



# **NC QUICK PASS® AND NC FERRY CUSTOMER SERVICE OPERATIONS**

## **REQUEST FOR PROPOSALS**

### **Mandatory Pre-Proposal Scope of Services Meeting**

March 12, 2019

10:00 a.m. to 12:00 p.m. EDT

NCDOT Transportation Building

Auditorium (Room 125)

1 South Wilmington Street

Raleigh, NC 27601

### **Qualification Package Due Date**

~~April 30, 2019~~ May 7, 2019 | 4:00 p.m. Local  
Time

### **Physical Delivery Address:**

North Carolina Turnpike Authority

Transportation Building

1 South Wilmington Street

Raleigh, NC 27601

Attn: Logann Graham

**Issue Date: March 4, 2019**

**Updated through Addendum 7 (October 22, 2019)**

**Addendum Revisions Table**

<b><u>Description</u></b>	<b><u>Date</u></b>
<u>Addendum 1</u>	<u>March 26, 2019</u>
<u>Addendum 2</u>	<u>April 9, 2019</u>
<u>Addendum 3</u>	<u>April 26, 2019</u>
<u>Addendum 4</u>	<u>June 3, 2019</u>
<u>Addendum 5</u>	<u>July 26, 2019</u>
<u>Addendum 6</u>	<u>August 9, 2019</u>
<u>Addendum 7</u>	<u>October 22, 2019</u>

## RFP TABLE OF CONTENTS

PART I ADMINISTRATIVE

PART II DEFINED TERMS AND ACRONYMS

PART III SCOPE OF WORK AND REQUIREMENTS

PART IV TERMS AND CONDITIONS

EXHIBITS

Exhibit A – Payment Schedule (To be provided to Short-listed Proposers) [\(Included in Exhibit C – Pricing Forms\)](#)

Exhibit B – Price Proposal Instructions (To be provided to Short-listed Proposers) [\(Included in Exhibit C – Pricing Forms\)](#)

Exhibit C – Pricing Forms (To be provided to Short-listed Proposers)

Exhibit D - Forms

- D-1 – Proposer Reference Form
- D-2 – Key Personnel Resume Form
- D-3 – Subconsultant or Subcontractor Form RS-2
- D-4 – Proposer Questions Form
- D-5 – Acknowledgment of Receipt of Addenda Form
- D-6 – Non-Collusion Form (Corporation)
- D-7 – Non-Collusion Form (Individual with a firm Name)
- D-8 – Non-Collusion Form (Individual)
- D-9 – Non-Collusion Form (Limited Liability)
- [D-10 – Non-Collusion Form \(Partnership\)](#)
- [D-11 – Adherence to the Terms and Conditions Form](#)

APPENDICES

Appendix A – Standard Special Provision Required Contract Provisions Federal-Aid Construction Contracts

Appendix B – Standard Special Provision - Award of Contract

Appendix C – NCTA 2018 Operations Statistics

Appendix D – NC Quick Pass Business Policies (DRAFT)

Appendix E – Morrisville Lease Agreement

Appendix F – Monroe Lease Agreement

Appendix G – Amendment No. 6 To the Comprehensive Agreement Relating to the I-77 HOT Lanes Project (To be provided to Short-listed Proposers)

Appendix H – North Carolina Turnpike Authority and I-77 Mobility Partners Level 2 Customer Service Rules

[Appendix I – Potential Operational Pass-through Items](#)

[Appendix J – Forecasted NCTA Project Transaction Table](#)

# **Part I**

## **Administrative**

## Part I - Table of Contents

<b>1. NOTICE OF REQUEST FOR PROPOSALS.....</b>	<b>1</b>
1.1. BACKGROUND AND PURPOSE .....	1
1.2. PROCUREMENT PROCESS .....	2
1.3. NCTA TOLL PROGRAM .....	4
1.3.1. NC Quick Pass Transponder Accounts .....	4
1.3.2. Bill by Mail .....	4
1.3.3. NC Quick Pass Customer Service Centers .....	4
1.3.4. NC Quick Pass Operations Center .....	5
1.3.5. NC Quick Pass CSC and Operations Center Activity Levels .....	5
1.3.6. Existing Toll Facilities .....	5
1.3.7. Planned Toll Projects .....	5
1.4. NCDOT FERRY DIVISION .....	6
1.4.1. Ferry Customer Service .....	6
1.4.2. Ferry Customer Service Activity Levels .....	6
1.5. NC QUICK PASS BACK OFFICE SYSTEM TECHNOLOGY .....	6
1.6. SCOPE OF SERVICES .....	7
1.6.1. Summary of Project Phases .....	7
1.7. CONTACT PERSON .....	7
1.8. INFORMATION POSTING .....	7
1.9. POLICY STATEMENT .....	8
1.10. NON-SOLICITATION PROVISION .....	8
1.11. COST INCURRED RESPONSIBILITY .....	8
1.12. RESPONSIVENESS OF PROPOSALS .....	8
1.13. RIGHT TO CANCEL .....	8
1.14. RIGHT TO AMEND AND ADDENDA .....	8
1.15. WRITTEN CLARIFICATIONS .....	9
1.16. ORAL OR REFERENCED EXPLANATIONS .....	9
1.17. ORAL PRESENTATIONS AND INTERVIEWS .....	9
1.18. PROPOSER MATERIALS SUBMITTAL DEADLINES .....	9
1.19. SUBMITTAL RESPONSIBILITY .....	9
1.20. WAIVERS .....	9
1.21. MODIFICATION OR WITHDRAWAL OF QUALIFICATION PACKAGES .....	9
1.22. CONFIDENTIALITY AND RFP OWNERSHIP .....	10
1.23. CONTRACTUAL OBLIGATIONS .....	10
1.24. PROPOSER'S BID .....	10
1.25. CERTIFICATE TO TRANSACT BUSINESS IN NORTH CAROLINA .....	11
1.26. DISADVANTAGED, MINORITY, WOMEN BUSINESS ENTERPRISES (RACE AND GENDER NEUTRAL) .....	11
1.26.1. Policy .....	11
1.26.2. Obligation .....	11
1.26.3. Participation .....	11
1.26.4. Listing of Subconsultants or Subcontractors .....	11
1.26.5. Directory of Approved Firms .....	12
1.26.6. Reporting Participation .....	12
1.27. FEDERAL AID REQUIREMENTS .....	12
1.28. INSURANCE REQUIREMENTS .....	12
<b>2. RFP INQUIRIES .....</b>	<b>14</b>

<b>3.</b>	<b>SCHEDULES.....</b>	<b>14</b>
3.1.	PROCUREMENT SCHEDULE .....	14
3.2.	IMPLEMENTATION SCHEDULE .....	15
<b>4.</b>	<b>MANDATORY PRE-PROPOSAL SCOPE OF SERVICES MEETING AND OPTIONAL CUSTOMER SERVICE CENTER TOUR .....</b>	<b>16</b>
<b>5.</b>	<b>QUALIFICATION PACKAGE PHASE .....</b>	<b>16</b>
5.1.	QUALIFICATION PACKAGE RESPONSE AND SUBMISSION INSTRUCTIONS .....	16
5.1.1.	<i>General</i> .....	16
5.1.2.	<i>Response Instructions</i> .....	17
5.1.2.1.	Content of Qualification Package .....	17
5.1.3.	<i>Submission of Qualification Package</i> .....	21
<b>6.</b>	<b>OPERATIONAL CONCEPT PACKAGE PHASE (SHORT-LISTED PROPOSERS ONLY).....</b>	<b>21</b>
6.1.	OPERATIONAL CONCEPT PACKAGE RESPONSE AND SUBMISSION INSTRUCTIONS.....	22
6.1.1.	<i>Response Instructions</i> .....	22
6.1.2.	<i>Content of Operational Concept Packages</i> .....	23
6.1.3.	<i>Submission of Operational Concept Package</i> .....	24
6.2.	PRICE PROPOSAL SUBMISSION INSTRUCTIONS .....	24
6.2.1.	<i>Price Proposal Content and Format</i> .....	24
6.2.2.	<i>Contract Payment and Performance Bond</i> .....	25
<b>7.</b>	<b>PROCUREMENT EVALUATION PROCESSES .....</b>	<b>25</b>
7.1.	TECHNICAL EVALUATION COMMITTEE AND SELECTION COMMITTEE .....	25
7.1.1.	<i>Qualification Package Evaluation Process</i> .....	25
7.1.1.1.	Qualification Package Pass / Fail Screening .....	25
7.1.1.2.	Qualification Package Evaluation .....	25
7.1.1.3.	Qualification Package Scoring and Proposer Short-listing .....	26
7.1.2.	<i>Operational Concept Evaluation Process</i> .....	26
7.1.2.1.	Operational Concept Package Scoring .....	27
7.2.	OPENING OF PRICE PROPOSALS .....	27
7.3.	NEGOTIATIONS AND BEST AND FINAL OFFER (BAFO) PROCESS .....	28
7.4.	DETERMINATION OF THE “BEST VALUE” PROPOSER .....	28
<b>8.</b>	<b>AWARD AND EXECUTION OF CONTRACT .....</b>	<b>28</b>
8.1.	NOTIFICATION OF AWARD .....	28
<b>9.</b>	<b>STIPEND PROVISION .....</b>	<b>29</b>
<b>10.</b>	<b>PROPOSER DEBRIEF .....</b>	<b>29</b>
<b>11.</b>	<b>PROTEST PROCEDURE .....</b>	<b>30</b>

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## Part I - List of Tables

Table 3-1: NC Quick Pass and Ferry Customer Service Operations RFP Procurement Schedule .....	14
Table 3-2: Key Implementation Dates .....	16
Table 5-1: Qualification Package Page Limitation.....	18
Table 5-2: Forms and Submittal Checklist .....	21
Table 7-1: Qualification Package Sections and Maximum Possible Points.....	26
Table 7-2: Operational Concept Package Elements and Maximum Possible Points .....	27



# I. Notice of Request for Proposals

**TITLE:** NC Quick Pass® and NC Ferry Customer Service Operations Request for Proposals

**ISSUING DATE:** March 4, 2019

**ISSUING AGENCY:** North Carolina Turnpike Authority

**CONTACT PERSON:** ~~Ms. Angela Queenland~~ Mr. Andy Lelewski, P.E.

## I.1. Background and Purpose

The North Carolina Turnpike Authority (NCTA), a business unit of the North Carolina Department of Transportation (NCDOT), was formed in 2002 by the North Carolina General Assembly. The mission of NCTA is to supplement the traditional non-toll transportation system by accelerating the delivery of roadway projects using alternative financing options, and facilitating the development, delivery and operation of toll roads. NCTA is authorized to study, plan, develop, and undertake preliminary design work on Turnpike Projects.

NCTA's work is performed by professional teams comprised of NCTA staff, NCDOT staff and consultants. This arrangement provides management oversight while assuring that necessary expertise is available when needed to advance projects in an efficient and timely manner. NCTA is interested in soliciting Proposals from qualified industry contractors ("Proposers") that can provide NCTA with innovative and efficient customer service operations and facility management for their NC Quick Pass® and NC Ferry Customer Service Operations. NCTA has the primary responsibility for this Request for Proposal (RFP) process, the scope of work addressed in this RFP, the evaluation of the Proposer Materials, and the oversight of the Contract.

The Contractor shall develop an operational concept, and implement and maintain NC Quick Pass and NC Ferry Customer Service Operations to meet all the requirements defined within this RFP, including but not limited to:

- Personnel, training and, staffing services related to:
  - NC Quick Pass Customer Service Center (CSC) call activities;
  - NC Quick Pass CSC customer Correspondence;
  - NC Quick Pass CSC customer account establishment and maintenance activities;
  - NC Quick Pass CSC storefront management;
  - NC Ferry customer call activities
- Facility management;
- Project documentation;
- Project implementation and transition of operations;
- Program management;
- NC Quick Pass interoperability support;
- Financial support;
- Audit support;
- Records management and public disclosure support;
- Marketing and public relations support; and

- Optional operational services related to:
  - Image review quality audits;
  - Retail transponder sales;
  - Parking payment support;
  - Traffic management staffing support;
  - Staffing for roadside cash collection; and
  - Support of growth ferry operation

The Contractor selected under this procurement makes a binding commitment to coordinate activities, and cooperate reasonably, with NCTA, other active contractors, sub-contractors, consultants and representatives retained by NCTA for the implementation of NC Quick Pass and NC Ferry Customer Service Operations. Cooperation and coordination with NCTA and all designated team members is required to avoid claims by NCTA, or ultimate dismissal from the Project.

The Contract Term shall commence on the Contract Award Date, and end five (5) years after the Go-live Date, unless terminated, canceled or extended as otherwise provided herein. The Contract may be extended for up to two (2) three (3)-year optional extensions. Any extensions will be executed at the sole discretion of NCTA.

## 1.2. Procurement Process

Interested parties shall respond to this RFP in accordance with the guidelines and schedule set forth herein. Proposers may submit a Proposal either solely or as a prime Proposer supported by subcontractors. A joint venture, partnership, trust, authority or any other business relationship will not be allowed.

The procurement process will include two phases and associated Submittals:

- Qualification Package Phase - Submission and Evaluation; and
- Operational Concepts Phase - Submission and Evaluation.

NCTA is initially soliciting responses from qualified firms in the form of a Qualification Package with an emphasis on qualifications and experience. Qualification Packages received from qualified firms will be evaluated, and a short-list of Proposers will be identified.

The Short-listed Proposers will advance to the Operational Concepts Phase, and submit an Operational Concepts Package wherein they will provide deliverables for review and evaluation by NCTA's Technical Evaluation and Selection Committees. Price Proposals must also be provided by the Short-listed Proposers for evaluation during the Operational Concepts Phase.

Pricing Forms will be provided only to Short-listed Proposers. Descriptions of the anticipated pricing form sections are as follows:

### Implementation Phase

Lump Sum Price—to be paid in intervals as work commences and milestones and deliverables are completed:

- All work and training required for the Implementation Phase up to and including Go-Live

### On-Going Operations Phase

Fixed Price—to be paid monthly:

- Annual prescribed operation and staffing for each of the Morrisville, Monroe, and Charlotte Walk-in CSCs
- The six management positions identified in the RFP

- Operation and supervision of the Financial Management function. Does not include the Finance Manager included in management staff above
- Operation and supervision of the Quality Management function. Does not include Quality Assurance / Training Manager included in management staff above and does not include CSR labor for QA testing/sampling

Per Unit Prices—to be paid monthly and calculated based on unit price and volume:

Per unit pricing is intended to cover certain NC Quick Pass and Ferry Reservation functions related to the call center, quality control, customer walk-in volume, and other procedural activities. Per unit prices apply to such items as:

- Production Call Hour
- QA items reviewed
- Web/Correspondence Items 1
- Web/Correspondence Items 2
- Per Fulfillment (not per tag fulfilled)
- Walk-in customer handling above a certain threshold
- Lockbox Exceptions

Per Hour Labor Rates—to be paid monthly based on actual expenditures:

Per hour labor pricing is intended to cover specific NC Quick Pass and Ferry Reservation Scope of Work functions, such as:

- Administration of the Fleet / Commercial Accounts
- Administration of Transit Accounts
- Elevated issue - customer handling
- Attendance at special events

Per Hour Labor Rates are also intended for Task Orders, Change Orders, Extra Work, and other situations when additional staff work is requested by NCTA that is supplemental to, or outside of the Scope of Work.

Training Price—applicable to the On-Going Operations Phase and not for the initial training:

NCTA expects and emphasizes the need for training following Go-Live, however NCTA also expects efficiency and cost control when it relates to continuous refresher training, training needs due to attrition, or other training needs related to typical On-Going Operations.

Short-listed firms will be required to propose an annual training budget, that will be calculated as a percentage of actual total monthly contract costs. It is up to the Contractor to manage their training costs and NCTA will not be privy to actual Contractor training costs.

Short-listed Proposers shall provide Price Proposals that demonstrate a thorough understanding of the work involved and the caliber of staff necessary to operate and manage a high quality, full-service operation in accordance with the operational and Performance Requirements identified in this RFP. In addition, Price Proposals submitted by Short-listed Proposers shall also directly reflect NCTA's expectations that the selected Contractor will provide highly innovative, efficient, and cost-effective services.

At the end of the Operational Concepts Phase, NCTA may enter into a Contract with the Short-listed Proposer considered the Best Value to the State of North Carolina (NC) for providing NC Quick Pass and NC Ferry Customer Service Operations. The unsuccessful Short-listed Proposers may elect to receive a Stipend for their work efforts.

### **I.3. NCTA Toll Program**

NC Quick Pass is the Electronic Toll Collection (ETC) program operated by NCTA for toll facilities in North Carolina. NCTA operates the NC Quick Pass Program, as well as all existing and future toll facilities within the State of North Carolina.

#### **I.3.1. NC Quick Pass Transponder Accounts**

Currently, there are more than 183,000 active personal and business pre-paid NC Quick Pass Transponder Accounts. NC Quick Pass Transponder users receive a discounted toll rate on North Carolina toll facilities.

NC Quick Pass is interoperable with the following transponder programs:

- E-ZPass®;
- Florida's SunPass®; and
- Georgia's Peach Pass®.

An out-of-state interoperable transponder can be used to pay tolls on all NC toll facilities.

Currently, approximately sixty-seven percent (67%) of tolls on the Triangle Expressway are paid via pre-paid accounts. On the Monroe Expressway, approximately forty percent (40%) of tolls are paid via a pre-paid account. The transponder penetration on the Monroe Expressway is expected to rise steadily, as the project recently opened to traffic in November 2018 and customers in the area are being introduced to tolling.

#### **I.3.2. Bill by Mail**

Customers traveling toll roads in North Carolina without a NC Quick Pass Transponder Account (or interoperable transponder) are invoiced at a higher toll rate through the Bill by Mail (BBM) program. The registered owner of the vehicle is identified by license plate, and an invoice is mailed to the address registered with the DMV. If the bill is not paid within thirty (30) days from the date of the invoice, the vehicle's registered owner could incur fees, civil penalties, DMV registration holds and/or be turned over to a collection agency.

#### **I.3.3. NC Quick Pass Customer Service Centers**

The NCTA currently operates three (3) Customer Service Centers in North Carolina, one each in Morrisville, Monroe and Charlotte. The main purpose of the Customer Service Center is to provide a storefront in the vicinity of NCTA toll roads, where customers can sign up for a transponder account, pay invoices, or perform other NC Quick Pass business in person.

These CSCs are responsible for housing the following services:

- Customer account creation and closure, management and maintenance;
- NC Quick Pass Transponder inventory distribution and maintenance;
- Account Conversion management; and
- Walk-in center customer service (e.g. dispute resolution, account payments and replenishments).

The Morrisville Customer Service Center, which serves the Raleigh/Durham region, is located just south of the Raleigh/Durham International Airport, and near the northern terminus of the Triangle Expressway. The Monroe Customer Service Center opened in October of 2018, and is located approximately two miles from the Expressway, midway between the project termini. Also opened in October of 2018, the Charlotte Customer Service Center is located just inside the I-485 loop around Charlotte, near the midpoint of the I-77 Express Lanes.

### **1.3.4. NC Quick Pass Operations Center**

Activities at the NC Quick Pass Operations Center, which is co-located with the Morrisville Customer Service Center facility include the call center, account management, and back office operations activities.

The NC Quick Pass Operations Center also provides office space for the Customer Service Center Operations Contractor management team, NCTA agency and consultant staff.

### **1.3.5. NC Quick Pass CSC and Operations Center Activity Levels**

NC Quick Pass currently has more than 183,000 active pre-paid accounts. Detailed activity volumes are provided in Appendix C. These volumes are expected to increase significantly with traffic ramping up on the Monroe Expressway, and the opening of the I-77 Express Lanes.

### **1.3.6. Existing Toll Facilities**

Toll facilities in North Carolina use All-Electronic Tolling (AET) systems that allow motorists to drive at free-flow speeds, and pay their tolls without having to pass through stop-and-go toll booths. When customers travel the toll facilities, tolls are collected electronically through a pre-paid transponder program (NC Quick Pass), or a post-paid video program (Bill by Mail) where a bill is sent to the vehicle's registered owner by mail or email for the toll due.

Quarterly NCTA Operations Statistics reports are located on the NCTA website: <https://www.ncdot.gov/divisions/turnpike/turnpike-projects/Pages/operations-statistics-reports.aspx> <https://www.ncdot.gov/divisions/turnpike/investor/Pages/triangle-expressway.aspx>. The reports include data related to traffic volumes, toll system, and roadway operations and maintenance.

#### **Triangle Expressway**

NCTA's first toll facility, the Triangle Expressway is an 18.8-mile toll road that extends the partially complete "outer loop" around the greater Raleigh area from I-40 to the N.C. 55 Bypass. The Triangle Expressway is an AET facility with 11 interchanges, and 80 tolled lanes (8 mainline toll zones and 12 ramp toll zones).

#### **Monroe Expressway**

The Monroe Expressway is a 20-mile long Express Lane facility located southeast of Charlotte, and provides an alternative route to the U.S. 74 corridor, extending from Stallings to Marshville in Union County. The Monroe Expressway is an AET facility with 14 mainline toll zones, and opened to traffic in November 2018.

#### **I-77 Express Lanes (also referred to as the I-77 High Occupancy Toll (HOT) Lanes Project)**

The I-77 Express Lanes is a 26-mile long Express Lane facility on I-77 that provides more reliable travel times into downtown Charlotte, NC from the Brookshire Freeway (Exit 11) in Mecklenburg County to N.C. 150 (Exit 36) in Iredell County. Developed by the NCDOT as a public-private partnership (PPP) project, a portion of the I-77 Express Lanes will open to traffic in spring 2019 as an AET facility with dynamically-priced toll rates (pricing determined by traffic congestion). High-occupancy vehicles (HOV; vehicles with three or more occupants) travel for at a discounted toll rate, and single-occupant vehicles can choose to use the facility by paying the toll.

