate of Assistant Secretary to the the Hampshire Department of Transportation, Bureau of Turnpikes ("Department") in connection with that certain Amendment No. 7 to the Contract between the Department and the Corporation regarding the E-Z Pass Customer Service Center (RFP 2004-017) ("Amendment").

I do hereby certify that Thomas Dorazio is a duly appointed, qualified, and acting Vice President of the Corporation, and in that capacity is authorized to sign the Amendment, and any other documents associated therewith, on behalf of the Corporation.

IN WITNESS WHEREOF, I have set my hand to this Certificate of Assistant Secretary as of this 1st day of September 2016.

XEROX STATE & LOCAL SOLUTIONS, INC.,
a New York corporation

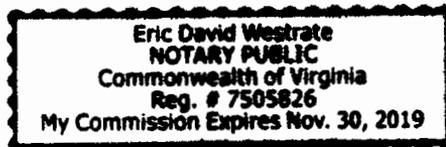
SEAL: _____

By: Richard J. Russin
Richard J. Russin
Assistant Secretary

Commonwealth of Virginia)
County of Fairfax)

This instrument was acknowledged before me on this 1st day of September 2016 by Richard J. Russin, Assistant Secretary of Xerox State & Local Solutions, Inc., a New York corporation, on behalf of said Corporation.

Eric David Westrate
Notary Public, Commonwealth of Virginia





THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION



14A
Bunker

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
Tpk Toll Collection			
Expenses:			
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
Source of Funds			
Revenue:			
000017 Turnpike Fund	\$21,719,135	\$1,670,000	\$23,389,135

04-096-096-961017-7050000	Budget Request FY 2017	Requested Change	Revised Budget Request FY 2017
Tpk Toll Collection			
Expenses:			
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
Total	\$15,563,210	\$320,000	\$15,883,210
Source of Funds			
Revenue:			
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.

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

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 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.

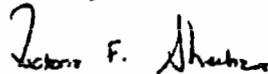
The increase in FY 17 of \$320,000 is mainly due to the additional accounts of \$149,250, Image Toll of \$99,000, Invoice/violations of \$49,000 and postage. FY 14 and 15 also experienced additional cost increases due to accounts, transactions (image tolls and invoice/violations), postage, annual audits, 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.



THE STATE OF NEW HAMPSHIRE
DEPARTMENT OF TRANSPORTATION

G&C # 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.

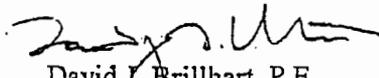
ACS has consistently demonstrated responsiveness, attention to detail, cooperation, and good communication in working with the Department, other State Agencies and vendors during ~~their first seven years as NH's Customer Service provider.~~ During the recent one-year contract extension, ACS has made 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