The terms of the PPP agreement dictate that the Developer will operate the roadside toll collection system, while the NCTA will be responsible for the management of the transponder program (via NC Quick Pass), and processing the transactions in the back office.

### **1.3.7. Planned Toll Projects**

Additional projects are scheduled for construction within the next five years. It is anticipated that all future toll projects will be AET facilities (with the possible exception of the Mid-Currituck Bridge).

- I-485 Express Lanes will be a 17-mile long project in Mecklenburg County. Construction is expected to begin in 2019.
- US 74 Express Lanes will be a 12-mile long project in Mecklenburg County. Construction is expected to begin in 2019.
- Complete 540 will be a 28-mile extension of the Triangle Expressway in Wake and Johnston Counties. Construction is expected to begin in 2019.
- The Mid-Currituck Bridge will be a 7-mile long project to construct a new-location toll bridge in Currituck County. Construction is expected to begin in NCDOT Fiscal Year 2019.

Customer Service operations related to these projects will be the responsibility of NCTA and the NC Quick Pass Program, and will be supported through the awarded contract. Current information and project descriptions can be found on the NCTA website: <https://www.ncdot.gov/divisions/turnpike/turnpike-projects/Pages/default.aspx>.

## **I.4. NCDOT Ferry Division**

With origins dating to the mid-1920s, the N.C. Department of Transportation's Ferry Division operates the second largest state-run ferry system in the United States. Ferry operations involve more than 20 ferries on seven regular routes across the Currituck and Pamlico sounds as well as the Cape Fear, Neuse and Pamlico Rivers.

### **I.4.1. Ferry Customer Service**

At the NC Quick Pass Operations Center, NCTA provides reservations and payment services for NCDOT's Ferry Division from 6 a.m. to 6 p.m., 7 days a week, 365 days a year (including all Holidays). The ferry reservation system is provided by NCDOT, and is not part of the NC Quick Pass Back Office System.

### **I.4.2. Ferry Customer Service Activity Levels**

Ferry reservation call volumes vary considerably by season. Currently, winter season is approximately 450 calls per month, while summer season is approximately 3,100 calls per month.

## **I.5. NC Quick Pass Back Office System Technology**

The Customer Service Operations Contractor provides customer service support using the Back Office System (BOS) provided by a separate contractor. NCTA is in the process of developing and implementing a new BOS, with a scheduled Go-live in late 2019. NCTA's intent is for the Operations Go-live to be concurrent with the BOS Go-live. The new BOS will be provided and maintained by TransCore. While some BOS hardware infrastructure will be located in the Morrisville CSC, the new BOS is a cloud-based solution, offering accessibility to the BOS through a web-based portal.

The BOS manages all the North Carolina toll collection system functionality, and serves as an ETC clearing house for all toll transactions produced in the State. The BOS provides functionality for:

- Processing of all lane transactions (ETC, image-based and interoperable);
- Customer service and customer interaction (website, Interactive Voice Recognition (IVR), email, text message, etc.);
- Financial transactions and account replenishment;
- Financial and lane transaction reconciliations;

- Revenue management;
- Inventory management; and
- Reporting.

The BOS maintains all NC Quick Pass Transponder and BBM accounts. Numerous interfaces required for interoperability, license plate lookup, document mailing, banking, credit card processing, collections, etc. are in place supporting on-going business processes. By 2020, NCTA is projected to service approximately 300,000 accounts within the BOS.

## I.6. Scope of Services

The Scope of Work under this Contract is for a full-scale NC Quick Pass and NC Ferry Customer Service Operations that conforms to the requirements defined within **Part III, Scope of Work and Requirements** of this RFP. The following is a summary of the critical areas of scope, and the phases for the Contract.

### I.6.1. Summary of Project Phases

There are two phases to the Scope of Work and Requirements: Operations Implementation and Ongoing Operations described below. Requirements of both phases are included in **Part III, Scope of Work and Requirements**.

- Operations Implementation Phase:
  - This phase of work commences at Notice to Proceed (NTP) through Operations Go-live. It is anticipated that BOS Go-live will be concurrent with Operations Go-live.
- On-going Operations Phase:
  - This phase of work begins at Operations Go-live, and continues through the end of the Contract.

The services procured under this Contract **do not** include:

- NC Quick Pass BOS Technology:
  - The BOS will be provided under a separate contract; however, the Contractor is required to interact with the NCTA BOS Team, and provide the necessary coordination with the BOS contractor to implement NC Quick Pass and NC Ferry Customer Service Operations, as well as train and operate the BOS.

## I.7. Contact Person

~~Ms. Angela Queenland~~ ~~Mr. Andy Lelewski~~ is NCTA's ~~Manager of Customer Service~~ Director of Toll Operations, and the contact person on this RFP. Any questions in regard to this RFP shall be directed in writing to ~~Ms. Queenland~~ ~~Mr. Lelewski~~ by email at [CSCOperationsRFP@ncdot.gov](mailto:CSCOperationsRFP@ncdot.gov).

## I.8. Information Posting

It is the responsibility of all prospective Proposers interested in responding to this RFP to routinely check the NCTA website at <https://connect.ncdot.gov/business/turnpike> for any revisions, question responses, addenda, changes to schedule, and announcements related to this RFP. NCTA also will develop an email distribution list of contact persons for those Proposers who attend the mandatory Pre-Proposal Scope of Services meeting. The contact list will be used to email additional information; however, this does not relieve Proposers of the responsibility to be aware of all additional information related to this RFP posted via the website. NCTA and NCDOT grant permission to use its logo on Proposer Materials.

## 1.9. Policy Statement

This procurement shall be conducted in accordance with all applicable Federal and State laws and regulations, and the policies and procedures of the NCTA, as those may be amended. All future Amendments to any such laws, regulations and applicable NCTA policies and procedures shall be applicable to this procurement. A copy of the North Carolina Turnpike Authority Policies and Procedures for the Procurement of Commodities and Services (February 2009) may be obtained from the NCTA.

## 1.10. Non-Solicitation Provision

From the date that this RFP is issued until the award of a NC Quick Pass and NC Ferry Customer Service Operations Contract is announced, Proposers shall only contact the contact person with respect to any facet of this procurement. Proposers shall not be permitted to contact any NCTA or NCDOT employee, agent or Selection Committee member with respect to this procurement. Violation of this provision may be grounds for rejection of the Proposer Materials.

## 1.11. Cost Incurred Responsibility

The NCTA shall offer Short-listed Proposers not selected as the Contractor a Stipend for their coordination of work with NCTA to provide an operational concept. Proposers not short-listed shall not receive any Stipend, and NCTA shall not be liable for any costs incurred by the Proposer in preparation of its response.

## 1.12. Responsiveness of Proposals

NCTA reserves the right to reject any Proposer Materials as non-responsive if they fail to include any of the required information in the specified order, as further detailed in **Part I, Administrative**, Section 5.1 Qualification Package Response and Submission Instructions, Section 6.1 Operational Concept Package Response and Submission Instructions, and Section 6.2 Price Proposal Submission Instructions.

## 1.13. Right to Cancel

NCTA reserves the right to cancel this RFP if it is determined to be in the best interest of the NCTA to do so.

## 1.14. Right to Amend and Addenda

NCTA reserves the right to amend, insert, or delete any item in this RFP if it is determined to be in the best interest of NCTA. If it becomes necessary to revise any part of this RFP, a written Addendum to the solicitation will be sent via email to the RFP email list, and will be posted to NCTA's website in accordance with **Part I, Administrative**, Section 1.8 Information Posting. NCTA expects to issue the last Addendum no later than the date for NCTA Inquiry Responses and Addendum (if required) Issued provided in **Table 3-1: NC Quick Pass and Ferry Customer Service Operations RFP Procurement Schedule**. NCTA will not be bound by, and the Proposer shall not rely on, any oral or written communication or representation regarding the RFP Documents, except to the extent that it is contained in an Addendum to these RFP Documents, or in the questions and answers as posted on the NCTA web site. In the case of a conflict between addenda, the latest addenda shall apply.

Proposers are required to confirm the receipt of all addenda issued to this RFP by completing **Exhibit D-5, Forms**, and including the completed form in the Qualification Package Section 6.



## 1.15. Written Clarifications

NCTA may request written clarifications to Proposer Materials. NCTA will identify in its request the due date for response. If the requested information is not received by the due date for response, the Proposer's scores may be adversely affected.

## 1.16. Oral or Referenced Explanations

NCTA will not be bound by oral explanations or instructions given by anyone at any time during the procurement process, or after Contract award. NCTA will not consider Proposer-referenced information not included in the Proposer Materials; however, NCTA may consider other sources in the evaluation process, such as reference reviews, and Proposer oral presentations, for example.

## 1.17. Oral Presentations and Interviews

NCTA reserves the right to request oral presentations and interviews with Proposers. See **Part I, Administrative**, Section 5 Qualifications Package Phase and Section 6 Operational Concept Package Phase for more details.

In advance of any oral presentations and interviews, Proposers will be given detailed instructions with regard to the format, slide limit and content required of the presentation, as well as the structure of the interview and any limitations on the number Proposer attendees.

## 1.18. Proposer Materials Submittal Deadlines

Proposer Materials shall be delivered by mail or to the front desk of the NCDOT building location presented on the cover page of this RFP by the due date(s) and times(s) provided in **Table 3-1**, where they will be logged as received. NCTA will not accept Proposer Materials delivered after the due date and time.

## 1.19. Submittal Responsibility

The responsibility for submitting Proposer Materials to NCTA on or before the stated time and date will be solely and strictly the responsibility of the Proposer. NCTA will in no way be responsible for delays caused by the United States mail delivery, common carrier or any other occurrence.

## 1.20. Waivers

NCTA may waive minor informalities or irregularities in Proposer Materials received where such is merely a matter of form and not substance, and the correction or waiver of which is not prejudicial to other Proposers. Minor irregularities are defined as those that will not have an adverse effect on NCTA's interest, and will not give a Proposer an advantage or benefit not enjoyed by other Proposers.

## 1.21. Modification or Withdrawal of Qualification Packages

NCTA will permit modifications to a Qualification Package after Qualification Package Submittal until the specified due date and time for accepting Qualification Packages provided in **Table 3-1**. The Qualification Package may be picked up by a representative of the Proposer, provided that the request to modify is submitted in writing to the contact listed in **Part I, Administrative**, Section 1.7 Contact Person, is executed by the Proposer or the Proposer's duly authorized representative, and is filed with NCTA. It is the Proposer's responsibility to resubmit a Qualification Package before the deadline in accordance with the instructions and requirements for Qualification Package submission detailed in this RFP.

A Proposer may withdraw a Qualification Package without prejudice prior to the Submittal deadline provided in **Table 3-1: NC Quick Pass and Ferry Customer Service Operations RFP Procurement**

**Schedule**, provided that the request is submitted in writing to the NCTA contact noted in **Part I, Administrative**, Section 1.7 Contact Person, is executed by the Proposer or the Proposer's duly authorized representative, and is filed with NCTA.

## **I.22. Confidentiality and RFP Ownership**

The NCTA is a public agency of the State of North Carolina, subject to the North Carolina Public Records Act, Chapter 132 of the North Carolina General Statutes. The NCTA may maintain confidential information, including any designated as trade secrets or otherwise proprietary, only in accordance with applicable Federal and State laws or regulations. The NCTA, therefore, expects that Proposers will keep confidential information designations to a minimum.

Proposer, having formed a good faith opinion, upon consultation with legal or other knowledgeable advisors, that information submitted may contain a trade secret as defined in G S § 66-152 or other information exempted from the North Carolina Public Records Act pursuant to G.S. § 132-1.2, may so designate appropriate portions of Proposer Materials by marking the top and bottom of pages containing confidential information in boldface type "CONFIDENTIAL." NCTA, however, may serve only as a custodian of information a Proposer deems confidential. NCTA shall not act as an arbiter or defender of any claims related to assertions of confidential information. If a request is made for disclosure of information submitted, or an action is brought to compel NCTA to disclose information marked confidential pursuant to G.S. § 132-1 et seq. NCTA will notify the affected Proposer of such request or action.

In submitting Proposer Materials in response to this RFP, a Proposer agrees to: (i) defend its assertions of confidentiality by instituting appropriate legal proceedings, at its own expense and through its counsel, or intervening in an action brought against NCTA to compel disclosure, to defend its assertions of confidentiality; and (ii) hold the State and NCTA, and any officials or employees thereof harmless from any and all damages, costs, and attorney's fees awarded against the State and NCTA arising out of any such actions. Nothing in this section shall preclude the State or NCTA from participating in the defense of such actions, at its option and expense through its counsel. NCTA shall have no liability to a Proposer with respect to the disclosure of any information, including confidential information, subject to an order by a court of competent jurisdiction pursuant to G.S. § 132-9 or any other applicable law.

NCTA does not intend to divulge the contents of any of the Proposer Materials. NCTA will retain all Proposer Materials until final successful Contract execution, after which NCTA intends to destroy Qualification Packages submitted by unsuccessful Proposers as allowed by law.

## **I.23. Contractual Obligations**

NCTA will not be required to evaluate or consider any additional terms and conditions submitted with Proposer Materials Submittals. This applies to any language appearing in or attached to the document as part of the Proposer's Qualification Package or Operational Concept Submittal. By execution and delivery of this Qualification Package and/or Operational Concept Submittal, the Proposer agrees that any additional terms and conditions or changes to the terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect unless such are specifically accepted by NCTA. Further, all exceptions shall be taken in accordance with the instructions set forth in in **Part I, Administrative**, Section 5.1.2.1 Content of Qualification Package (H. Qualification Package Section 6).

## **I.24. Proposer's Bid**

By submitting a Qualification Package, Operational Concept Package and Price Proposal to NCTA, the Proposer agrees that their Price Proposal (Price Proposal only submitted by Short-listed Proposers) shall remain effective two hundred and forty (240) Calendar Days after submittal to NCTA. If NCTA

determines it is in its best interest, the NCTA may request that Proposers extend the date through which the Price Proposals are valid. Requests by NCTA for time extensions of Price Proposal validity will not result in change to the prices as stated in the original Price Proposal unless so specified in the request to extend or subsequently agreed to by NCTA in writing.

## **I.25. Certificate to Transact Business in North Carolina**

As a condition of Contract award, each Out-of-State Contractor that is a corporation, limited-liability company or limited-liability partnership shall have received, and shall maintain throughout the term of the Contract, a Certificate of Authority to Transact Business in North Carolina from the North Carolina Secretary of State, as required by North Carolina law.

## **I.26. Disadvantaged, Minority, Women Business Enterprises (Race and Gender Neutral)**

### **I.26.1. Policy**

It is the policy of the NCTA to comply with NCDOT's Disadvantaged Business Enterprises (DBE) Program, and ensure that small businesses have an equal opportunity to compete fairly for and to participate in the performance of contracts financed in whole or in part by federal and state funds. NCDOT sets DBE, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) utilization goals for all construction projects. This Contract, for goods and services specific to establishing and operating a toll collection system, is not a construction contract and does not contain utilization goals. However, the Contractor is encouraged to give every opportunity to allow DBE/MBE/WBE subconsultant participation on all contracts and supplemental Agreements.

### **I.26.2. Obligation**

In compliance with Title VI, 23 CFR 200, 230, 635, 117(d) and (e) and 49 CFR Parts 21 and 26, the Proposer and subconsultant shall not discriminate on the basis of race, religion, color, creed, national origin, age, disability or sex in the performance of this Contract. Failure by the Proposer to comply with these requirements is a material breach of this Contract, which will result in the termination of this Contract or such other remedy, as NCTA deems necessary.

### **I.26.3. Participation**

Due to the Scope of Work and Requirements for this Contract, specific goals are not established. However, NCTA encourages the utilization of Small Professional Services Firms (SPSF) subconsultants, and/or suppliers on professional services contracts let by NCDOT. All DBE/MBE and WBE firms currently certified by the NCDOT Unified Certification Program (UCP) automatically qualify as a SPSF.

### **I.26.4. Listing of Subconsultants or Subcontractors**

NCTA encourages the use of Small Professional Services Firms (SPSF). Small businesses determined to be eligible for participation in the SPSF program are those meeting size standards defined by Small Business Administration (SBA) regulations, 13 CFR Part 121 in Sector 54 under the North American Industrial Classification System (NAICS). The SPSF program is a race, ethnicity, and gender neutral program designed to increase the availability of contracting opportunities for small businesses on federal, state or locally funded contracts. SPSF participation is not contingent upon the funding source.

The Proposer, at the time of Qualification Package Submittal, shall submit a list of all known SPSF that will participate in the performance of the identified Work. The participation of each SPSF shall be submitted on a separate Subconsultant or Subcontractor Form RS-2. In the event the Proposer has no SPSF/Subconsultant or Subcontractor participation, the Proposer shall indicate this on the Subconsultant

or Subcontractor Form RS-2 by entering the word 'none' or the number 'zero' and the form shall be signed and submitted with the Qualification Package. Subconsultant or Subcontractor Form RS-2 is provided in **Exhibit D-3, Forms**. The form may also be accessed on the website at: <https://connect.ncdot.gov/business/consultants/Roadway/Form%20RS-2%20Subcontract.pdf>.

See form instructions for each requirement. For TIP enter the "Type of Work"; for "Submitted by" enter Subcontractor name and name of person responsible for Subcontractor performance; for "Recommended by" enter name of prime Proposer and person responsible for delivery of Services. See instruction no. 7 on form. ***A Subconsultant or Subcontractor Form RS-2 is required for all Subconsultants or Subcontractors whether or not they are considered a SPSF entity.***

### **I.26.5. Directory of Approved Firms**

For Subconsultants to be considered for SPSF utilization, a Proposer shall be certified as SPSF and prequalified through North Carolina's Prequalification Unit. Real-time information about firms that are prequalified and approved through North Carolina's Prequalification Unit, is available in the Directory of Firms. The Directory can be accessed at <https://www.ebs.nc.gov/VendorDirectory/default.html>.

### **I.26.6. Reporting Participation**

When payments are made to Subconsultants, including material suppliers, firms at all levels (Proposer, subconsultant or subfirm) shall provide NCTA's contract administrator (the addressee for invoices under this Contract) with an accounting of said payments. The accounting shall be listed on NCTA's Subcontractor Payment Information Form (Form DBE-IS). In the event the Proposer has no Subconsultant participation, the Proposer shall indicate this on the Form DBE-IS by entering the word 'none' or the number 'zero,' and the form shall be signed. Form DBE-IS may be accessed on the NCDOT website.

A responsible fiscal officer of the payee Firm, or Subconsultant, who can attest to the date and amount of the payments shall certify that the accounting is correct on the Form DBE-IS by affixing his/ her signature. This information shall be submitted as part of the requests for payments made to NCTA.

## **I.27. Federal Aid Requirements**

Due to the potential of Federal Aid in the implementation of various portions of the NCTA NC Quick Pass and NC Ferry Customer Service Operations, NCTA has provided related instructions and information in Appendix A, Standard Special Provisions Required Contract Provisions Federal-Aid Construction Contracts and Appendix B, Standard Special Provisions- Award of Contract. The following Federal-Aid Requirements set forth in Appendix A are applicable to this Contract for services: Section II, Nondiscrimination; Section X, Debarment and Suspension; and Section XI, Anti-Lobbying Amendment. Proposers shall also include the appropriate completed Non-Collusion Forms provided in **Exhibit D-6-10, Forms**, in Qualification Package Section 6.

## **I.28. Insurance Requirements**

The Contractor at all times during the Term of this Agreement shall maintain insurance in such form as is satisfactory to the NCTA, and shall furnish the NCTA with continuing evidence of insurance as provided below. With respect to any insurance policy required pursuant to this Agreement, all such policies shall be issued by firms licensed to do business in the State of North Carolina, and all such insurance shall comply with all laws of the State of North Carolina. The Contractor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract.

The NCTA shall be named as an "additional insured" on all applicable coverage. The Contractor shall provide NCTA with certificates issued by the insurer showing the required coverage to be in effect, and

showing NCTA to be an additional insured. Such policies shall provide that the insurance is not cancelable except upon thirty (30) Calendar Days prior written Notice to the NCTA. The certificates and policies shall provide that in the event of any material change in or cancellation of the policies reflecting the required coverage, thirty (30) Calendar Days advance Notice shall be given to the NCTA, or as provided in accordance with North Carolina law. Material change, includes but is not limited to changes in limits, coverage, or status of the policy. Copies of all insurance policies, and endorsements shall be provided to the NCTA upon request.

The NCTA reserves the right to review all insurance coverage and amounts of insurance coverage on an annual basis, and to require the Contractor to adjust the insurance coverage and amounts of insurance coverage based on industry standards for contracts of this size and type. Contractor shall timely pay all premiums and deductibles when due for all insurance coverage required herein. ~~The NCTA will not accept Self-Insurance-Retention (SIR).~~

The Contractor shall not commence any Work until it has obtained the following types of insurance, and a certificate of such insurance has been received and Approved by the NCTA. Nor shall the Contractor allow any Subcontractor to commence Work until all insurance required of the Subcontractor has been obtained. The Contractor shall provide the required Certificates of Insurance to the NCTA within fourteen (14) Calendar Days of Notice of award.

During the Term of the Contract, the Contractor at its sole cost and expense shall provide commercial insurance of such type, and with such terms and limits as may be reasonably associated with the Contract. As a minimum, the Contractor shall provide and maintain the following coverage and limits:

1. Worker's Compensation - The Contractor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$100,000.00, covering all of Contractor's employees who are engaged in any Work under the Contract. If any Work is sublet, the Contractor shall require the Subcontractor to provide the same coverage for any of his employees engaged in any Work under the Contract.
2. Commercial General Liability - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$2,000,000.00 Combined Single Limit (Defense cost shall be in excess of the limit of liability.)
3. Automobile - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the Agreement. The minimum combined single limit shall be \$500,000.00 bodily injury and property damage; \$500,000.00 uninsured/under insured motorist; and \$5,000.00 medical payment.
4. Crime - Crime Insurance with limits not less than \$1,000,000.00. Said policy shall cover both theft and burglary.
5. Professional Liability Policy - Any other provision herein to the contrary notwithstanding, the Professional Liability Policy shall be with a company authorized to do business in the State of North Carolina, affording professional liability coverage for the professional services to be rendered in accordance with this Contract in the amount of at least one million dollars (\$1,000,000). The Contractor shall maintain professional liability coverage for a minimum of three (3) years after completion of the Services rendered under this Contract.

Pertaining to the above paragraph 5, if coverage is written on a claims made basis, such insurance shall be maintained in force at all times during the term of this Agreement, and for a period of three (3) years thereafter for Services completed during the term of this Agreement. Additionally, if a sub-limit applies to any elements of coverage, the policy endorsement evidencing the coverage above shall specify the coverage section and the amount of the sub-limit.

Providing and maintaining adequate insurance coverage described herein is a material obligation of the Contractor, and is of the essence of this Contract. The limits of coverage under each insurance policy maintained by the Contractor shall not be interpreted as limiting the Contractor's liability and obligations under the Contract.

**Subcontractors Insurance.** The Contractor shall either require each Subcontractor to obtain and maintain Workers' Compensation Insurance, Commercial General Liability, Business Automobile Liability and Professional Liability coverage similar to those required above in this section for the Contractor, or any other coverage deemed necessary to the successful performance of the Contract, or cover Subcontractors under the Contractor's policies. Such coverage shall be in effect at all times that a Subcontractor is performing Work under the Contract. The Contractor shall have responsibility to enforce Subcontractor compliance with these or similar insurance requirements; however, the Contractor shall upon request provide NCTA acceptable evidenced of insurance for any Subcontractor. The Contractor shall assume all reasonability for risks or casualties of every description, for any and all damage, loss or injury, to persons or property arising out of the nature of the Work, including but not limited to the negligence or failure of its Subcontractors (as well as Contractor's employees) to comply with Contract Documents.

## 2. RFP Inquiries

All inquiries regarding this RFP must be submitted in the form of questions. Any questions Proposers may have shall be directed in writing to the contact person identified in **Part I, Administrative**, Section 1.7 Contact Person on or before the deadline referenced in **Table 3-1**. Only inquiries received in writing will be accepted by NCTA, and only written responses will be binding upon NCTA. All answers to inquiries will be posted on the NCTA web site at <https://connect.ncdot.gov/business/turnpike>. Proposers shall use the forms provided in **Exhibit D-4, Forms**, when submitting questions to be addressed by NCTA.

## 3. Schedules

### 3.1. Procurement Schedule

**Table 3-1** presents the procurement schedule, listed in the order of occurrence. The NCTA reserves the right to change any or all of these dates as it deems necessary or convenient in its discretion. In the event of such a date change, Proposers will be notified in accordance with **Part I, Administrative**, Section 1.8 Information Posting. All Proposer submittals are due at 4:00 pm Eastern Time.

<b>PROCUREMENT SCHEDULE</b>	
(The NCTA reserves the right to modify the schedule at any time and for any reason.)	
RFP Issued	March 4, 2019
Mandatory Pre-Proposal Scope of Services Meeting	March 12, 2019 (10:00 a.m. to 12:00 p.m. ET)
Optional NC Quick Pass Customer Service Center Tour	March 12, 2019 (1:30 p.m. to 3:00 p.m. ET)
Proposer Questions Due	March 19, 2019 (4:00 p.m. ET)
NCTA Inquiry Responses and Addendum (if required) Issued	April 9, 2019

<b>PROCUREMENT SCHEDULE</b>	
(The NCTA reserves the right to modify the schedule at any time and for any reason.)	
Qualification Packages Due	May 7, 2019 (4:00 p.m. ET)
<u>Oral Presentations and Interviews</u>	<u>Week of June 24, 2019</u>
Short-list Notification	<del>June 4, 2019</del> <u>July 2, 2019</u>
BOS Demonstration and CSC Tour (Short-listed Proposer's Only)	<del>June 11 and 12, 2019</del> <u>July 9 and 10, 2019</u>
Proposer Questions Due (Short-listed Proposer's Only)	<del>June 14, 2019</del> <u>July 12, 2019</u> (4:00 p.m. ET)
NCTA Inquiry Responses and Addendum (if required) Issued (Short-list Proposer's Only)	<del>June 28, 2019</del> <u>July 26, 2019</u>
<u>Proposer Questions to Exhibit C Pricing Forms Due (Short-listed Proposer's Only)</u>	<u>August 2, 2019</u> (4:00 p.m. ET)
<u>NCTA Inquiry Responses and Addendum (if required) Issued (Short-listed Proposer's Only)</u>	<u>August 9, 2019</u>
Response to RFP Proposer Materials Due (Short-listed Proposer's Only):	(All Times 4:00 p.m. ET)
Operations Transition	<del>July 16, 2019</del> <u>August 13, 2019</u>
Ongoing Operations	<del>August 20, 2019</del> <u>September 17, 2019</u>
Organizational Management	<del>August 20, 2019</del> <u>September 17, 2019</u>
Price Proposals Due (Short-listed Proposer's Only)	<del>August 20, 2019</del> <u>September 17, 2019</u> (4:00 p.m. ET)
<del>Final Contractor Selection</del> <u>Ranking of Proposers for Negotiations</u>	<del>September 17, 2019</del> <del>October 15, 2019</del> <u>November 2019</u>

**Table 3-1: NC Quick Pass and Ferry Customer Service Operations RFP Procurement Schedule**

### 3.2. Implementation Schedule

The following schedule tasks and milestones dates are targets established by NCTA for operations implementation. The final Contract dates shall be developed and mutually agreed to by both the Contractor and NCTA, and captured in a final, baselined schedule. The selected Contractor shall be required to meet the dates outlined in **Table 3-2** in the final, baseline schedule.

Milestone	Anticipated Start Date	Anticipated End Date
Notice to Proceed		TBD
Operations Implementation Phase	TBD	<del>January 18, 2020</del> <u>March 7, 2020</u>
BOS Go-live		<del>January 19, 2020</del> <u>March 8, 2020</u>
On-Going Operations Phase	<del>January 19, 2020</del> <u>March 8, 2020</u>	<del>January 18, 2025</del> <u>March 7, 2025</u>

Table 3-2: Key Implementation Dates

## 4. Mandatory Pre-Proposal Scope of Services Meeting and Optional Customer Service Center Tour

The NCTA will convene a mandatory Pre-Proposal Scope of Services meeting for interested firms on the date and time presented in **Table 3-1**. The meeting will be held at the **NCDOT Transportation Building, Auditorium (Room 125), 1 South Wilmington Street, Raleigh, NC 27601**. The purpose of the meeting is to present details of the RFP, discuss the approach to the procurement, and provide attendees with an opportunity to ask questions about the RFP, the procurement approach, or NCTA requirements.

Attendance at the meeting is mandatory for all prime Proposers who will submit a Qualification Package in response to this RFP.

Following the mandatory Pre-Proposal Scope of Services meeting, NCTA will provide an optional site tour of the existing NC Quick Pass CSC located at 200 Sorrell Grove Church Road, Morrisville NC on the date and time presented in **Table 3-1**. This site tour will allow potential Proposers to observe the site. No pictures will be allowed, and questions will be answered in an open forum of all Proposers immediately following the tours. Due to space limitations, Contractors are limited to no more than three (3) participants for the Customer Service Center site tour.

## 5. Qualification Package Phase

Qualification Packages shall detail firm qualifications and experience, and describe how the Proposer will address NCTA's Statement of Work and Requirements and Business Policies.

Upon receipt of the Qualification Packages, the Technical Evaluation and the Selection Committee will evaluate the submittals in accordance with the process outlined in **Part I, Administrative**, Section 7.1.1.2, Qualification Package Evaluation. While not currently planned, NCTA reserves the right to request oral presentations and interviews with Proposers as part of this phase. At the conclusion of this phase of the procurement, NCTA will select a final short-list of Proposers to move forward to submit an Operational Concepts Package.

### 5.1. Qualification Package Response and Submission Instructions

#### 5.1.1. General

In the development of a Qualification Package, Proposers are encouraged to fully describe their qualifications, and demonstrate how their proposed approach addresses the requirements described herein.



### 5.1.2. Response Instructions

Qualification Packages shall be submitted in the format, including sections and heading descriptions, as described in this section. To be considered for evaluation, the Qualification Package shall respond as instructed to all requirements. Omission of any section may render a Qualification Package non-responsive, and it may not be evaluated.

Proposals shall be prepared on standard 8.5 x 11-inch paper. 11 x 17-inch foldouts can be used if folded to 8.5 x 11-inch size. Vendors shall utilize such foldouts only where essential, with no more than four (4) fold out pages in the Qualification Package.

Qualification Package **body** text shall be single-spaced, a minimum of 11-point Arial font, printed on both sides of the page. Each page header and/or footer shall include the Proposer's name, along with page numbers and date of the Qualification Package.

- Proposals shall be spiral-bound;
- Proposals shall use tabbed separators (labeled) for the major numbered sections (1-6) of the Qualification Package;
- All pages shall be numbered;
- All information shall be in English; and
- Proposer shall provide one (1) Original and six (6) copies of the Proposal. Originals shall contain original signatures, be single-sided, and marked Original. Each copy shall be double-sided. Additionally, a single Portable Document Format (PDF) copy (unlocked, unencrypted, searchable and indexed) of the Proposal shall be provided on a USB flash drive.

#### 5.1.2.1. Content of Qualification Package

Qualification Packages shall include a straightforward, concise description of the Proposer's qualifications and proposed approach to meet the requirements of the RFP. The Qualification Package shall be limited to a total of forty (40) printed pages, as indicated in **Table 5-1** below. Any information provided beyond the forty (40) pages will not be evaluated or considered. Portions of the Qualification Package that are excluded from these page limitations are also shown in **Table 5-1**:

Qualification Package Sections to be Completed by a Proposer	Page Count Limitations
Cover Letter	Limited to one (1) page (excluded from page limit)
Executive Summary	Limited to two (2) printed pages (excluded from page limit)
Section 1: Company Overview	Limited to forty (40) printed pages (not including table of contents, table of tables, table of figures, or financial statements)
Section 2: Key Personnel Experience and Qualifications	
Section 3: Approach to Organizational Management	
Section 4: Approach to Operations Implementation	

Qualification Package Sections to be Completed by a Proposer	Page Count Limitations
Section 5: Approach to Managing Program Growth, Quality, Continuous Improvement and Innovation	
Section 6: Forms and Submittals	Excluded from page limit

**Table 5-1: Qualification Package Page Limitation**

The following details the content required for each section in the Qualification Package:

**A. Cover Letter**

The Qualification Package shall include a cover letter signed by an officer of the Proposer with signature authority to enter into the proposed Contract with NCTA. This letter shall be very brief, and provide the corporate commitment that the Qualification Package meets the scope, schedule and requirements of the RFP.

**B. Executive Summary**

The executive summary shall be a brief overview, summarizing the contents of the Qualification Package, and explaining how the Qualification Package being offered addresses the evaluation criteria listed in this RFP. The summary shall describe the Proposer's qualifications, understanding of NCTA's needs and proposed approach to partnering with NCTA.

**C. Qualification Package Section 1: Company Overview**

Describe the Proposer's team composition including the following information:

- A. Prime firm organizational structure (individual, partnership, corporation);
- B. Years in business;
- C. Number of employees;
- D. Areas of operation;
- E. Total annual revenues;
- F. Years and type of experience in customer service operations;
- G. Financial statements for the past two years in a sealed envelope, excluded from the page count, and marked as "Financial Information"; and
- H. Roles of any Subcontractors, their specific responsibilities, percentage of Work on the contract, and how their work will be supervised.

**D. Qualification Package Section 2: Experience and Qualifications**

- A. Provide an overview of the following Key Personnel, and why they were chosen for this proposal.
  - a. Project Manager; and
  - b. Customer Service Manager or similar titled position (person in charge of overall call center customer service).

**Note:** Proposers are required to name the above Key Personnel. ~~In the Qualification Package phase, Proposers are permitted, but not required to, name additional Key Personnel. All named additional Key Personnel shall have resumes and references supplied as instructed below.~~ Additional Key Personnel named will not be considered.

- 
- B. Describe Key Personnel experience taking over an existing customer service operation, including:
- a. Mobilization and program establishment;
  - b. Working with a separate BOS and partnering with the BOS/customer relationship management provider;
  - c. Staffing;
  - d. Training;
  - e. Work in Progress; and
  - f. Go-live.
- C. Describe the Proposer's experience in customer service operations in the following areas:
- a. Call center operations (>3,000 inbound calls per day);
  - b. Customer account management;
  - c. In-person Customer Service Center Operations;
  - d. Fulfillment and inventory management;
  - e. Mail house Quality Control;
  - f. Payment and payment exception processing;
  - g. Financial settlement and controls;
  - h. Quality management;
  - i. Training, staff development and retention;
  - j. Continuous Improvements and efficiencies;
  - k. Innovations; and
  - l. Operations reporting.
- D. Describe the Proposer's experience in supporting a changing customer service program in the following areas:
- a. Increased customer base;
  - b. Increased call volumes;
  - c. Geographic expansion;
  - d. New programs and campaigns; and
  - e. New policies and procedures.
- E. Qualification Package Section 3: Approach to Organizational Management**
- A. Provide a detailed potential organizational chart showing all staff positions, including span of control ratios for Ongoing Operations. The organizational chart shall demonstrate the Contractor's understanding of the NCTA's operational requirements.
  - B. Describe the Proposer's corporate culture related to employee development.
  - C. Describe the Proposer's approach to employee engagement, incentives and retention.
- F. Qualification Package Section 4: Approach to Operations Implementation**
- A. Describe the Proposer's approach to supporting Operations Implementation:
    - a. Mobilization and program establishment;
    - b. Facility takeover;
    - c. Developing the standard operating procedures (SOPs), including familiarization with operations and BOS functionality;

- d. Developing a knowledge management system;
- e. Recruitment, screening and staffing;
- f. Training;
- g. Coordinating with existing operations contractor to transition work in progress;
- h. Go-live including risk identification and mitigation; and
- i. Managing the post Go-live backlog while handling day-to-day operations.

**G. Qualification Package Section 5: Approach to Managing Program Growth, Quality, Continuous Improvement and Innovation**

- A. Describe the Proposer's approach to preparing for the launch of new roadways and adjusting to the corresponding growth in customer base.
- B. Describe the Proposer's approach to quality including reliability, accuracy, responsiveness, efficiency and customer satisfaction.
- C. Describe the Proposer's approach to identifying and fostering continuous improvement opportunities in expanding and changing operations environment.
- D. Describe the Proposer's approach to ensuring innovation.

**H. Qualification Package Section 6: Forms and Submittals**

Proposers shall provide all Qualification Package forms required to be submitted as part of the RFP, unless otherwise specifically directed.

Proposers shall submit properly completed forms that have been provided in **Exhibit D, Forms**. Please refer to **Table 5-2: Forms and Submittal Checklist**, below for a Forms and Submittals Checklist. The checklist identifies the location of the form or the Submittal requirement in the RFP, and also where the form or Submittal is to be included in the Qualification Package.

Proposers shall not modify any of the forms unless specifically instructed by NCTA to do so. Completion of forms will be checked during the initial pass/fail screening of the submitted Qualification Packages. Qualification Packages not adhering to this requirement may be considered as non-compliant.

Form #	Form/Submittal Name	Location in RFP	Location of Form/Submittal in Qualification Package
<b>Forms to be Submitted</b>			
D-1	Proposer Reference Form	Exhibit D-1	Qualification Package Section 6
D-2	Key Personnel Resume Form	Exhibit D-2	Qualification Package Section 6
D-3	Subconsultant or Subcontractor Form RS-2	Exhibit D-3	Qualification Package Section 6
D-4	Proposer Questions Form	Exhibit D-4	N/A: To be used for submission of Proposer questions to NCTA.
D-5	Acknowledgment of Receipt of Addenda Form	Exhibit D-5	Qualification Package Section 6
D-6	Non-Collusion Form (Corporation)	Exhibit D-6	Qualification Package Section 6
D-7	Non-Collusion Form (Individual with a firm Name)	Exhibit D-7	Qualification Package Section 6
D-8	Non-Collusion Form (Individual)	Exhibit D-8	Qualification Package Section 6

Form #	Form/Submittal Name	Location in RFP	Location of Form/Submittal in Qualification Package
D-8	Non-Collusion Form (Limited Liability)	Exhibit D-9	Qualification Package Section 6
D-10	Non-Collusion Form (Partnership)	Exhibit D-10	Qualification Package Section 6
<u>D-11</u>	<u>Adherence to the Terms and Conditions Form</u>	<u>Exhibit D-11</u>	<u>Qualification Package Section 6</u>

Table 5-2: Forms and Submittal Checklist

### I. Price Proposal (Provided Separately)

Proposers are not required to submit a Price Proposal with their Qualification Package. Short-listed Proposers shall be required to submit a Price Proposal in the Operational Concepts Phase, per the instructions documented in **Part I, Administrative**, Section 6.2 Price Proposal Submission Instructions.

### 5.1.3. Submission of Qualification Package

All Qualification Packages shall be submitted in a sealed envelope(s) or box(es), bearing on the outside the following information, and delivered in person or by mail to the address provided on the cover page of this RFP:

#### Qualification Package:

NC QUICK PASS AND NC FERRY CUSTOMER SERVICE OPERATIONS

#### Submitted By:

PROPOSER'S NAME

PROPOSER'S ADDRESS

CITY, STATE, ZIP CODE

PROPOSER'S PHONE NUMBER

## 6. Operational Concept Package Phase (Short-listed Proposers Only)

The Operational Concept phase of the procurement process commences after the Short-listed Proposers have been notified by NCTA. To initiate this phase, NCTA will conduct a kick-off meeting with all Short-listed Proposers, to review the agenda for this phase, set expectations, provide a BOS demonstration, visit all three NCTA Customer Service Centers, and provide Proposers with an avenue to ask questions about the program.

Additionally, NCTA will work with each Short-listed Proposer, independently and concurrently, on key project documentation and operational concepts to meet NCTA requirements.

1. Operations Transition—All Short-listed Proposers shall be required to submit their draft Transition Plan and Transition Schedule, in accordance with **Table 3-1**
2. Upon NCTA's review of the Transition Plan and Transition Schedule Proposer Materials, Proposers will be scheduled for in-person interviews regarding Operations Transition.

3. Ongoing Operations—All Short-listed Proposers shall be required to submit their draft Project Management Plan (PMP), draft Quality Management Plan (QMP), draft Staffing and Training Plan as specified in the RFP and in accordance with **Table 3-1**.
4. Organizational Management—All Short-listed Proposers shall be required to submit their draft Employee Incentive Plan, as well as their Approach to Organizational Management, as specified in the RFP and in accordance with **Table 3-1**.
5. Upon NCTA's review of the Ongoing Operations and Organizational Management Proposer Materials, Proposers will be scheduled for in-person interviews regarding Ongoing Operations and Organizational Management.
6. Price Proposal Submittal: The Price Proposal shall be submitted separately from the Operational Concept Package in a sealed package for evaluation by NCTA, and will be evaluated after NCTA evaluates and scores the above Proposer Materials.

**Notes:** All elements of the complete Operational Concept Package shall address the elements of the scope of work, and address all requirements documented within the RFP.

Once each complete Operational Concept Package component is received, the TEC and the Selection Committee will evaluate the submittals in accordance with the process outlined in **Part I, Administrative**, Section 7.1.2 Operational Concept Evaluation Process below.

At the conclusion of this phase, NCTA will select one (1) Proposer with which to enter into a Contract.

**Note:** NCTA will provide Short-listed Proposers not selected for final procurement a Stipend, as described in **Part I, Administrative**, Section 9 Stipend Provision below, as a mechanism to recoup costs associated with their efforts during the Operational Concepts Phase.

## 6.1. Operational Concept Package Response and Submission Instructions

### 6.1.1. Response Instructions

Operational Concept Packages are made up of a series of Proposer deliverables, and are broken into three areas: Operations Transition, Ongoing Operations, and Organizational Management. To be considered responsive, the Operational Concept Package shall respond as instructed to all requirements in this part of the RFP. Omission of any section may render an Operational Concept Package non-responsive, and it may not be evaluated.

There are no formatting requirements, or page limits, for any of the plans submitted as part of the Operational Concept Packages.

For the Proposer response to the Approach to Organizational Management, **Part I, Administrative**, Section 6.1.2 Content of Operational Concept Packages, Item C-2, the body text shall be single-space, a minimum of 11-point Arial font, printed on both sides of the page. Each page header and/or footer shall include the Proposer's name, along with page numbers and date of the proposal.

- Proposals shall use spiral-bound;
- Proposals shall use tabbed separators (labeled) for the major numbered sections (1-4) of the Approach to Organizational Management;
- All pages shall be numbered;
- All information shall be in English; and
- Proposer shall provide one (1) Original and six (6) copies of the Proposal documents. Originals shall contain original signatures, be single-sided, and marked Original. Each copy shall be double-

sided. Additionally, a single PDF copy (unlocked, unencrypted, searchable and indexed) of the Proposal shall be provided on a USB flash drive.

The Approach to Organizational Management, **Part I, Administrative**, Section 6.1.2 Content of Operational Concept Packages, Item C-2, shall be no more than fifteen (15) pages, prepared on standard 8½ x 11-inch paper. 11 x 17-inch foldouts can be used if folded to 8 1/2 X 11-inch size. Vendors shall utilize such foldouts only where essential, with no more than two (2) fold out pages.

### **6.1.2. Content of Operational Concept Packages**

Operations Content Packages shall be prepared as outlined below and in accordance with **Part III: Scope of Work and Requirements**.

#### **A. Operations Transition**

1. Transition Plan; and
2. Transition Schedule.

#### **B. Ongoing Operations**

1. Project Management Plan;
2. Quality Management Plan; and
3. Staffing & Training Plan.

#### **C. Organizational Management**

1. Employee Incentive Plan;
2. Approach to Organizational Management:
  - a. Approach to Organizational Management Section 1: Key Personnel Experience and Qualifications:
    - I Provide an overview of the following Key Personnel, and why they were chosen for this proposal:
      - a Finance Manager;
      - b Quality Manager;
      - c Production Manager; and
      - d Marketing and Communications Manager.
  - b. Approach to Organizational Management Section 2: Revised Organizational Chart:
    - I Provide a revised organizational chart showing all staff positions, including span of control ratios for Ongoing Operations.
  - c. Approach to Organizational Management Section 3: Corporate Culture:
    - I Provide the corporate culture related to transitioning and integrating existing NC Quick Pass and NC Ferry operations staff.
  - d. Approach to Organizational Management Section 4: Improvements:
    - I Provide recommendations for improvements to the NC Quick Pass Operations Center and Morrisville Customer Service Center facility.

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### 6.1.3. Submission of Operational Concept Package

All Operational Concept Packages shall be submitted in a sealed envelope(s) or box(es), bearing on the outside the following information, and delivered to the address provided on the front page of this RFP:

**Operational Concept Package:**

NC QUICK PASS AND NC FERRY CUSTOMER SERVICE OPERATIONS

**Submitted By:**

PROPOSER'S NAME

PROPOSER'S ADDRESS

CITY, STATE, ZIP CODE

PROPOSER'S PHONE NUMBER

## 6.2. Price Proposal Submission Instructions

### 6.2.1. Price Proposal Content and Format

In accordance with the schedule in **Table 3-1**, all Short-listed Proposers shall submit Price Proposals in a sealed envelope(s), as described below, bearing on the outside the following information, and delivered to the address provided on the front page of this RFP:

**Price Proposal:**

NC QUICK PASS AND NC FERRY CUSTOMER SERVICE OPERATIONS

**Submitted By:**

PROPOSER'S NAME

PROPOSER'S ADDRESS

CITY, STATE, ZIP CODE

PROPOSER'S PHONE NUMBER

1. Separate and Sealed. The Price Proposal shall be submitted in a sealed envelope. The Price Proposal shall not be submitted with the Operational Concept Package. The Price Proposals shall be submitted in strict compliance with the requirements of this section. Failure to comply with this requirement will cause the entire Proposer's entire Proposal package to be rejected.
2. Price Proposals shall be submitted using the Form, provided to Short-listed Proposers at the time of short-list announcement, on the due date, as detailed in **Table 3-1**.
3. Proposers shall complete the Form/Workbook in accordance with the Price Proposal Instructions.
4. One (1) original hard copy of the Price Proposal shall be submitted by the Proposer.
5. One copy of a USB flash drive containing the Price Proposal in electronic format shall be provided. The file format for the electronic copy of the Price Proposal shall be Microsoft Excel and PDF. The USB FLASH DRIVE containing the Price Proposal shall be clearly labeled with the same nomenclature identified for the outside of the sealed Price Proposal envelope.
6. Proposers shall not include any assumptions in their Price Proposals. If the Proposer includes assumptions in its Price Proposal, NCTA may reject the Proposal. Assumptions shall be provided in the manner set forth in **Part I, Administrative, Section 5.1 Qualification Package Response and Submission Instructions**.



**Note:** Any costs for work that is not provided in the Price Proposal will be assumed as no charge to NCTA.

### 6.2.2. Contract Payment and Performance Bond

Short-listed Proposers shall submit with their Price Proposals evidence that the Proposer is capable of obtaining Contract Payment, and Performance bonds in accordance with Section 8.1 Notification of Award.

## 7. Procurement Evaluation Processes

The evaluation process for both the Qualification Packages, and the Operational Concept Packages will consist of a narrative evaluation and a quantitative scoring and ranking.

### 7.1. Technical Evaluation Committee and Selection Committee

NCTA will utilize a TEC and Selection Committee made up of NCTA/NCDOT employees and other contracted staff, as requested by NCTA. The committees will be responsible for the evaluation of both (1) the Qualification Packages for the purpose of Short-listing Proposers, and (2) the Operational Concept Packages and Price Proposals. The TEC will provide input to the Selection Committee, and the Selection Committee is responsible for scoring the Proposals. A confidentiality agreement will be signed by all members of both committees, which limits their discussion on the procurement to only those NCTA personnel, or other personnel as dictated by NCTA, deemed necessary to assist in the evaluation.

#### 7.1.1. Qualification Package Evaluation Process

##### 7.1.1.1. Qualification Package Pass / Fail Screening

In response to this RFP, each Proposer shall submit a Qualification Package in strict compliance with the requirements outlined herein. Immediately following the Qualification Package Response due date, as detailed in **Table 3-1** above, an NCTA representative shall:

1. Validate the completeness of each Qualification Package, including all Qualification Package sections, correctly completed forms and required information. Qualification Packages which are incomplete may be rejected.
2. Immediately notify Proposers who did not meet the Pass / Fail Screening after the screening is complete.

**Note:** Proposers are advised that NCTA is not obligated to ask for, or accept after the Qualification Package due date, data that is essential for a complete and thorough evaluation of the Qualification Package.

##### 7.1.1.2. Qualification Package Evaluation

1. **Qualification Package Narrative Evaluation.** Once the Qualification Packages have been checked for completeness, the TEC and Selection Committee will evaluate each Qualification Package on material content, responsiveness to the Requirements of the RFP, and the ability to perform the **Part III, Scope of Work and Requirements** set forth in this document, as well as each Proposer's capabilities, composition, past performance (particularly on comparable projects), understanding and approach. The TEC will develop a narrative evaluation of each Proposal to be provided to the Selection Committee.
2. **Reference Checks.** Concurrent with the Qualification Package Narrative Evaluation, NCTA staff may conduct project references and reference checks for each Key Personnel, of all responsive Qualification Packages.

3. **Preliminary Technical Scoring.** Once the Selection Committee receives the narrative evaluations from the TEC, the Selection Committee will score the Qualification Packages.
4. **Non-Compliant.** Any Qualification Packages scored below 65 out of 100 possible total points will be considered non-compliant, and will not be considered further. Proposers that meet the minimum score of 65 will be considered compliant and asked to participate in oral presentations and interviews (should NCTA elect to conduct them), and/or be short-listed to move forward into the Operational Concept phase.
5. **Oral Presentations and Interviews (if conducted).** NCTA may invite compliant Proposers to participate in oral presentations and interviews. The oral presentations and interviews, and any required demonstrations conducted therein, will provide an opportunity for the TEC and Selection Committee to further their understanding of the Qualification Package(s) and proposed approach.
6. **Updated Technical Scoring.** After the oral presentations and interviews, the Selection Committee may elect to update preliminary technical scores. The updated scores will consider the Qualification Package and the results of the oral presentations and interviews (if conducted).

#### 7.1.1.3. Qualification Package Scoring and Proposer Short-listing

1. The overall Qualification Packages are scored as shown in **Table 7-1** below:

Qualification Package Sections	Maximum Possible Points
Section 1: Company Overview	5
Section 2: Key Personnel Experience and Qualifications	30
Section 3: Approach to Organizational Management	25
Section 4: Approach to Operations Implementation	20
Section 5: Approach to Managing Program Growth, Quality, Continuous Improvement and Innovation	20
<b>Maximum Possible Technical Points</b>	<b>100</b>

**Table 7-1: Qualification Package Sections and Maximum Possible Points**

2. Based on these scores, the Selection Committee will develop a Short-list of Proposers who will be invited to participate in the Operational Concepts Phase.

#### 7.1.2. Operational Concept Evaluation Process

The TEC and Selection Committee will evaluate all received Operational Concept Packages. The evaluation process will consider the Short-listed Proposer's Materials for Operations Implementation, Ongoing Operations, and Organizational Management.

**Note:** While the following evaluation process is similar to the Qualification Package evaluation process, it is a wholly separate and distinct evaluation of the Operational Concept Packages. The scores from the Qualification Package evaluation process will not be taken into consideration during the Operational Concepts Package evaluation process.

Following receipt of the Operational Concept Packages by all Short-listed Proposers:

1. **Responsiveness Validation.** The TEC shall first determine whether or not the Operational Concept Packages are responsive to the requirements of the RFP. If any components of the Operational Concept Packages are considered non-responsive, NCTA will notify the Short-listed Proposer. Non-responsive Short-listed Proposers shall not be eligible for further consideration and will not receive a Stipend.

Each Operational Concept Package found to be responsive will be evaluated by the TEC and Selection Committee. NCTA reserves the right to ask for clarification on any item in the Technical Proposals.

2. **Operational Concept Package Narrative Evaluation.** Once the Operational Concept Packages have been validated for responsiveness, the TEC will evaluate each Operational Concept Package on material content, responsiveness to the requirements of the RFP, and the proposed operational concept. The TEC will develop a preliminary narrative evaluation for each Proposer to document their findings and recommendations to the Selection Committee.
3. **Interviews.** Following the preliminary narrative evaluation, each Short-listed Proposer shall interview with the TEC and Selection Committee. The purpose of these interviews is to provide Proposers an opportunity to present the deliverables, answer questions and participate in interactive exercises. All Short-listed Proposers will be afforded equal time for these interviews.
4. **Final Evaluation and Narrative Evaluation.** Once all Short-listed Proposers have completed their interviews each Operational Concept Package will be re-evaluated with the interviews in mind in order to develop a final narrative evaluation for each Short-listed Proposer. The TEC will submit their final narrative evaluations to the Selection Committee.
5. **Technical Scoring.** Once the Selection Committee receives the final narrative evaluations and feedback from the TEC, the Selection Committee will score each Operational Concept Package and create a ranking based on final scores.

#### 7.1.2.1. Operational Concept Package Scoring

The overall Operational Concept Packages are scored as shown in below:

Operational Concept Package Elements	Maximum Possible Points
Operations Transition	40
Ongoing Operations	40
Organizational Management	20
<b>Maximum Possible Technical Points</b>	<b>100</b>

**Table 7-2: Operational Concept Package Elements and Maximum Possible Points**

## 7.2. Opening of Price Proposals

After the Selection Committee has completed the final narrative evaluations and scoring on the Operational Concept Packages, the Price Proposals will be opened. As a best value contract, price will be evaluated based on a combination of anticipated cost to NCTA, the overall quality of the Operational Concept Package, and the implementation approach and schedule. The pricing will also be viewed in

terms of any innovation proposed by the bidder as well as the bidder's proven reliability and ability to meet the required performance standards.

### 7.3. Negotiations and Best and Final Offer (BAFO) Process

NCTA may elect to negotiate with one or more Short-listed Proposers determined to be in a competitive range based upon the evaluation process described above. Short-listed Proposers may be requested to provide BAFOs in response. If BAFOs are requested, NCTA will evaluate the BAFOs and adjust its evaluation of the Proposer's respective Proposal accordingly.

Further, should negotiations with one Short-listed Proposer not be successful, NCTA reserves the right to negotiate with the next highest ranked Short-listed Proposer(s) at NCTA's sole determination.

### 7.4. Determination of the "Best Value" Proposer

NCTA may execute a Contract with the successful Proposer deemed to present the "best value," and the most advantageous offer to NCTA in accordance with G.S. §143-135.9.

The Authority will recommend to the Secretary of Transportation, or their designee, the Short-Listed Proposer representing the best value be awarded the contract.

**Note:** The determination of best value will be made based on the merits of the Short-listed Proposer, their Operational Concept Package and their Price Proposal, as documented within **Part I, Administrative**, Section 7.1.2, Operational Concept Evaluation Process of the RFP. The combination of these items will factor into the determination of best value, recognizing that best value may result in award to a Short-listed Proposer other than the one with lowest price or highest technical score. This combination balances the quality of an Operational Concept Package with a Price Proposal to create a best value solution.

## 8. Award and Execution of Contract

### 8.1. Notification of Award

NCTA will notify the successful Short-listed Proposer of the award by telephone and/or in writing via a Notification of Award letter via email.

The successful Proposer will have fourteen (14) Calendar Days after receipt of the Notification of Award to furnish the performance and payment bonds and insurance required in the Notification of Award letter. If the successful Proposer defaults or otherwise is unable to enter into a Contract with NCTA, then NCTA may begin negotiations with the next highest ranked Short-listed Proposer.

The NCTA award of, or continuation of, any Contract for or related to its NC Quick Pass and NC Ferry Customer Service Operations is subject to the availability of funding.

NCTA will issue an original Contract for execution by the successful Short-listed Proposer. After the Contract is executed by NCTA, a duplicate copy will be mailed back to the Contractor.

**Originals.** The original copy will be retained in the NCTA Office. On Federal-Aid projects, a true copy will be sent to the Federal Highway Administration.

**Bonding Requirements.** All performance bonds will be handled using the following procedures.

#### I. Payment and Performance Bonds:

- a. Within 14 days of Notification of Award, the selected Contractor shall obtain Payment and Performance bonds each in the amount of the year one Contract price, as finalized by the Contractor and NCTA, which will include an amount equal to the Staffing and Operations

Implementation Phase lump sum, and the year one operations annual sum of the On-going Operations Phase. All bonds shall be in conformance with G.S. § 44A-33. The corporate surety furnishing the bonds shall be authorized to do business in the State.

- b. After successful Go-live and provided that no outstanding claims are then pending or threatened against the Contractor hereunder, and upon proof of compliance for satisfying the Contractor's payment obligations during the Operations Implementation Phase, the initial bond amounts shall be reduced to represent only the year one operations annual sum of the On-going Operations Phase.
- c. The bonds shall be automatically renewed each year at the anniversary of Contract execution and the bond amount shall represent the estimated annual value of the Contract for the upcoming year using projected volumes and staffing cost.
- d. The Contractor or its Surety must provide NCTA with written notice of the cancellation of any bonds required under this Section, at least ninety (90) days prior to the date the cancellation shall take effect. The Contractor or the new Surety must provide NCTA with a replacement bond(s) in the amount and for the duration required under this Section, and which is fully compliant with all other provisions of this Section. Any replacement bond shall take effect within thirty (30) Days of the written notice of cancellation of the prior bond being replaced. Cancellation of a bond shall neither be the basis of a Change Order, nor prohibit NCTA from making a claim against the bond being cancelled.
- e. Performance by a Surety or a Guarantor of any of the obligations of the Contractor shall not relieve the CSC Operator of any of its obligations hereunder.

## 9. Stipend Provision

A Stipend of \$50,000 will be awarded to each Short-listed Proposer that provides a responsive, but unsuccessful, NC Quick Pass and NC Ferry Customer Service Operations Proposal in response to the Request for Proposals and all associated Addenda. If a contract award is not made, all Short-listed Proposers that provide a responsive Proposal will receive the Stipend fee. In the event that NCTA suspends or discontinues the procurement process prior to the Short-listed Proposers' submittal of the final Operational Concept Package during the Operational Concepts Phase, no Stipend fee will be paid.

Unsuccessful Short-listed Proposers can apply for the Stipend fee by notifying the State Contract Officer in writing and providing an original invoice within sixty (60) days of Award. If the Short-listed Proposer accepts the Stipend fee, NCTA reserves the right to use any ideas or information contained in the Qualification Package, whether incorporated into the Qualification Package or not, in connection with any contract awarded for the project, or in connection with any subsequent procurement, with no obligation to pay additional compensation to the unsuccessful Short-listed Proposer. The Stipend fee will be paid to eligible Short-listed Proposer within thirty (30) days of receipt of an invoice. Unsuccessful Short-listed Proposers may elect to refuse payment of the Stipend fee and retain any rights to its Qualification Package and the ideas and information contained therein.

## 10. Proposer Debrief

Once a Contract has been awarded, all Proposers, regardless of Short-list status, will be afforded the opportunity for a debriefing with NCTA regarding the relative merits of their Qualification Package and/or their Operational Concept Package.

## II. Protest Procedure

Each Proposer, by submitting its Proposer Materials, expressly recognizes the limitation on its rights to protest contained herein, expressly waives all other rights and remedies, and agrees that the decision on any protest, as provided herein, shall be final and conclusive. These provisions are included in these RFP documents expressly in consideration for such waiver and agreement by the Proposers. If a Proposer disregards, disputes, or does not follow the exclusive protest remedies set forth in these RFP documents, it shall indemnify, defend, and hold NCTA and NCDOT, and their respective Board members, directors, officials, employees, agents, representative, and consultants, harmless from and against all liabilities, expenses, costs, fees, and damages incurred or suffered as a result of such Proposer actions. The submission of a Qualification Package shall be deemed the Proposer's irrevocable and unconditional agreement with such indemnification obligation.

1. Any request for a protest meeting shall be in writing and filed with the NCTA Executive Director at the address specified below and shall be received within thirty (30) consecutive Calendar Days from the date of the Contract award. Any protest not set forth in writing, including oral objections, is not a protest and shall be null and void.

NCTA Executive Director

1578 Mail Service Center

Raleigh, NC 27699-1578

2. All protests shall include the following: 1) Name and Address of Protestor; 2) RFP Name and date of issuance; 3) Specific reasons for protest; and 4) Supporting exhibits, evidence or documents to support the protest.
3. If the protest does not contain this information or if the Executive Director determines that a meeting would serve no purpose, the Executive Director may, within ten (10) consecutive Calendar Days from the date of receipt of the letter, respond in writing to the Proposer and refuse the protest meeting request.
4. If the protest meeting is granted, the Executive Director shall attempt to schedule the meeting within thirty (30) consecutive Calendar Days after receipt of the letter, or as soon as possible thereafter. Within ten (10) consecutive Calendar Days from the date of the protest meeting, the Executive Director shall respond to the Proposer in writing with the Executive Director's decision.
5. The Executive Director may appoint a designee to act on the Executive Director's behalf with regard to these protest procedures.
6. All Proposer Materials shall be irrevocable until final administrative and judicial disposition of a protest.

## **Part II**

# **Defined Terms and Acronyms**

**Part II - Table of Contents**

1. DEFINED TERMS .....1

2. ACRONYMS.....7



## I. Defined Terms

Term	Definition
Account	A customer Account in the NCTA CSC Back Office System (BOS).
Account Update	The process whereby any data associated with an account is changed.
Addendum	A document created to capture any clarification, update, amendment, addition, deletion or modification made to the RFP during the procurement process.
Agreement	Also referred to as the “Contract,” it is the written contract between NCTA and the respective Contractor covering all parts of this project and are governed by the Contract Documents.
Amendment	Change in the Agreement executed in writing made by adding, altering, or omitting parts or terms.
Approve	The term “Approve” and its variations (e.g., “Approval” or “Approved”), when capitalized in this Agreement refer to acceptance of a process, vendor, document, condition, action or Deliverable in writing by NCTA. Approval by NCTA shall not be construed to mean endorsement or assumption of liability by the NCTA nor shall it relieve the Contractor of its responsibilities under the Agreement.
Authority	The term “Authority,” when capitalized in this Agreement, refers to the North Carolina Turnpike Authority (NCTA).
Back Office System (BOS)	Hardware and software provided by the Back Office System contractor to support toll collection and customer service operations, including but not limited to: data interfaces, subsystems, mobile application(s) and website(s).
Back Office System Team	The team retained by NCTA for the design, development, implementation and maintenance of the Back Office System, including NCTA, their BOS contractor, other active contractors, subcontractors, consultants and representatives as designated by NCTA.
Bill by Mail (BBM)	Customers who choose not to participate in the NC Quick Pass pre-paid transponder program will be invoiced at a higher toll rate through the Bill by Mail program. No toll transponder is required; instead as the vehicle passes through the toll zone, a video image of the license plate is taken from an overhead camera. The registered owner of the vehicle is identified through the Department of Motor Vehicles and a Bill by Mail is sent to the customer for payment.
Business Day	A day, excluding NCTA observed Holidays, <u>Saturdays</u> and Sundays.

Term	Definition
Business Operations Continuity / Disaster Recovery	The process of re-establishing business operations according to the approved Business Operations Continuity / Disaster Recovery Plan in the event of a disaster or business disruption event.
Business Policies/NC Quick Pass Business Policies	A set of policies, rules, and procedures established by NCTA that directs the NC Quick Pass Program operations.
Contract	See “Agreement”.
Contract Documents	<p>All of the documents that make up the Contract, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Executed Agreement, including RFP, all executed RFP addenda, BAFO, and Amendments;</li> <li>• <b>Part I, Administrative;</b></li> <li>• <b>Part II, Defined Terms and Acronyms;</b></li> <li>• <b>Part III, Scope of Work and Requirements,</b> as conformed;</li> <li>• <b>Part IV, Terms and Conditions;</b></li> <li>• Contractor’s Operational Concepts Package;</li> <li>• Contractor’s Price Proposal;</li> <li>• Contractor’s Qualification Package; and</li> <li>• Other Proposer Materials.</li> </ul>
Contractor	The person, firm, corporation or entity awarded the Work under this Agreement.
Correspondence	Any and all information in written form which is sent to and from the CSC.
Customer Service Center (CSC)	The area in the lobby of the NC Quick Pass Operations Center, or other remote, stand-alone building where Customer Service Representatives service walk-in customers.
Customer Service Representative (CSR)	An individual performing a customer interface position in the CSC, providing assistance such as account creation, payment processing, dispute resolution, and correspondence and transponder distribution to NCTA customers.
Deliverable(s)	All Documentation and any items of any nature submitted by the Contractor to the NCTA’s Project Manager for review and Approval pursuant to the terms of this Agreement.
Department/Division of Motor Vehicles (DMV)	An authority responsible for motor vehicles registrations and provides ownership data to NCTA for vehicle owner identification.
Developer	For the purpose of this RFP, a Developer is a private person, group, or company with the exclusive right to manage the construction, maintenance, and operation of a tolled Express Lane, and to collect toll revenue from the Express Lane during the term of the Concession Agreement.

Term	Definition
Express Lane	A limited access expressway lanes or roadways separated from adjacent general purpose lanes and employing payment of tolls to manage demand. For the purposes of this RFP, Express Lanes are also referred to as High-Occupancy Toll Lanes.
General Ledger (GL)	The General Ledger is the main accounting record of a business that uses double-entry bookkeeping and is maintained by NCTA using a financial system separate from the BOS Contractor's system. The BOS Contractor's system will maintain a sub ledger, which will populate the GL via an interface.
Go-Live	The date in which a particular system (BOS, Operations) is officially and formally available for use by NCTA and its customers.
Interoperable/ Interoperability (IOP)	A relationship between tolling agencies or entities where their systems are capable of capturing and transmitting transactions generated on an agency's roads by customers of the other agency or entity. Generally requires that reciprocity agreements between agencies and entities are in place to govern payments and reconciliation.
Interoperable Agency(ies)	For customer convenience, NCTA has formed agreements with toll agencies from the E-ZPass Group (EZG), Florida and other surrounding states to allow customers to use one toll account to travel throughout many of the toll roads in the eastern and north eastern portion of the United States, regardless of which toll authority operates the road.
Interoperable Partner	Toll agencies that have a relationship that is Interoperable with NCTA and/or other toll agencies.
Invoice Adjustment	A reduction in the Contractor's invoice for services resulting from penalties caused by the Contractor's failure to comply with Key Performance Indicators.
Key Performance Indicators (KPIs)	Technical performance measurements or metrics used to evaluate Contractor performance.
Key Personnel	Staff designated as "key" in <b>Part III, Scope of Work and Requirements</b> , subject to the Approvals and conditions set forth therein and in the Agreement.
Liquidated Damages	Damages, whose amount the parties designate during the formation of a contract, for the injured party to collect as compensation upon a specific breach.
NC Quick Pass Operations Center	The facility that houses the equipment, software, and personnel required to establish, manage, and maintain customer accounts; provide customer service; process transactions and prepare customer notifications and all other processing in accordance with NCTA's Business Policies.

Term	Definition
NC Quick Pass Program	North Carolina's electronic toll payment program that allows customers to pay tolls by a prepaid NC Quick Pass Transponder Account or a post-paid Bill by Mail account.
NC Quick Pass Transponder Account	Pre-paid toll accounts collected through electronic toll collection. These accounts require the purchase and installation of a transponder that is detectable when a vehicle travels through a toll zone. The appropriate toll amount due for the transaction is automatically deducted from the customer's account.
NCTA Project Manager (PM)	The NCTA's duly authorized representative designated to manage the Contractor's performance of the Work in accordance with the Agreement.
Nixie	A piece of mail sent to an NCTA customer and returned by the Post Office to the NC Quick Pass Operations Center as undeliverable.
North Carolina Department of Transportation (NCDOT)	A governmental agency in North Carolina responsible for building, repairing, and operating highways, bridges, and other modes of transportation, including ferries in the U.S. state of North Carolina.
North Carolina Turnpike Authority (NCTA)	A Business Unit of NCDOT, responsible for supplementing the traditional non-toll transportation system serving the citizens of North Carolina by accelerating the delivery of roadway projects using alternative financing options and facilitating the development, delivery and operation of an integrated, creative system of toll roads.
Notice to Proceed (NTP)	The written authorization by the NCTA designating the date and time for the Contractor to commence Work.
Order of Precedence	The order in which Agreement documents control in the event of a conflict or ambiguity in such documents.
Payment Card Industry (PCI) Data Security Standard (PCI DSS)	Is the guideline to help organizations that process card payments prevent credit card fraud, hacking, and various other security vulnerabilities and threats. A company processing, storing, or transmitting payment card data must be PCI DSS compliant or risk losing their ability to process credit card payments and being audited or fined.
Performance Requirements	The required level of performance standards for this Contract as set forth in the Terms and Conditions and <b>Part III, Scope of Work and Requirements.</b>
Price Proposal	The sealed "bid" that constitutes the Proposer's price to complete the Operations Implementation and Ongoing Operations work as required by the Request for Proposal and in accordance with the Proposer Materials.
<u>Production Day</u>	<u>A day, excluding NCTA observed Holidays and Sundays.</u>

Term	Definition
Project	The total Work set forth in <b>Part III, Scope of Work and Requirements</b> and as further set forth and detailed in the Agreement documents.
Proposal	See “Proposer Materials.”
Proposer	An entity that has submitted Proposer Materials in response to this RFP.
Proposer Materials	Documentation submitted by the Proposer in response to this RFP.
Quality Assurance (QA)	A process which occurs after the final Work product is complete, to ensure the Work was completed as expected and required.
Quality Control (QC)	A process which occurs before a final product is produced or presented, to ensure the Work product is accurate.
Request for Proposal	Also referred to as the “RFP,” this document describes the procurement process and provides the scope of services. The RFP forms the basis for the Agreement.
Requirements	Each of the required Work activities as set forth in <b>Part III, Scope of Work and Requirements</b> that the Contractor shall perform, including but not limited to: general, implementation, operations, operational, regulatory, and performance requirements.
Service Request	Work not handled in real time and queued by the BOS for processing by the Contractor.
Services	Services shall mean the duties and obligations undertaken by the Contractor to fulfill, the <b>Part III, Scope of Work and Requirements</b> , terms and conditions of the Agreement.
Short Message Service (SMS)	A communication service component of mobile communication systems using standardized communications protocols that allow the exchange of short text messages between mobile phone devices.
Stipend	A fixed, regular sum paid by NCTA to Short-listed Proposers not selected as the Contractor for their coordination of work with NCTA to provide an operational concept. Proposers not short-listed will not receive any stipend.
Submittal	See “Deliverables.”
Technical Evaluation Committee (TEC) and Selection Committee	The Committees NCTA will use to evaluate Proposer Materials as described in this RFP, to determine the Best Value Proposer.
Transponder	Vehicle-mounted radio frequency device, supported by NCTA (e.g. NC Quick Pass) and those of NCTA’s interoperability partners, read by the RTCS RF antenna(s) and reader Equipment in in a toll lane.

Term	Definition
Work	The performance of any duties assigned to the Contractor as defined by the <b>Part III, Scope of Work and Requirements</b> and/or other parts of this Agreement.

## 2. Acronyms

Acronym	Meaning
ACH	Automated Clearing House
ADA	Americans with Disabilities Act
AET	All-Electronic Tolling
BAFO(s)	Best and Final Offer(s)
BBM	Bill by Mail
BOS	Back Office System
CSC	Customer Service Center
CSR	Customer Service Representative
DBE	Disadvantaged Business Enterprise
DMS	Dynamic Message Sign
DMV	Department/Division of Motor Vehicles
EDT	Eastern Daylight Time
ETC	Electronic Toll Collection
GAAP	Generally Accepted Accounting Principles
HOT	High-Occupancy Toll
HOV	High-Occupancy Vehicle
HVAC	Heating, Ventilation, Air Conditioning
IOP	Interoperability
ITS	Intelligent Transportation Systems
IVR	Interactive Voice Recognition
KPI	Key Performance Indicators
MBE	Minority Business Enterprise
NAICS	North American Industrial Classification System
NCDOT	North Carolina Department of Transportation
NCTA	North Carolina Turnpike Authority
NTP	Notice to Proceed

Acronym	Meaning
OSHA	Occupational Safety and Health Administration
PCI	Payment Card Industry
PCI-DSS	Payment Card Industry Data Security Standard
PDF	Portable Document Format
PII	Personally Identifiable Information
PMP	Project Management Plan
PPP	Public-Private Partnership
PR	Public Relations
QA	Quality Assurance
QC	Quality Control
QMP	Quality Management Plan
RFP	Request for Proposal
ROC	Report on Compliance
SBA	Small Business Administration
SIR	Self-Insurance Retention
SMS	Short Message Service (also known as text message)
SOC	System and Organization Control
SOP	Standard Operating Procedure
SPSF	Small Professional Services Firms
TEC	Technical Evaluation Committee
UCP	Unified Certification Program
UPS	Uninterruptable Power Supply
USPS	United States Postal Service
WBE	Women Based Enterprise



# **Part III**

## **Scope of Work and Requirements**

## Part III - Table of Contents

<b>1. SCOPE OF WORK .....</b>	<b>1</b>
1.1. SCOPE OF WORK PHASES.....	1
1.1.1. Operations Implementation Phase.....	1
1.1.2. On-Going Operations Phase .....	1
<b>2. GENERAL SCOPE OF WORK REQUIREMENTS.....</b>	<b>1</b>
2.1. GENERAL OPERATIONS REQUIREMENTS.....	1
2.2. KEY PERSONNEL.....	2
2.2.1. General Requirements.....	2
2.2.2. Key Personnel .....	3
2.3. STAFFING REQUIREMENTS.....	4
2.4. NC QUICK PASS FACILITY MANAGEMENT REQUIREMENTS .....	4
2.5. PROJECT DOCUMENTATION REQUIREMENTS.....	5
2.5.1. General Documentation Requirements .....	5
2.5.2. Documentation Updates .....	7
2.5.3. Project Management Plan.....	8
2.5.4. NC Quick Pass and NC Ferry Customer Service Operations Plan .....	9
2.5.5. Transition Plan.....	10
2.5.6. Quality Management Plan .....	11
2.5.7. Business Operations Continuity / Disaster Recovery Plan .....	13
2.5.8. Continuous Improvement Plan .....	14
2.5.9. Project Communications Plan.....	15
2.5.10. Staffing and Training Plan .....	16
2.5.11. Standard Operating Procedures .....	17
2.5.12. Monthly Operations Report.....	19
2.5.13. Access Control Matrix.....	20
2.5.14. Facility Management Plan.....	21
2.5.15. Physical Inventory Reconciliation Report.....	22
2.5.16. Succession Plan.....	23
2.6. TELEPHONY/IVR SYSTEM REQUIREMENTS .....	23
2.7. TRAINING PROGRAM .....	24
2.7.1. General Training Program Requirements.....	24
2.7.2. Training Materials .....	25
2.8. PASS-THROUGH COSTS.....	25
<b>3. NC QUICK PASS AND NC FERRY CUSTOMER SERVICE OPERATIONS IMPLEMENTATION REQUIREMENTS .....</b>	<b>26</b>
3.1. OPERATIONS IMPLEMENTATION REQUIREMENTS.....	26
3.1.1. General Project Requirements.....	26
3.1.2. Weekly Project Coordination Meetings.....	27
3.1.3. Project Implementation Schedule.....	27
3.1.4. Office Space .....	28
3.2. BOS IMPLEMENTATION AND TRANSITION SUPPORT .....	28
3.2.1. Contractor Coordination.....	28

3.2.2.	<i>Design and Development Support</i> .....	29
3.2.3.	<i>Report Development</i> .....	29
3.2.4.	<i>Formal Testing Support</i> .....	30
3.3.	OPERATIONAL READINESS .....	30
3.4.	TRANSITION OF OPERATIONS.....	31
<b>4.</b>	<b>ON-GOING OPERATIONS REQUIREMENTS .....</b>	<b>31</b>
4.1.	PROGRAM MANAGEMENT .....	31
4.1.1.	<i>Regular Operations Status Meeting</i> .....	32
4.1.2.	<i>Internal Controls</i> .....	33
4.1.3.	<i>Quality Management</i> .....	33
4.1.4.	<i>Change Management</i> .....	34
4.1.5.	<i>Business Operations Continuity / Disaster Recovery</i> .....	34
4.2.	OPERATIONS CONTRACTOR PROVISION OF HARDWARE AND SOFTWARE .....	35
4.3.	OPERATIONAL REQUIREMENTS .....	36
4.3.1.	<i>General Operational Requirements</i> .....	36
4.3.2.	<i>NC Quick Pass Support</i> .....	38
4.3.2.1.	Customer Account Creation .....	38
4.3.2.2.	Account Management.....	38
4.3.2.3.	Large Business (Commercial) Account Management.....	39
4.3.2.4.	First Responder Account Management .....	39
4.3.2.5.	Transit Account Management.....	40
4.3.2.6.	Government Account Management .....	40
4.3.2.7.	HOV Account Management and HOV Declaration Customer Service .....	40
4.3.2.8.	Inactive NC Quick Pass Account Management Support .....	40
4.3.2.9.	Merging and Unmerging Accounts.....	40
4.3.2.10.	HOV Declaration .....	41
4.3.2.11.	Case Management .....	41
4.3.2.12.	Transponder Fulfillment Management .....	42
4.3.2.13.	Transponder Inventory Management .....	43
4.3.3.	<i>Delinquent Accounts</i> .....	45
4.3.3.1.	DMV Hold and Release Support.....	45
4.3.3.2.	Collections Support .....	45
4.3.4.	<i>Customer Correspondence Management</i> .....	46
4.3.4.1.	General Requirements .....	46
4.3.4.2.	Returned Mail (Nixie) Processing .....	47
4.3.5.	<i>Interoperability</i> .....	47
4.3.6.	<i>NC Ferry Support</i> .....	48
4.3.7.	<i>Financial Requirements</i> .....	48
4.3.7.1.	General Financial Requirements .....	48
4.3.7.2.	Credit Card and Debit Card and ACH Processing.....	50
4.3.7.3.	Cash and Check Processing .....	50
4.3.7.4.	Financial Reconciliation.....	51
4.3.7.5.	Financial Activities Reporting.....	52
4.3.8.	<i>Audit Support Requirements</i> .....	52
4.3.8.1.	Audit Support.....	52
4.3.8.2.	System and Organization Control (SOC) Audit .....	52
4.3.8.3.	PCI Audits .....	53
4.3.9.	<i>Records Management and Public Disclosure Requests</i> .....	53

4.3.10.	<i>Continuous Improvement Program</i> .....	54
4.4.	FACILITY MANAGEMENT .....	55
4.4.1.	<i>General Facility Management Requirements</i> .....	55
4.4.2.	<i>Facility Equipment and Systems Management</i> .....	57
4.4.3.	<i>Pest Control Requirements</i> .....	57
4.4.4.	<i>Trash or Waste Disposal/Removal Requirements</i> .....	58
4.4.5.	<i>Heating, Ventilation, and Air Conditioning Maintenance</i> .....	58
4.4.6.	<i>Electrical Maintenance</i> .....	58
4.4.7.	<i>Facility Contractor Oversight</i> .....	59
4.4.8.	<i>Facility Access Control</i> .....	59
4.4.9.	<i>Facility Security Requirements</i> .....	59
4.4.10.	<i>Facility Network Communications Requirements</i> .....	60
4.5.	MARKETING AND PUBLIC RELATIONS SUPPORT .....	60
4.5.1.	<i>Special Event Support</i> .....	61
4.6.	SUCCESSION SUPPORT .....	63
5.	<b>OPTIONAL REQUIREMENTS FOR NC QUICK PASS AND NC FERRY CUSTOMER SERVICE OPERATIONS SUPPORT</b> <b>64</b>	
5.1.	IMAGE REVIEW QUALITY AUDITS .....	64
5.2.	RETAIL TRANSPONDER SALES .....	64
5.3.	PARKING PAYMENT SUPPORT .....	65
5.4.	TRAFFIC MANAGEMENT .....	65
5.5.	CASH COLLECTION FOR FACILITIES .....	66
5.6.	SUPPORT GROWTH OF FERRY OPERATIONS .....	66
5.7.	STATE AGENCY SUPPORT .....	66
6.	<b>PERFORMANCE REQUIREMENTS</b> .....	<b>68</b>
6.1.	PERFORMANCE REQUIREMENTS AND LIQUIDATED DAMAGES .....	68
6.1.1.	<i>NCTA Operations Contractor KPI Table</i> .....	69
6.1.2.	<i>NCTA Operations Contractor KPI Invoice Adjustment Table</i> .....	77

## Part III - List of Tables

Table 2-1: NCTA CSC Locations .....	5
Table 6-1: NCTA Operations Contractor KPI Table .....	77
Table 6-2: NCTA Operations Contractor KPI Invoice Adjustment Table .....	78

## 1. Scope of Work

The NCTA places an emphasis on quality, efficiency and excellent customer service. This Scope of Work defines the specifications and Work products required of the Contractor by NCTA to successfully operate the NCTA Quick Pass and NC Ferry Program. The Requirements herein define the Work to be completed by the Contractor and are not intended to be overly-prescriptive. It is incumbent upon the Contractor to determine how to accomplish the Work in an efficient, cost effective and high-quality manner that achieves or exceeds the Key Performance Indicators under this Contract.

### 1.1. Scope of Work Phases

The Scope of Work includes the phases shown below.

#### 1.1.1. Operations Implementation Phase

This phase of Work is from NTP through Go-live, and includes all Work required to develop operational policies and establish customer service operations, including:

- Project management;
- Development and Approval of SOPs;
- Staff recruitment and training;
- Subcontractor contracting and onboarding;
- Coordination with the BOS contractor for implementation support; and
- Operations and facility management transition from existing operations.

#### 1.1.2. On-Going Operations Phase

This phase of Work commences after the new BOS has been placed into a production environment, and the Contractor's implementation of NC Quick Pass and NC Ferry Customer Service Operations has been completed. This phase goes through the term of the Contract and all Work described herein shall be conducted in compliance with the Requirements and Approved SOPs.

## 2. General Scope of Work Requirements

These General Scope of Work Requirements apply to all phases of the Contract, from NTP through the term of the Contract.

### 2.1. General Operations Requirements

The Contractor shall manage the Scope of Work throughout the term of Contract.

1.	The Contractor shall provide all Services in accordance with applicable Laws and Regulations and in compliance with all NCTA policies, and the Terms and Conditions of the Contract. <del>The Contractor shall obtain Approval by NCTA for all plans and procedures.</del>
2.	The Contractor shall execute the Work in accordance with the PMP Approved by NCTA, and other Approved plans developed pursuant to the Contract in order to deliver the required Services throughout the entire term of the Contract.

3.	The Contractor shall develop all meeting agendas for status meetings, and meetings called by the Contractor. The Contractor shall distribute to meeting invitees full meeting agendas a minimum of one (1) Business Day in advance of all meetings.
4.	The Contractor shall be responsible for documenting meeting notes, and distributing a draft copy to all meeting attendees within one (1) Business Day for review. <u>The Contractor shall have one week to wait for comments.</u> Should any meeting attendee submit comments and/or modifications to the Contractor, the Contractor shall have one (1) Business Day to update the meeting notes and distribute them to other meeting attendees. Meeting notes captured during every meeting shall capture, at a minimum: <ul style="list-style-type: none"> <li>• List of meeting attendees;</li> <li>• Summary of notes for each agenda topic;</li> <li>• Summary of notes for additional non-agenda items discussed;</li> <li>• Action items, including responsibility party and any associated due dates;</li> <li>• Decisions made during the meeting; and</li> <li>• NCTA direction provided during the meeting.</li> </ul>
5.	The Contractor shall be responsible for thoroughly understanding, and articulately conveying to customers, appropriate Business Policies.
6.	The Contractor shall be responsible for thoroughly understanding, and articulately conveying to customers, NCTA toll facility operations, NC Ferry routes, I-77 Express Lanes, and Interoperability features.

## 2.2. Key Personnel

### 2.2.1. General Requirements

7.	The Contractor shall provide a management team comprised of Contractor Key Personnel listed below.
8.	The Contractor shall ensure all Key Personnel accepted by NCTA are dedicated full-time to this Project, throughout the Implementation Phase and the Ongoing Operations Phase and shall reside in or be local to, the Raleigh-Durham area throughout the term of the Contract.
9.	The Contractor shall provide Key Personnel that are fluent in the English language.
10.	The Contractor shall ensure initial Key Personnel are onsite and available to work in a full-time capacity within ten (10) Business Days of NTP.
11.	The Contractor shall promptly notify NCTA of the unavailability of Key Personnel for any consecutive period longer than fifteen (15) Calendar Days.
12.	The Contractor shall obtain written NCTA Approval for any proposed Key Personnel prior to service. Contractor shall make any Key Personnel available for an in-person interview with NCTA before Approval
13.	NCTA shall have the right to reject, in its sole discretion, any Key Personnel proposed by the Contractor.

14.	The Contractor shall immediately remove any individual employed or contracted by the Contractor from service under the Contract that in NCTA's sole determination, is not performing the Work in a proper and skillful manner or is otherwise unsuitable for their position.
15.	At any time should it be necessary to replace Contactor Key Personnel, the Contractor shall propose substitutions and shall submit the names and qualifications of the proposed replacement(s), in writing.

### 2.2.2. Key Personnel

16.	<p>The Contractor shall staff the following positions as Key Personnel, ensuring individuals meet the required qualifications, throughout the term of the Contract:</p> <ul style="list-style-type: none"> <li>• Project Manager: <ul style="list-style-type: none"> <li>○ Five (5) years of experience in customer contact center; and</li> <li>○ Three (3) years of experience <del>as a project/program manager</del> <u>managing a project or program.</u></li> </ul> </li> <li>• Customer Service Manager: <ul style="list-style-type: none"> <li>○ Three (3) years of experience in customer service; and</li> <li>○ One (1) year of experience in a leadership position in a high-volume call center environment (&gt;3,000 inbound calls per day <u>inclusive of CSR and IVR answered calls</u>).</li> </ul> </li> <li>• Finance Manager: <ul style="list-style-type: none"> <li>○ Bachelor of Science degree in accounting, finance, or equivalent from an accredited university;</li> <li>○ Five (5) years of experience in the management and reporting of financial systems, including reconciliation and reporting;</li> <li>○ Three (3) years' experience in the development and implementation of financial management systems, reporting and internal controls of a scope similar to the Work on this Project; and</li> <li>○ Certified Public Accountant desired.</li> </ul> </li> <li>• Quality &amp; Training Manager: <ul style="list-style-type: none"> <li>○ Five (5) years of experience in training with curriculum and program development for operations with a scope similar to the Work on this Project; and</li> <li>○ One (1) year of experience as a training manager.</li> </ul> </li> <li>• Production Manager: <ul style="list-style-type: none"> <li>○ Three (3) years of experience in fulfillment and mail house operations, payment processing and similar functions; and</li> <li>○ One (1) year of experience in a leadership position in a high-volume back-office environment.</li> </ul> </li> <li>• Marketing and Communications Manager: <ul style="list-style-type: none"> <li>○ Three (3) years of experience in marketing and communications in a customer service environment; and</li> </ul> </li> </ul>
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	<ul style="list-style-type: none"> <li>One (1) year of experience in a leadership position.</li> </ul>
17.	The Contractor shall not invoice NCTA for any Key Personnel position vacant in excess of fourteen (14) <u>consecutive</u> Calendar Days. The Contractor shall not invoice NCTA for any Key Personnel position that has not been filled with a permanent replacement within sixty (60) Calendar Days of a vacancy. The amount of invoice deduction shall be calculated as the actual fully burdened billing rate of the departed management team member (at the time of departure from the Contract), multiplied by the number of work hours (based on a 40-hour workweek) if the management team position is not filled with an Approved substitute.

### 2.3. Staffing Requirements

18.	The Contractor shall provide all staffing necessary to meet the Requirements stated in the RFP. All Contractor staff shall wear professional attire and display an identification / card access security badge. All in-person customer facing staff shall wear NCTA-Approved uniforms.
19.	The Contractor shall implement and utilize a background review process on all potential employees prior to their employment and/or being granted access to an NC Quick Pass facility. The review process shall include at a minimum review of work history (e.g. reference checks) and criminal history (e.g. background checks). and the review documentation shall be subject to NCTA review.
20.	The Contractor shall hire and staff bilingual (English and Spanish) personnel in sufficient quantities to effectively communicate with NC Quick Pass and NC Ferry customers at all locations. The Contractor shall determine the number of bilingual staff necessary to ensure all customers requesting <u>communication in Spanish, whether written or verbal, can communicate speaking Services can speak</u> with a Customer Service Representative (CSR) in compliance with the Key Performance Indicators (KPIs).
21.	The Contractor shall be required to provide staff with experience in writing/editing with a demonstrated understanding of basic grammar and punctuation to review customer Correspondence, edit staff responses to emails, etc.
22.	The Contractor shall provide staff to handle sensitive or escalated customer issues from issue identification through completion; including all research and the preparation of customer Correspondence in response to the issue, as well as any follow-up, as necessary. Staff shall be able to perform independently, with limited supervision.
23.	The Contractor shall provide on-site supervision as is essential to carry out all terms and conditions of the Contract.

### 2.4. NC Quick Pass Facility Management Requirements

The Contractor is responsible to operate and maintain the NC Quick Pass Operations Center and the three (3) Customer Service Center locations below.



Facility	Address
NC Quick Pass Operations Center and Morrisville CSC	200 Sorrell Grove Church Road, Suite A, Morrisville, NC 27560
Monroe CSC	3034 Winston Avenue, Monroe, NC, 28110
Charlotte CSC	8015 W. W.T. Harris Blvd, Charlotte, NC

**Table 2-1: NCTA CSC Locations**

## 2.5. Project Documentation Requirements

The Contractor shall be required to develop and update Project documentation for the term of the Contract.

### 2.5.1. General Documentation Requirements

24.	The Contractor shall provide qualified staff, equipment and supplies necessary to prepare and publish documentation (e.g. procedures, forms and manuals) to support NC Quick Pass and NC Ferry Customer Service and Operations.
25.	<p>Documentation submitted by the Contractor in compliance with the Contract shall be subject to review and comment by NCTA. The general documentation review cycle is as follows:</p> <ul style="list-style-type: none"> <li>Once the Contractor submits a document for NCTA's review, NCTA may perform a cursory review of the Submittal to determine if the Submittal meets NCTA's Requirements. NCTA may reject any Submittal if content is missing, the Submittal is incomplete, or NCTA determines the Submittal is unsatisfactory. Should NCTA reject a Submittal, NCTA will notify the Contractor in writing to correct deficiencies and resubmit.</li> <li>If NCTA accepts the Submittal for review, NCTA may take up to ten (10) Business Days to review and respond with comments, if any.</li> <li>Multiple, simultaneous, or documents submitted with more than 200 pages may extend NCTA's review times.</li> <li>NCTA shall have the right to require additional interim drafts from the Contractor at no additional cost should the documentation submitted not be of adequate quality, have missing or incorrect information or if it does not satisfactorily address NCTA's review comments.</li> <li>Submittals by the Contractor received by NCTA after the close of business shall be deemed to be received the following Business Day.</li> <li>Deviations from the Requirements set forth in the Contract that may be contained within the Contractor's submitted Deliverables, even if Approved by NCTA, shall not modify any Requirement set forth in the Contract. Only formal requests by the Contractor that are explicitly and formally Approved by NCTA shall modify the Requirements set forth in the Contract.</li> </ul>

26.	The Contractor shall develop and submit all Deliverables using the Microsoft Office Suite, and an unsecured and indexed PDF.
27.	The Contractor shall submit all documentation in English.
28.	<p>The Contractor shall ensure each Deliverable submitted contains the following:</p> <ul style="list-style-type: none"> <li>• Title sheet, with: <ul style="list-style-type: none"> <li>○ NCTA logo;</li> <li>○ Document title;</li> <li>○ Version number;</li> <li>○ Publication date;</li> <li>○ Name of the Project; and</li> <li>○ Indication of document status (i.e. draft or final).</li> </ul> </li> <li>• Revision history table.</li> <li>• Table of Contents, table of figures (if necessary) and list of tables (if necessary).</li> <li>• Document headers and footers with: <ul style="list-style-type: none"> <li>○ Page number, using “Page XX of XX” format;</li> <li>○ Project name;</li> <li>○ Document version;</li> <li>○ Document name; and</li> <li>○ Indication of document status (i.e. draft or final).</li> </ul> </li> </ul>
29.	The Contractor shall deliver all documentation developed by the Contractor electronically, and ensure documents are automatically formatted to print 8.5 x 11 and / or 11 x17 as required. Documentation shall be formatted such that printed material can be placed into a manageable three-ring binder for end user reference as required.
30.	The Contractor shall update documents in accordance to the PMP and the QMP.
31.	The Contractor shall be responsible for producing a master record index of all documentation, utilizing current version numbers of all documentation, documentation status (e.g. draft or final), date Approved and keeping the index up to date throughout the Contract.
32.	The Contractor shall maintain current versions of all required documentation electronically. The Contractor shall maintain custody of documentation in a secure location, backed up nightly and provide electronic/online access to NCTA <u>and its representatives and shall maintain and archive documentation throughout the term of the Contract</u> per the Functional Schedule for North Carolina State Agencies published by the State Archives of North Carolina ( <a href="https://archives.ncdcr.gov">https://archives.ncdcr.gov</a> ).
33.	The Contractor shall ensure all cross references are kept up to date and accurate throughout the term of the Contract should any documents reference other documents.
34.	The content of all documentation shall become the property of NCTA, who shall have the right to reproduce any portion of the documentation in part or in whole.

35.	The Contractor shall correct, improve, and resubmit documentation and Deliverables until such time as NCTA accepts the Deliverable upon receiving comments from NCTA. <del>Time required to resubmit and Approve any Deliverable shall be considered a delay caused by the Contractor.</del>
36.	The Contractor shall account for enough time in their development schedule to allow NCTA at least one (1) ten (10) Business Day review cycle, as well as allowing time for the Contractor's revision, on every Deliverable.
37.	The Contractor shall provide NCTA with an empty comment matrix with each Submittal to organize NCTA comments back to the Contractor. The comment matrix shall be used to track all open comments, as well as document final resolutions to comments until the Deliverable is Approved.
38.	The Contractor shall be responsible for coordinating with NCTA to schedule a final document review and comment resolution meeting, if necessary, when the Contractor has addressed all NCTA comments and produced a new version of the document. The Contractor shall ensure all key decision makers and subject matter experts for their system are available during the meeting so that all remaining open comments can be resolved. The Contractor shall then be responsible for producing and submitting a final document for NCTA's review and Approval.
39.	The Contractor shall review documents provided by the BOS contractor, and provide supplemental documentation, procedures, form and manuals as required to supplement BOS contractor-provided training materials.

### 2.5.2. Documentation Updates

The Contractor shall be required to update Project plans and documentation throughout the course of the Contract.

40.	The Contractor shall be required to develop and provide updates (as necessary) to Project documentation based on the following schedule, or as requested by NCTA, throughout the term of the Contract.	
41.	<b>Document</b>	<b>Development/Update Schedule</b>
	Project Management Plan	Annually
	NC Quick Pass and NC Ferry Customer Service Operations Plan	Biannually
	Quality Management Plan	Annually
	Business Operations Continuity / Disaster Recovery Plan	Quarterly
	Continuous Improvement Plan	Annually
	Project Communications Plan	Annually
	Staffing and Training Plan and Training Materials	Quarterly

	Standard Operating Procedures	Quarterly
	Monthly Operations Report	Monthly
	Access Control Matrix	Monthly
	Facility Management Plan	Biannually
	Physical Inventory Reconciliation Report	Quarterly
	Succession Plan	Annually
42.	The Contractor shall be required to submit all newly developed documents or updates to documents for NCTA's review and Approval.	

### 2.5.3. Project Management Plan

The PMP describes the Contractor's approach to carrying out the Project as required through the completion of the Contract.

43.	The Contractor shall develop and submit a PMP for NCTA's review and Approval per the Implementation schedule.
44.	The Contractor shall be responsible for keeping the PMP up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the PMP annually for NCTA's review and Approval.
45.	<p>The Contractor shall ensure the PMP describes their approach to management, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Change management;</li> <li>• Change control;</li> <li>• Deliverable management;</li> <li>• Risk management;</li> <li>• Inventory management;</li> <li>• Coordination planning;</li> <li>• Organizational management; and</li> <li>• Subcontractor management.</li> </ul>
46.	<p>The Contractor shall provide and maintain, as part of the PMP, an overall organizational chart of Contractor's staff and subcontractors contributing to the management of Project implementation. The organizational chart shall include:</p> <ul style="list-style-type: none"> <li>• Key Personnel, including their name and Project title, and contact information.</li> <li>• For non-key personnel, Contractor's organization chart shall identify the Supervisory level staff names and titles, and the counts of staff/labor for each role assigned to the Contract.</li> </ul>
47.	The Contractor shall ensure their PMP describes the Contractor's approach to schedule management throughout the duration of the Project implementation, including schedule updates, Project look ahead, and identifying schedule changes, as well as during the On-Going Operations phase whenever changes warrant scheduling, as determined by NCTA.

### 2.5.4. NC Quick Pass and NC Ferry Customer Service Operations Plan

The purpose of the Contractor's NC Quick Pass and NC Ferry Customer Service Operations Plan is to document the relationship between the Contractor and NCTA, and the management of Operations throughout the term of the Project.

48.	The Contractor shall develop a NC Quick Pass and NC Ferry Customer Service Operations Plan for NCTA's review and Approval.
49.	The Contractor shall be responsible for keeping the NC Quick Pass and NC Ferry Customer Service Operations Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the NC Quick Pass and NC Ferry Customer Service Operations Plan biannually for NCTA's review and Approval.
50.	<p>The Contractor shall ensure their NC Quick Pass and NC Ferry Customer Service Operations Plan includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• A description of the Operating Environment including, but not limited to: <ul style="list-style-type: none"> <li>○ CSR resources and tools;</li> <li>○ CSR to lead ratios and escalation process;</li> <li>○ Identification of issues and how they shall be addressed; and</li> <li>○ Employee feedback program.</li> </ul> </li> <li>• A description of activities the Contractor shall be required to perform monthly including, but not limited to: <ul style="list-style-type: none"> <li>○ Staffing look-ahead (3 to 6 months preferred);</li> <li>○ Budget status review and reporting;</li> <li>○ Efficiency and Productivity review, reporting and dashboards;</li> <li>○ Quality report (analysis of quality reviews, including customer invoices, statements, customer Correspondence, chat logs, etc.);</li> <li>○ Call center feedback analysis;</li> <li>○ Customer Service Center feedback analysis;</li> <li>○ Back Office System feedback analysis;</li> <li>○ Evaluation of employee tools;</li> <li>○ Transponder inventory analysis;</li> <li>○ Status of training (conducted and planned);</li> <li>○ Risk analysis; and</li> <li>○ KPI results and analysis reporting.</li> </ul> </li> <li>• A description of activities the Contractor shall be required to perform quarterly including, but not limited to: <ul style="list-style-type: none"> <li>○ Continual improvement analysis;</li> <li>○ Incentive plan analysis/review; and</li> <li>○ SOP and training documentation updates, or as required by NCTA.</li> </ul> </li> <li>• Annual activities including, but not limited to:</li> </ul>

	<ul style="list-style-type: none"> <li>○ Budget preparation.</li> <li>• As-needed activities including, but not limited to: <ul style="list-style-type: none"> <li>○ Planning for new toll projects, service offerings or policy changes (as necessary).</li> </ul> </li> </ul>
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### 2.5.5. Transition Plan

The Contractor shall develop a Transition Plan that describes the coordination necessary, and identify detailed steps the Contractor shall follow to ensure a successful transition of NC Quick Pass and NC Ferry Customer Service Operations Services from the current operations to the operations described in this RFP, as well as document other details important to transition or operations.

51.	The Contractor shall prepare and submit a comprehensive Transition Plan for NCTA's review and Approval.
52.	The Contractor shall ensure their Transition Plan describes, in detail, all activities that are required to be performed in order to ensure a seamless transition to Operations Go-live and shall include the assignment of the resource lead responsible for each activity. The Transition Plan shall include all Contractor activities from NTP through Operations Go-live completion.
53.	<p>The Contractor shall ensure their Transition Plan includes, but is not limited to, the following transition activities:</p> <ul style="list-style-type: none"> <li>• Establishment of the Transition Team;</li> <li>• Transition Communication Plan;</li> <li>• Transition Checklist;</li> <li>• Coordination with NCTA and current contractors including schedule dependencies and responsibilities;</li> <li>• Review of existing CSC operations;</li> <li>• Coordinating with BOS contractor on the installation and setup of equipment;</li> <li>• Coordinating with existing operations contractor to accept custody of all CSC materials, assets, and facilities;</li> <li>• Staff recruitment and training strategies;</li> <li>• Customer communications, if any;</li> <li>• Specific criteria for cutover "Go/No Go";</li> <li>• Cutover plan;</li> <li>• Operational readiness demonstration approach; and</li> <li>• Transition closeout activities.</li> </ul>
54.	The Contractor shall identify all potential risks associated with transition as well as mitigation strategies to be employed to minimize exposure in their Transition Plan.
55.	The Contractor shall clearly identify the nature, timing, and dependencies of any required interaction with the existing operations contractor, the BOS contractor, NCTA, and other external parties or throughout the transition phase in their Transition Plan.

56.	The Contractor shall describe all steps, procedures and controls in their Transition Plan that shall be employed by the Contractor to ensure that all transition activities cause no adverse impact on NCTA customers.
57.	The Contractor shall include a transition communication plan in their Transition Plan describing communications and escalation plans for various stages in the transition such as CSC facility readiness, testing, and final cutover as well as a description of the Contractor's approach to provide regular reports on Operational Readiness.
58.	The Contractor shall incorporate into their Transition Plan the transfer of any existing contracts/subcontracts that shall continue to be used.
59.	The Contractor shall include a more detailed cutover plan within their Transition Plan covering the cutover period when the Contractor takes over Work in progress for Approval by NCTA. The cutover plan shall include: <ul style="list-style-type: none"> <li>• An hour-by-hour schedule;</li> <li>• A checklist of tasks and tests occurring during the cutover;</li> <li>• The go/no-go decision point; and</li> <li>• Any other information necessary to ensure a smooth cutover.</li> </ul>
60.	The Contractor shall satisfactorily demonstrate Contractor's Operational Readiness for NCTA's review and Approval before commencement of cutover and progression to Operations Go Live.

### 2.5.6. Quality Management Plan

The Contractor shall develop a QMP which describes the Contractor's Quality Management Program and reporting on Quality Assurance activities.

61.	The Contractor shall develop a QMP which describes the Contractor's Quality Management Program for NCTA's review and Approval.
62.	The Contractor shall be responsible for keeping the Quality Management Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the Quality Management Plan annually for NCTA's review and Approval.
63.	The Contractor's QMP shall provide detailed descriptions of the following: <ul style="list-style-type: none"> <li>• Quality management objectives;</li> <li>• Key Project Deliverables and processes to be reviewed for satisfactory quality level;</li> <li>• Quality management standards to be implemented and followed;</li> <li>• Description of how the quality assessments will be performed including the selection of representative Work samples and additional tests and retests whenever warranted;</li> <li>• Quality Assurance and control activities (including schedule for conducting these activities);</li> <li>• Quality management roles and responsibilities;</li> </ul>

	<ul style="list-style-type: none"> <li>• Quality management tools, including BOS provided surveys, phone surveys, focus groups and other methods;</li> <li>• Communication plan for reporting Quality Assurance and control challenges and mitigation plan</li> <li>• Procedures to ensure that all Requirements are performed completely and accurately;</li> <li>• Validation routines that test the accuracy of the reports that measure all performance objectives;</li> <li>• Procedures to review reported performance and correct any reporting inaccuracies as well as any area of performance that is below standard;</li> <li>• Procedures regarding the prevention, detection, notification, and correction of defects and/or errors that impact NCTA, customers and/or CSC Operations; and</li> <li>• A process for periodic monitoring of all CSC Operations tasks as identified in this RFP, based on the schedule identified in the QMP.</li> </ul>
64.	<p>The Contractor's QMP shall address quality evaluations for all CSC functions and customer Correspondence including but not limited to:</p> <ul style="list-style-type: none"> <li>• Account Management;</li> <li>• Call monitoring;</li> <li>• Email and chat monitoring;</li> <li>• Service Requests;</li> <li>• Transponder management and fulfillment;</li> <li>• Payment processing;</li> <li>• Incoming and outgoing mail processing;</li> <li>• In-person interactions;</li> <li>• Transit and First Responder Account management;</li> <li>• Commercial Account management;</li> <li>• Financial management;</li> <li>• Bill by Mail invoices, emails, and customer statements;</li> <li>• Customer dispute process</li> <li>• Level 2 Customer Service issue handling;</li> <li>• Written Correspondence and notifications; and</li> <li>• System generated customer communication.</li> </ul>
65.	<p>As part of the Contractor's QMP, the Contractor shall coordinate with NCTA on the design of a monthly Quality Management Report. The format and content of the report shall be jointly determined by the Contractor and NCTA however at a minimum the monthly Quality Management Reports shall address all Contractor quality management activities and results for the preceding month.</p>



66.	The Contractor shall ensure the QMP addresses how the Contractor will ensure the monthly Quality Management Reports are complete, accurate, and submitted to NCTA by the tenth (10 <sup>th</sup> ) of each month.
67.	The Contractor shall include in the QMP periodic reviews, based on the QMP schedule, as well as external quality surveys and other tools, that continually evaluate the Contractor's Quality Management Program and procedures throughout the duration of the Contract.

### 2.5.7. Business Operations Continuity / Disaster Recovery Plan

The Contractor is responsible for working collaboratively with NCTA, the BOS contractor, and other subcontractors and suppliers to ensure ongoing operations are resumed as quickly as possible in the event of a disaster or other event that disrupts regular business operations. The Contractor is also responsible for developing a comprehensive Business Operations Continuity / Disaster Recovery Plan for NCTA's review and Approval. The Contractor will coordinate with NCTA and the BOS contractor in carrying out tasks and actions in the event of an occurrence requiring some or all of the plan to be activated.

68.	<p>The Contractor shall prepare and submit a Business Operations Continuity / Disaster Recovery Plan for NCTA's review and Approval. The plan shall document the Contractor's recommended day-to-day policies, guidelines, and procedures to meet their performance measures and continue serving NCTA and their customers in the event of a disaster at any site where the Contractor performs NCTA operations. The plan shall address the following, at a minimum:</p> <ul style="list-style-type: none"> <li>• Business disruption events that trigger, and to what degree, activation of the Business Operations Continuity / Disaster Recovery Plan to ensure a timely return to full operations;</li> <li>• Working collaboratively with NCTA and the BOS contractor with the acquisition and outfit of alternative facility site(s) for call center and operations processing;</li> <li>• Coordination with BOS contractor for: <ul style="list-style-type: none"> <li>○ Input and review of each other's Business Operations Continuity / Disaster Recovery Plan so that the plans work together for a comprehensive approach to minimizing operational disruption and an efficient and complete restoration of Services;</li> <li>○ Development of strategies for mitigating the effects of a disaster; and</li> <li>○ Planning and participating in periodic test of the Business Operations Continuity / Disaster Recovery Plan(s), as necessary.</li> </ul> </li> <li>• Staffing responsibilities and communication protocols;</li> <li>• Procedures to ensure on-going Operations of critical business functions;</li> <li>• Communications with NCTA staff, and customer/public notification;</li> <li>• Communications with other Contractors providing Services directly or indirectly as well as their participation in testing, where required;</li> <li>• Equipment owned by the Contractor;</li> <li>• Issue identification, escalation and remedy; and</li> </ul>
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	<ul style="list-style-type: none"> <li>Return to normal operations.</li> </ul>
69.	The Contractor shall be responsible for keeping the Business Operations Continuity / Disaster Recovery Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the Business Operations Continuity / Disaster Recovery Plan quarterly for NCTA's review and Approval.
70.	<p>The Contractor shall ensure their Business Operations Continuity / Disaster Recovery Plan addresses both short- and long-term disruptions, and describes how the Contractor shall, upon proper notification to NCTA, coordinate with NCTA and the BOS contractor to implement the all or portions of the Business Operations Continuity / Disaster Recovery Plan in the event of a disaster or interruption in business Services for the following four categories of business disruption events:</p> <ul style="list-style-type: none"> <li>Category 1—Significant disruption of staffing Services or facilities expected to last no more than 48 hours (e.g., severe weather affecting travel, power outage, bomb threat).</li> <li>Category 2—Significant disruption of staffing Services or facilities expected to last no more than 5 Calendar Days (e.g. extended weather or power outage).</li> <li>Category 3—Significant disruption of staffing Services or facilities expected to last no more than 30 Calendar Days (e.g., water, fire or vandalism damage limiting use of or access to a CSC facility).</li> <li>Category 4—Significant disruption of staffing Services or facilities expected to last more than 30 Calendar Days (e.g., complete loss of the CSC).</li> </ul>
71.	The Contractor shall address in their Business Operations Continuity / Disaster Recovery Plan coordination activities necessary to ensure business resumption.
72.	The Contractor shall conduct a test of the Business Operations Continuity / Disaster Recovery Plan upon request of NCTA.
73.	The Contractor shall address in their Business Operations Continuity / Disaster Recovery Plan how the Contractor shall schedule and notify NCTA of on-going Business Operations Continuity / Disaster Recovery tests, provide NCTA the opportunity to witness the testing and review the results of the testing with NCTA upon completion.
74.	The Contractor shall address in their Business Operations Continuity / Disaster Recovery Plan how the Contractor shall ensure all necessary measures are in place after a coordinated business resumption action has taken place.
75.	The Contractor shall describe in their Business Operations Continuity / Disaster Recovery Plan how the Contractor shall document lessons learned, and update the Business Operations Continuity / Disaster Recovery Plan in accordance with those lessons after each test and in the event of a disaster or interruption in business Services.

### 2.5.8. Continuous Improvement Plan

The Contractor shall implement a Continuous Improvement Program to maximize customer satisfaction and CSC Operations productivity.

76.	<p>The Contractor shall develop and submit a Continuous Improvement Plan for NCTA's review and Approval. The Plan shall include but not be limited to:</p> <ul style="list-style-type: none"> <li>• Customer satisfaction and program improvement goals;</li> <li>• Coordination with NCTA and the new BOS contractor to develop, implement and monitor customer satisfaction feedback through a variety of channels and tools;</li> <li>• Utilization of BOS third-party tools necessary to solicit, track and report customer feedback;</li> <li>• Method for identifying areas of improvement;</li> <li>• Continuous improvement initiatives, and incorporation of methods/techniques being used with successful results at other toll agencies or in other, similar industries; and</li> <li>• Methods and frequency of data collection.</li> </ul>
77.	<p>The Contractor shall be responsible for keeping the Continuous Improvement Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the Continuous Improvement Plan annually for NCTA's review and Approval.</p>

### 2.5.9. Project Communications Plan

The Project Communications Plan will address from NTP through the term of the Contract how the Contractor shall communicate with NCTA, its consultants, the BOS contractor, and other third-parties as necessary to carry out the Requirements of the Contract.

78.	<p>The Contractor shall develop and submit a Project Communications Plan for NCTA's review and Approval. The plan shall address all communications, including formal and informal communications.</p>
79.	<p>The Contractor shall be responsible for keeping the Project Communications Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the Project Communications Plan annually for NCTA's review and Approval.</p>
80.	<p>The Communications Plan shall address all aspects of coordination with NCTA, its consultants, BOS contractor, and other third-parties as necessary to carry out the Requirements of the Contract.</p>
81.	<p>The Contractor shall detail in their Project Communications Plan the Contractor's contact information and communication escalation plans in the event that the main contact is unavailable or unresponsive.</p>
82.	<p>The Contractor shall address in their Project Communications Plan how the Contractor shall facilitate (e.g. plan, coordinate, lead, and develop notes for) and/or participate in both regularly scheduled and ad-hoc meetings as directed or required by NCTA.</p>
83.	<p>The Contractor shall address in their Project Communications Plan how the Contractor shall distribute meeting agendas for NCTA review and comment no less than one (1) Business Day prior to a meeting, and shall update the agenda based on comments received by NCTA.</p>

84.	The Contractor shall address in their Project Communications Plan how the Contractor shall finalize, and distribute meeting notes no more than two (2) Business Days following a meeting they facilitate.
85.	The Contractor shall address in their Project Communications Plan how the Contractor shall document action items, assign a responsible party, and provide status on action items previously identified in meetings led by the Contractor.

### 2.5.10. Staffing and Training Plan

The Staffing and Training plan describes the Contractor's approach to both initial staffing efforts for activities prior to Operations Go Live, as well as maintenance and training of staffing throughout the term of the Contract.

86.	The Contractor shall develop a Staffing and Training Plan for NCTA's review and Approval.
87.	The Contractor shall be responsible for keeping the Staffing and Training Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the Staffing and Training Plan quarterly for NCTA's review and Approval.
88.	<p>The Contractor shall ensure their Staffing and Training Plan includes, but is not limited to, the following:</p> <ul style="list-style-type: none"> <li>• A detailed description of the Contractor's approach to staffing;</li> <li>• Qualification Requirements for all operations managers, supervisors, staff and trainers;</li> <li>• Hiring schedule and process for all operations positions;</li> <li>• Approach to vetting potential employee work history (e.g. reference checks) and criminal history (e.g. background checks) prior to hiring;</li> <li>• Approach to staffing to maintain customer service goals and efficiency and Performance Requirements during peak customer service periods, new road openings, new product offerings and/or changes in Business Policies, accommodating off-peak and seasonal fluctuations, or emergency situations at all NC Quick Pass facilities; and</li> <li>• Description of employee incentive programs to promote staff retention.</li> </ul>
89.	The Contractor shall ensure their Staffing and Training Plan describes how the Contractor will work collaboratively with the BOS Contactor to develop a comprehensive training program approach, such as train the trainer, development of training materials and carrying out a successful training program.
90.	<p>The Contractor shall ensure their Staffing and Training Plan describes the Contractor's approach to training prior to Operations Go-live and through the term of the Contract. At a minimum, the plan shall include the following regarding training:</p> <ul style="list-style-type: none"> <li>• Recommended course title(s), course objectives, method of delivery for each training course (e.g. live or online), equipment to be used, media to be employed, course length, optimum number of attendees per training session,</li> </ul>

	<p>testing/quizzing process for class comprehension by participants, and certificate of completion requirements;</p> <ul style="list-style-type: none"> <li>• Description of the training programs and related materials the Contractor recommends to successfully train all levels of Contractor staff, NCTA staff and consultants, and others as designated by NCTA;</li> <li>• Approach to test or training environment and data preparation (e.g. creating dummy Accounts, loading test transactions, etc.), and coordination with the BOS contractor, as required, in advance of training;</li> <li>• Approach to training for non-BOS related activities such as safety and security, hostile work environment, sexual harassment, soft skills, and Contractor policies and procedures;</li> <li>• Approach to on-going/refresher training, and recognizing the need for additional or ad hoc training;</li> <li>• Approach to cross train staff for permanent or temporary (e.g. special event or marketing event support) assignments;</li> <li>• Description of the manuals and other tools the Contractor shall develop to assist in system training and the process to maintain these current throughout the life of the Contract;</li> <li>• Description of the criteria the Contractor shall use to evaluate the results of any staff readiness tests, as necessary, which may be required before a staff member can begin supporting operations;</li> <li>• Description of the processes and procedures the Contractor shall utilize to receive feedback from NCTA after training, and how they propose making updates to their training program to foster continuous improvements;</li> <li>• Approach to monitoring staff performance to identify areas or personnel that may require additional training; and</li> <li>• Coordination with NCTA and BOS contractor to develop a training schedule.</li> </ul>
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### 2.5.11. Standard Operating Procedures

The Contractor is responsible for developing SOPs that describe the steps required to complete all customer service functions and activities. The SOPs shall follow the Business Policies, and North Carolina State laws.

91.	The Contractor shall develop and submit SOPs for NCTA review and Approval. The SOPs shall address all procedures required to provide NC Quick Pass and NC Ferry Customer Service Operations according to the Requirements of this RFP, NCTA's Business Policies and the functionality of the BOS and/or other supporting systems and tools.
92.	The Contractor shall be responsible for keeping the SOPs up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall update the SOPs quarterly for NCTA's review and Approval.
93.	The Contractor shall coordinate with NCTA's new BOS contractor to develop and maintain SOP documentation based on the functionality of the BOS and the BOS

	contractor's system documentation, as well as keep SOPs up-to-date with any system changes that occur throughout the duration of the Contract.
94.	<p>The Contractor shall develop SOPs supplemental to the new BOS users' manuals, to the extent necessary, to carry out the functions required under the Contract and should include activities such as:</p> <ul style="list-style-type: none"> <li>• NC Quick Pass Business Policies;</li> <li>• NC Ferry Reservation Business Policies;</li> <li>• Customer Service: <ul style="list-style-type: none"> <li>○ Customer Account creation;</li> <li>○ Account management and maintenance;</li> <li>○ Customer high-occupancy vehicle (HOV) declaration support;</li> <li>○ Account merge and unmerge functionality;</li> <li>○ Account notes creation and review;</li> <li>○ Dispute and complaint research and resolution;</li> <li>○ Level 2 Customer Service issue handling</li> <li>○ Account conversion;</li> <li>○ Account adjustments (as allowed by NCTA);</li> <li>○ Manual Account statement generation;</li> <li>○ Customer payment receipt and money handling;</li> <li>○ Bill by Mail processing;</li> <li>○ Transponder assignment, programming, testing, and fulfillment;</li> <li>○ Transponder sales and returns;</li> <li>○ Financial support;</li> <li>○ Payment processing;</li> <li>○ Financial reconciliation (as directed by NCTA);</li> <li>○ Operational performance monitoring;</li> <li>○ System report generation, and manual report development;</li> <li>○ Customer bankruptcy support; and</li> <li>○ Ferry reservation support.</li> </ul> </li> <li>• Transponder Inventory Management, including but not limited to: <ul style="list-style-type: none"> <li>○ Inventory tracking for procurement coordination with NCTA to prevent lapse in availability for the public;</li> <li>○ Inventory receipt from manufacturer, testing, and entering into BOS;</li> <li>○ Secure storage and transfer to and from all physical and virtual locations;</li> <li>○ Inventory returned or reported as lost or stolen by the customer;</li> <li>○ Inventory returned to manufacturer for warranty replacement;</li> <li>○ Proper inventory disposal; and</li> <li>○ Inventory tracking and reporting all activities.</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>• Marketing and Public Relations (PR) Support;</li> <li>• Telephony and IVR system support;</li> <li>• Customer Correspondence management;</li> <li>• DMV hold and release process;</li> <li>• Collection agency support;</li> <li>• Interoperability support;</li> <li>• Dress codes;</li> <li>• Public relations;</li> <li>• Staffing and staff management;</li> <li>• Training;</li> <li>• Quality Assurance;</li> <li>• Internal Controls;</li> <li>• Audits;</li> <li>• Investigations;</li> <li>• Facility security;</li> <li>• Customer service training;</li> <li>• Payment Card Industry (PCI), data and physical security;</li> <li>• Employment related Requirements; and</li> <li>• Trouble ticket reporting.</li> </ul>
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### 2.5.12. Monthly Operations Report

The Contractor shall prepare and submit a Monthly Operations Report to NCTA. The intent of the report is to provide an update on operational activities for the reporting period, a status on action items, performance against key metrics, and show trends in key areas that shall enable NCTA and the Contractor to improve operations for NC Quick Pass and NC Ferry customer support.

95.	The Contractor shall develop and submit a Monthly Operations Report to NCTA for review and Approval.
96.	The Contractor shall ensure their Monthly Operations Report provides a snap-shot of various pieces of the operation to summarize and provide NCTA with an analysis of operational performance over the past month and year.
97.	<p>The Contractor shall coordinate with NCTA on the look, and content of the report, but the report shall include, but not be limited to the following for the current reporting period:</p> <ul style="list-style-type: none"> <li>• Operational statistics: <ul style="list-style-type: none"> <li>○ Call center statistics;</li> <li>○ Transponder fulfillment statistics;</li> <li>○ Transaction Account statistics for each toll road (individually and cumulatively);</li> <li>○ Transponder Account statistics (e.g. total new Account creations, Account</li> </ul> </li> </ul>

	<p>creation by type and plan, etc.);</p> <ul style="list-style-type: none"> <li>○ Bill by Mail statistics (e.g. invoices mailed, payments processed, etc.);</li> <li>○ Registered video Account statistics;</li> <li>○ Customer Service Center statistics (for each CSC);</li> <li>○ Website analytics;</li> <li>○ Collections and DMV hold statistics; and</li> <li>○ Case management activity including number received and their status.</li> </ul> <ul style="list-style-type: none"> <li>• Operational activities: <ul style="list-style-type: none"> <li>○ Training completed;</li> <li>○ Major accomplishments; and</li> <li>○ Issues.</li> </ul> </li> <li>• Performance against KPIs: <ul style="list-style-type: none"> <li>○ Successes;</li> <li>○ Failures; and</li> <li>○ Associated details and corrective action plan.</li> </ul> </li> <li>• Contractor's employee incentive plan updates/performance and retention activities.</li> <li>• Contractor's staffing report (attrition rate, new hires, promotions, termination, etc.).</li> <li>• Contractor-proposed efficiencies (e.g. operations and/or BOS-related).</li> <li>• Status on open action items, including a description of the item, owner, responsible party, creation date, priority, completion date and notes.</li> <li>• Change management update: <ul style="list-style-type: none"> <li>○ Provide an update on all open change requests.</li> </ul> </li> </ul>
98.	The Contractor shall use a mix of auditable data (e.g. from BOS reports, phone system reports, operations staff tick sheet and notes, and/or custom data generated from the BOS through dashboards or custom queries) to populate the report.
99.	The Contractor shall coordinate with NCTA and the BOS contractor to design the report presentation format (e.g. tabular, bulleted and/or graphical), time period and requested changes following the initial design.
100.	The Contractor shall indicate trends on the report for the current month vs the same month of the prior year, as well as track trends month-to-month for the current year.
101.	The Contractor shall submit the first Monthly Operations Report within sixty (60) days of operational Go-live.
102.	The Contractor shall review the Monthly Operations Report at the first weekly operations meeting following delivery of the report.

### 2.5.13. Access Control Matrix

The Contractor shall be required to meet the following Requirements for access control.



103.	The Contractor shall prepare and submit an Access Control Matrix for NCTA review and Approval.
104.	The Contractor shall be responsible for keeping the Access Control Matrix up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall submit the updated Access Control Matrix monthly for NCTA's review and Approval.
105.	The Contractor shall be responsible for developing and maintaining an Access Control Matrix for all Contractor personnel.
106.	The Contractor shall ensure the Access Control Matrix lists all Contractor personnel and lists what access each Contractor personnel shall have at each NC Quick Pass facility.
107.	The Contractor shall coordinate with NCTA, NCTA consultants, the BOS contractor and other personnel as directed by NCTA monthly (or at a frequency as directed by NCTA) to ensure the matrix is up to date and shall document each Access Control Matrix review.

#### **2.5.14. Facility Management Plan**

The Contractor shall be required to develop a Facility Management Plan to document how the Contractor shall manage the current and future operations of NC Quick Pass facilities which will include a comprehensive preventative maintenance approach.

108.	The Contractor shall be required to develop a Facility Management Plan for NCTA's review and Approval. Where applicable, the plan shall differentiate any responsibilities that are unique to a particular NC Quick Pass facility.
109.	The Contractor shall be responsible for keeping the Facility Management Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall submit the updated Facility Management Plan biannually for NCTA's review and Approval.
110.	<p>The Contractor shall ensure the Facility Management Plan includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Contractor's approach to facility management for NCTA;</li> <li>• Description of each NC Quick Pass facility;</li> <li>• Approach to facility safety, security and access control;</li> <li>• Management plan for facility consumables;</li> <li>• Management of facility leases, utilities and other contracts;</li> <li>• Approach to facility services (e.g. janitorial, landscape management, vending machines, pest control, etc.);</li> <li>• Approach and procedures for preventative maintenance including daily, weekly, monthly, quarterly biannually, and annually and shall address at a minimum: <ul style="list-style-type: none"> <li>○ Visual inspection (as well as other inspection methods);</li> <li>○ Electrical (e.g. building electrical features, generators, etc.);</li> <li>○ Uninterruptable power supplies (UPS);</li> <li>○ Mechanical (e.g. plumbing features, sewer / septic, water lines, etc.);</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Fire, security, and safety (e.g. fire alarms, extinguishers, first aid kits, defibrillators, irrigation systems, etc. and other items to comply with North Carolina regulations);</li> <li>○ Americans with Disabilities Act (ADA) compliance;</li> <li>○ Building structure (e.g. internal and external walls, windows, etc.);</li> <li>○ Building interior (e.g. doors, walls, flooring, ceilings, locks, etc.);</li> <li>○ Parking lots, sidewalks, curbs, etc.;</li> <li>○ Roof and drainage;</li> <li>○ Elevators; and</li> <li>○ Heating, Ventilation, and Air Conditioning (HVAC)</li> </ul> <ul style="list-style-type: none"> <li>• Inspection results for the fiscal year with rating on each inspected item;</li> <li>• Inspection comments, and recommendations;</li> <li>• Approach to facility furnishing management;</li> <li>• Description of any system(s) used to receive, record, respond and track all Service calls, trouble calls, or other operational problems; and</li> <li>• A proposed budget for the upcoming fiscal year.</li> </ul>
111.	The Contractor shall be required to make updates to the Facility Management Plan biannually as necessary or required by NCTA.
112.	The Contractor shall be required to coordinate with NCTA annually in the development of a proposed operational budget for facility management for each fiscal year of the Contract. The Contractor shall be required to obtain NCTA's review and Approval of all budgets.

### 2.5.15. Physical Inventory Reconciliation Report

The Contractor shall develop a Physical Inventory Reconciliation Report quarterly, which shall meet the following Requirements.

113.	The Contractor shall be required to develop a Physical Inventory Reconciliation Report for NCTA's review and Approval.
114.	The Contractor shall be responsible for keeping the Physical Inventory Reconciliation Report up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall submit the updated Physical Inventory Reconciliation Report quarterly for NCTA's review and Approval.
115.	<p>The Contractor shall ensure the Physical Inventory Reconciliation Report includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Contractor's approach to inventory reconciliation for each NC Quick Pass facility.</li> <li>• Procedures performed to reconcile inventory, including but not limited to: <ul style="list-style-type: none"> <li>○ Office equipment;</li> <li>○ Transponders;</li> <li>○ Headsets and phones;</li> <li>○ Computers and workstations; and</li> </ul> </li> </ul>

	<ul style="list-style-type: none"> <li>○ Other items procured by the Contractor as a pass-through to NCTA.</li> <li>• Inventory findings at each facility by inventory item.</li> <li>• Reconciliation comments, and recommendations.</li> </ul>
116.	The Contractor shall be required to reconcile each item procured by the Contractor as a pass-through to NCTA based on a schedule Approved by NCTA, and produce a reconciliation report quarterly for NCTA's review and Approval.

### 2.5.16. Succession Plan

Should a transition of Services be necessary during the Contract, the Contractor is responsible for assisting NCTA with an orderly transition to a new operations contractor.

117.	The Contractor shall develop and submit for NCTA review and Approval a Succession Plan within 90 days of Operations Go-Live.
118.	The Contractor shall be responsible for keeping the Succession Plan up to date after material changes or as directed by NCTA. Unless directed otherwise by NCTA, the Contractor shall submit the updated Succession Plan annually for NCTA's review and Approval.
119.	<p>The Contractor shall develop a plan that describes how the Contractor will work with NCTA and the Successor to determine the activities required to transition operations in an orderly manner while minimizing disruption to NC Quick Pass and NC Ferry Operations and Facility Management including but not limited to:</p> <ul style="list-style-type: none"> <li>• Coordinating with successor for the orderly transfer of operations;</li> <li>• Coordinating with NCTA and the successor to enable the Successor conduct onsite inspections of the CSCs and other NC Quick Pass facilities prior to and during transition of operations;</li> <li>• Managing the development of a schedule containing all necessary transition items based on mutually agreeable dates between NCTA, the Contractor and the Successor;</li> <li>• Maintain operations and facility management staff with sufficient to maintain the quality of Services required by the Contract during the transition of operations;</li> <li>• Developing an issue tracking log for the transition of operations;</li> <li>• Working with NCTA to manage any issues which come up during transition of operations; and</li> <li>• Providing weekly updates on the progress of the transition to the successor.</li> </ul>

### 2.6. Telephony/IVR System Requirements

The Contractor is responsible for using the telephony/IVR system to perform high quality and convenient customer service and to maximize efficiency and report on call center activity.

120.	The Contractor shall make short term, time sensitive changes to the IVR whenever required, including during off-hours, such as storm events or other unplanned closures.
121.	The Contractor shall coordinate and work collaboratively with the BOS contractor to implement IVR script or flow changes as necessary.

122.	The Contractor shall design and develop appropriate call forwarding protocols in accordance with Approved SOPs so that escalation of calls and issues are routed to CSC supervisory staff.
123.	The Contractor shall track and regularly report on all call activity using BOS tools, reports and dashboards.
124.	The Contractor shall search customer call-in details and timelines, as necessary or requested by NCTA.
125.	<p>The Contractor shall utilize the telephony/IVR system to perform call center functions including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Route, queue, record and answer all calls;</li> <li>• Monitor phone conversations in real-time;</li> <li>• Use playback of recorded call audio for staff counseling and training purposes;</li> <li>• Provide or supplement comprehensive reporting based on call logging categories, efficiency, and productivity; and</li> <li>• Monitor performance and call center statistics real-time and via historical data to allow for efficient scheduling as well as real-time adaptation to fluctuating call center demands.</li> </ul>

## 2.7. Training Program

The Contractor is required to provide comprehensive training in accordance with an Approved training plan for all functions covered under this Contract.

### 2.7.1. General Training Program Requirements

126.	The Contractor shall conduct training for all Contractor staff, NCTA staff and consultants and others as directed by NCTA, in accordance with the Approved training plan and Approved training materials.
127.	The Contractor shall be responsible for coordination with NCTA to develop a training schedule, and a list of CSC operations and NCTA staff who shall require training on the operational processes carried out by the Contractor, whether performed manually, on the BOS, or on other applications. The schedule shall identify all dates and durations required for conducting all training.
128.	The Contractor shall ensure NCTA or their representatives are invited to attend any training sessions and to make recordings and copies of all training program materials for their use in training new employees.
129.	The Contractor shall perform all scheduling activities and shall make every attempt necessary to accommodate the maximum number of persons for each training session given scheduling conflicts. Contractor shall provide sufficient notice to allow participants a reasonable lead time.
130.	The Contractor shall be required to conduct all training sessions in the Raleigh, North Carolina area, or as Approved by NCTA.

131.	The Contractor shall be responsible for providing: adequate facilities for staff training; all training materials; projectors; projector screens; video players; meals; accommodations; transportation; supplies required for the training class.
132.	The Contractor shall revise the training program, Training Plan and training documentation and classroom materials, as necessary, throughout the Contract term based on feedback from NCTA, system changes, additional functionality, etc.
133.	The Contractor shall make annual updates to the training program. The annual updates are required by any contractor selected. The updates shall run through the life of the Contract.
134.	The Contractor shall maintain an overall training database that contains all training classes, and tracks the status of all training required for each employee/staff member.
135.	The Contractor shall coordinate with the BOS contractor after each training session has ended to formally evaluate the training exercise, document lessons learned, update communication and training plans, and schedule retraining as necessary.

### 2.7.2. Training Materials

136.	The Contractor shall coordinate with the BOS contractor to develop training materials.
137.	The Contractor shall be responsible for developing all training materials, user manuals and “cheat sheets” prior to the beginning of a training, and submitting them at least 10 Business Days to NCTA for NCTA review and Approval. <u>Changes to training materials must be resubmitted to NCTA at least 10 Business Days for NCTA review and Approval prior to use.</u>
138.	The Contractor shall provide both electronic and hard copies of the training materials for each person attending training sessions.
139.	NCTA shall have the right to require additional interim drafts at no additional cost should draft training materials submitted not be of adequate quality or have missing or incorrect information.

## 2.8. Pass-through Costs

The Contactor is responsible for managing the entire NC Quick Pass and NC Ferry Customer Services and as such is responsible to acquire all necessary materials and ~~S~~services to ensure uninterrupted operations. The Contractor is responsible for purchasing these ~~S~~services and materials and will seek reimbursement from NCTA as a pass-through cost with no mark-up. For a list of potential pass-through items refer to Appendix I.

140.	The Contractor shall procure <del>all</del> —materials, supplies, <del>s</del> Services, utilities, and maintenance necessary to provide the Services required in this Scope of Work.
141.	The Contactor shall administer the pass-through process, which shall include but not be limited to: <ul style="list-style-type: none"> <li>• Recommending purchases and reorders with estimates;</li> <li>• Seeking and obtaining NCTA Approval, prior to purchase;</li> </ul>

	<ul style="list-style-type: none"> <li>• Purchasing and payment of Vendors;</li> <li>• Managing receipt and returns of materials;</li> <li>• Storage and inventorying of all materials;</li> <li>• Review and validation of invoices and bills for all purchases, utilities, and other <del>services</del> provided;</li> <li>• Record-keeping; and</li> <li>• Providing detailed receipts and other documentation to NCTA for reimbursement on a monthly basis.</li> </ul>
142.	NCTA will only reimburse the Contractor for expenses that were preapproved prior to purchase, <u>and</u> supported by detailed documentation, <del>and purchased in accordance with NCTA purchasing guidelines.</del>
143.	<p>The Contractor shall be responsible for providing Contractor's equipment, transportation, and other <del>services</del> for their own internal and Contractor staff use and shall not be submitted for pass-through reimbursement, examples include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Contractor required computers and software;</li> <li>• Day to day Contractor transportation, other than what is required for requested NC Quick Pass events; and</li> <li>• Any reimbursable travel costs incurred above allowable per diem.</li> </ul>

### 3. NC Quick Pass and NC Ferry Customer Service Operations Implementation Requirements

#### 3.1. Operations Implementation Requirements

The Contractor is responsible for planning, implementing, documenting and reporting all aspects of the Project.

##### 3.1.1. General Project Requirements

144.	The Contractor shall provide overall Project management for implementation.
145.	The Contractor shall be responsible for coordinating its activities with NCTA, its contractors, consultants, and other entities as necessary.
146.	The Contractor shall be responsible for documenting and reporting on all aspects of the Operations Implementation.
147.	The Contractor shall cooperate and work collaboratively and establish and maintain effective communication with the BOS contractor, the existing operations contractor, NCTA staff and consultants and other project teams.
148.	The Contractor shall conform to the activities and dates shown on the Approved Operations Implementation Schedule.

149.	The Contractor shall coordinate with NCTA to schedule, plan and conduct a Kick-off conference with NCTA and other representatives as designated by NCTA.
150.	The Contractor is responsible for ensuring facility readiness shall coordinate with the BOS contractor and existing operations contractor on facility readiness for transition of operations.
151.	The Contractor shall complete all activities to ensure successful transition to Ongoing Operations.

### 3.1.2. Weekly Project Coordination Meetings

152.	The Contractor shall be responsible for coordinating with NCTA to arrange weekly status meetings. The Contractor and NCTA shall coordinate on the day of the week for the meeting to occur, length of the meeting, meeting attendees and structure of the meeting.
153.	The Contractor shall hold these meetings from NTP through completion of the implementation of the NC Quick Pass and NC Ferry Customer Service Operations, or until NCTA decides to cease these meetings.
154.	<p>The Contractor shall be responsible for coordinating with NCTA to develop each week's agenda; however, items to be discussed shall include:</p> <ul style="list-style-type: none"> <li>• Project progress;</li> <li>• Risks and Contractor proposed mitigation strategies;</li> <li>• Identification of issues, resolution strategy, deadline, and responsible party;</li> <li>• Schedule review and update;</li> <li>• Status of all required Deliverables;</li> <li>• Project schedule look-ahead (1 month);</li> <li>• Status report on any information/Approvals needed of NCTA; and</li> <li>• Action item review and update.</li> </ul>
155.	The Contractor shall be responsible for providing meeting facilities for the weekly status meetings, unless directed otherwise by NCTA, and web-based meeting software, enabling all local and remote meeting attendees to share and view documents in real-time.
156.	The Contractor shall provide all voice and video conferencing software and applications required for remote attendee participation by phone and web conferencing.

### 3.1.3. Project Implementation Schedule

The Contractor shall be required to develop and maintain an implementation schedule detailing all items necessary to implement NC Quick Pass and NC Ferry Customer Service and Facility Management operations.

157.	The Contractor shall develop and deliver a comprehensive Implementation schedule, in coordination with NCTA, within ten (10) Calendar Days of NTP using Microsoft Project. The Contractor shall submit all files in native Microsoft Project (.mpp) and PDF formats.
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158.	The Contractor shall ensure the Implementation schedule is resource loaded, displaying the critical path, and is used as a basis for progress tracking throughout the course of work. The schedule shall identify each milestone separately.
159.	The Contractor shall clearly demonstrate the progression of the Work on each Implementation schedule submitted for NCTA's review and Approval by using separate activities, including but not limited to: <ul style="list-style-type: none"> <li>• All Work components, Deliverables, NCTA documentation reviews and Approvals, and Quality Assurance activities;</li> <li>• Dependencies on critical activities performed by other partners and contractors;</li> <li>• Staff recruitment, training and documentation preparation (e.g. training materials);</li> <li>• Operations readiness activities; and</li> <li>• Procurement and delivery of equipment, materials, and third-party Services.</li> </ul>
160.	The Contractor shall be responsible for monitoring and updating their schedule activities and coordinating with the existing operations contractor and BOS contractor to update the implementation schedule. Once the implementation schedule has been baselined and Approved by NCTA, the schedule shall become part of the Contract.
161.	The Contractor shall be responsible for updating and submitting the implementation schedule bi-weekly (or more frequently as requested by NCTA) for NCTA's review and input. Submission of the bi-weekly revisions to the implementation schedule shall not release or relieve the Contractor from full responsibility for completing the Work within the time set forth in the previously Approved schedule.
162.	The Contractor shall develop a Recovery Schedule within five (5) days showing the new steps, sequences, tasks that shall be taken to get the baseline milestone completion dates back to the originally Approved dates in the event of any schedule delay.

### 3.1.4. Office Space

163.	The Contractor shall be responsible for providing Project office, meeting and training space for Contractor personnel until transition to Ongoing Operations occurs.
164.	The Contractor shall be responsible for its own computers and networking equipment for the Contractor's Project office <u>for the Contractor's internal use. Hardware and network connectivity to establish a training environment will be provided by the BOS.</u>
165.	The Contractor's Project office space shall be within ten (10) miles of NCTA's Operations Center in Morrisville, NC or as Approved by NCTA.

## 3.2. BOS Implementation and Transition Support

The Contractor is required to coordinate and work collaboratively with NCTA, their existing operations contractor, BOS contractor, project consultants and other NCTA contractors to assist in the implementation of the BOS, and transition of existing operations.

### 3.2.1. Contractor Coordination



166.	The Contractor shall coordinate with NCTA, their new BOS contractor, project consultants and other NCTA contractors to assist in the implementation of the BOS. The Contractor shall be required to coordinate, work collaboratively and plan all transition activities with the new BOS contractor to ensure there is a clear understanding of the expectations surrounding key activities to facilitate implementation of the BOS as well as transition operations to the Contractor, including but not limited to: BOS testing support, staffing, training, and available practice periods.
167.	The Contractor shall coordinate with the existing operations contractor on the timing of, and to provide adequate space and access for, the installation of Back Office System and equipment by the BOS contractor at each facility.

### 3.2.2. Design and Development Support

168.	The Contractor shall attend BOS design and demonstration meetings, provide feedback regarding the usability of the system (e.g. BOS user interface, mobile application, customer website and IVR).
169.	<p>The Contractor shall be responsible for review and comment on BOS contractor documentation as directed by NCTA, for activities such as:</p> <ul style="list-style-type: none"> <li>• Design documents;</li> <li>• Testing documentation;</li> <li>• Test results documentation;</li> <li>• Punch list documentation;</li> <li>• IVR scripts / text;</li> <li>• Operational, statistical, and performance reporting;</li> <li>• Website text;</li> <li>• User interface designs;</li> <li>• User manuals;</li> <li>• Training manuals;</li> <li>• Configuration manuals; and</li> <li>• Maintenance manuals.</li> </ul>
170.	The Contractor shall monitor system design and document any BOS design functionality gaps or issues for NCTA and the BOS contractor's review.
171.	The Contractor shall assist the BOS contractor by providing required input necessary to configure various components of the BOS, including but not limited to: system reports, ad-hoc reporting, the BOS user application and the IVR call tree.
172.	The Contractor shall coordinate with NCTA to determine all financial activity Requirements upon receipt of NTP and coordinate with the BOS contractor to ensure system reports accurately capture the required financial information.

### 3.2.3. Report Development

Using the BOS and other sources as necessary, the Contractor is responsible for providing NCTA meaningful reports on Contractor and CSC operations, including statistical information and performance measurements. The Contractor is responsible for coordinating with NCTA and the BOS contractor to design, develop, and deliver accurate and complete reports for NC Quick Pass and NC Ferry Customer Service Operations.

173.	The Contractor shall coordinate and work with NCTA and the BOS contractor to design, develop, and test financial, operational, and performance reports using the BOS.
174.	The Contractor shall coordinate with NCTA to identify report data that summarizes all operations activities.
175.	The Contractor shall ensure report data it submits to NCTA is accurate and complete.
176.	The Contractor shall be responsible for maintaining and storing all <u>Contractor developed/generated reports and supporting information used to develop the reports</u> <del>report data</del> submitted to NCTA, making it available <del>for reporting</del> , throughout the term of the Contract.

#### 3.2.4. Formal Testing Support

177.	The Contractor shall review and comment on BOS contractor test plans and test scripts related to the operational processing and functions.
178.	The Contractor shall actively participate in all formal testing efforts prior to BOS Go-live, punch list verification testing, operational testing and other testing-related efforts as directed by NCTA.
179.	The Contractor shall provide documentation of observed issues that do not meet Requirements or affect the intended use of the system.

### 3.3. Operational Readiness

The Contractor is responsible for reporting and demonstrating to NCTA's satisfaction the Contractor's operational readiness to transition to Ongoing Operations.

180.	<p>The Contractor shall be responsible for tracking and continually reporting to NCTA all activities necessary to staff and operate NC Quick Pass CSC facilities in accordance with the Contract.</p> <p>Activities include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Staff recruitment, hiring and training;</li> <li>• Obtaining a thorough understanding and working knowledge of the new BOS;</li> <li>• Obtaining NCTA's Approval on all SOPs, training documentation, form letters to be implemented into the new BOS (if necessary), operational forms, and other operational documentation as required by NCTA;</li> <li>• Contractor-developed checklist of all milestones, as well as all Implementation Phase Requirements, as Approved by NCTA;</li> <li>• Plan and conduct operational training;</li> <li>• Obtaining Approval on the Contractor's Transition Plan;</li> </ul>
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	<ul style="list-style-type: none"> <li>• The Contractor shall coordinate with NCTA and the existing operations contractor to identify for pre-transfer of operations activities required to transition operations in an orderly manner minimizing impacts to NC Quick Pass and NC Ferry operations;</li> <li>• The Contractor shall coordinate with NCTA and the existing operations contractor to complete pre-transfer of operations activities; and</li> <li>• The Contractor shall coordinate with the BOS contractor to track the progress of the BOS implementation, and report on the Contractor's ability to support new BOS Go-live and transition of operations.</li> </ul>
181.	Prior to transition to Ongoing Operations, the Contractor shall coordinate with the BOS contractor to conduct an Operational Readiness exercise that satisfactorily demonstrates to NCTA that the Contractor is ready to transition to Ongoing Operations.
182.	As part of the Operational Readiness exercise, the Contractor shall demonstrate all major NC Quick Pass and NC Ferry Customer Service Operations Services and functions for NCTA evaluation.
183.	The Contractor shall provide and meet the contractual obligations that are required for Operations Go-live.

### 3.4. Transition of Operations

The Contractor is responsible for the successful transition to Ongoing Operations.

184.	The Contractor shall coordinate with the BOS contractor and NCTA to identify and agree to a date for formal transition of operations.
185.	The Contractor shall be required to develop, maintain and update a cut-over checklist and schedule detailing all activities and items, down to the hour or transition, that need to take place to successfully transition operations.
186.	The Contractor shall designate a transition team, which shall be responsible for coordinating with NCTA, the BOS contractor and existing operations contractor as well as to identify and monitor all transition team assignments for reporting on Transition Team progress to ensure an efficient transfer of Services and to ensure the transition is being carried out in accordance with the NCTA-Approved Transition Plan.

## 4. On-Going Operations Requirements

The operational Requirements contained within this section serve to describe NCTA's required level of operations after the implementation of the operations program. The Contractor is responsible for the operation of NCTA's NC Quick Pass Operations Center Customer Service Centers and shall carry out the operations described in this document and attachments thereto, in compliance with Approved policies, procedures, Business Policies, and within key performance measurements.

### 4.1. Program Management

#### 4.1.1. Regular Operations Status Meeting

Communication between the Contractor, NCTA, NCTA consultants, the BOS contractor, and other third parties as directed by NCTA will be critical to daily Ongoing Operations. The following Requirements outline meeting Requirements to ensure open lines of communication between all parties.

187.	The Contractor shall be responsible for coordinating with NCTA to arrange and conduct regular Operations Status Meetings upon Operations Go-live. The Contractor and NCTA shall coordinate on the frequency of the meetings (e.g. weekly, bi-weekly, monthly, etc.), day of the week for the meetings to occur, length of the meetings, meeting locations, meeting attendees and structure of the meetings.
188.	The Contractor shall schedule and conduct the Operations Status Meetings throughout the duration of the Contract to include: <ul style="list-style-type: none"> <li>• Review the Contractor's Monthly Operations Report;</li> <li>• Provide regular status updates on operational activities such as operational statistics for a given period, Contractor efficiency metrics, Key Performance Indicator measurements, budget projections, and actual results compared to projections; and</li> <li>• Coordinate emerging and on-going issues with other operational support teams, and communicate important items (e.g. staff hiring and training, system enhancement rollouts, marketing and PR events, facility-related issues, new roadway deployments, customer facing issues, etc.).</li> </ul>
189.	The Contractor shall be responsible for organizing and facilitating Operations Status Meetings (plan, lead, coordinate, etc.), coordinating with NCTA to develop meeting agendas, establishing and maintaining the standing meeting time and invites, recording and publishing meeting notes and tracking action items.
190.	The Contractor shall utilize web-based meeting software enabling all local and remote meeting attendees to share and view documents in real-time during meetings.
191.	The Contractor shall distribute meeting agendas for NCTA's review and comment no less than one (1) Business Days prior to a meeting, and shall update the agenda based on comments received by NCTA.
192.	The Contractor shall be responsible for documenting meeting notes, and distributing a draft copy to all meeting attendees within one (1) Business Day for review. <u>The Contractor shall have one week to wait for comments.</u> Should any meeting attendee submit comments and/or modifications to the Contractor, the Contractor shall have one (1) Business Day to update the meeting notes and distribute them to other meeting attendees. Meeting notes captured during every meeting shall capture, at a minimum: <ul style="list-style-type: none"> <li>• Names of attendees and who they represent;</li> <li>• Summary notes for each agenda topic;</li> <li>• Summary note for any non-agenda item discussed;</li> <li>• Review and update of any previous Action items and summarization of new Action Items, including responsible party and associated due dates;</li> <li>• Decisions made during the meeting; and</li> </ul>

	<ul style="list-style-type: none"> <li>• Direction provided during the meeting.</li> </ul>
193.	The Contractor shall facilitate or participate in other ad hoc meetings as requested by NCTA.

#### 4.1.2. Internal Controls

The Contractor is responsible for establishing and following the Approved internal controls procedures as Approved in the SOPs to ensure NCTA assets and resources are protected, promote operational efficiency, ensure accuracy and reliability of financial data, and enforce standards for accounting and financial controls.

194.	The Contractor shall establish and follow internal control practices to ensure the safeguarding and proper accounting of NCTA funds and related records at all times and remain in compliance with all applicable laws.
195.	The Contractor shall develop and carry out procedures that safeguard all assets and documents such as limiting physical access to money and protecting all assets from loss due to error or theft.
196.	The Contractor shall prevent and detect revenue loss, errors, omissions, irregularities, and improper actions and immediately report any occurrences to NCTA.
197.	The Contractor shall have controls and procedures in place to ensure that all processing is complete and accurate.
198.	The Contractor shall appropriately segregate duties for various transactions, including handling of cash and checks.
199.	The Contractor shall conduct training that details the responsibilities of each employee with regard to PCI compliance, theft, fraud, embezzlement, fiscal misconduct or violation of SOPs annually.
200.	The Contractor shall establish approval authority commensurate with the nature and significance of the transactions and in compliance with Approved SOPs.

#### 4.1.3. Quality Management

The Contractor is responsible for performing Quality Management Services in accordance with the QMP throughout the duration of the Contract.

201.	The Contractor shall perform Quality Management Services in accordance with the Approved QMP.
202.	The Contractor shall maintain sufficient Quality Management staff to meet the obligations of the QMP.
203.	The Contractor shall <del>on</del> review results from BOS provided surveys and shall take all necessary actions to correct any negative conditions or issues in compliance with the QMP.
204.	In addition to other Quality Assurance and control procedures included in the Approved QMP, the Contractor shall perform specific quality reviews of the following customer communication items:

	<ul style="list-style-type: none"> <li>• The Contractor shall review 100% of all outgoing DMV Hold letters to ensure accuracy, timeliness of generation, and completeness;</li> <li>• The Contractor shall review 100% of all outgoing toll dispute letters to ensure accuracy, timeliness of generation, and completeness; and</li> <li>• For all other items generated for mailing by the mail house such as invoices, statements, and other Correspondence, the Contractor shall review not less than five percent (5%) of all outgoing items.</li> </ul> <p>Reviews of these materials shall include but not be limited to:</p> <ul style="list-style-type: none"> <li>• Concurrence with Business Policies;</li> <li>• Account owner;</li> <li>• Address;</li> <li>• Pre-paid balance;</li> <li>• Balance due;</li> <li>• Toll rates by facility;</li> <li>• Fee amounts;</li> <li>• Math on all statements and BBM invoices is correct; and</li> <li>• NCTA information (phone numbers, address, etc.).</li> </ul>
205.	The Contractor shall ensure the immediate correction of any error identified during performance of quality management activities, and notify NCTA of steps taken to correct errors.
206.	The Contractor shall be required to conduct a lessons learned session to document the root cause of an error, any actions taken to correct an error, any additional training planned or conducted, and other measures implemented to lessen the chance the same error from happening in the future. The Contractor shall submit notes from the lessons learned to NCTA for review within five (5) days of the lessons learned session.
207.	The Contractor shall publish a monthly Quality Management Report containing all internal documentation, accurate evaluation results, and documentation describing the processes related to its quality management procedures and processes by the tenth (10 <sup>th</sup> ) of each month for the preceding month, in accordance with the Approved QMP.

#### 4.1.4. Change Management

208.	The Contractor shall perform change management Services in accordance with the Approved PMP.
209.	The Contractor shall be responsible for developing and responding to change requests, whether initiated by the Contractor or NCTA, per the Approved PMP.
210.	The Contractor shall be responsible for managing and tracking all change requests, whether initiated by the Contractor or NCTA, per the Approved PMP.

#### 4.1.5. Business Operations Continuity / Disaster Recovery

The Contractor is responsible for resuming operations in a timely and complete manner in compliance with the Approved Business Operations Continuity / Disaster Recovery Plan and in coordination with NCTA and the BOS contractor to ensure business resumption in the event of a disaster or business disruption event.

211.	The Contractor shall activate the Business Operations Continuity / Disaster Recovery Plan, as directed by NCTA and in coordination with NCTA, the BOS contractor, and other subcontractors and suppliers to expedite the resumption of NC Quick Pass Operations whenever there is a disaster event.
212.	The Contractor shall coordinate with NCTA in advance preparation for forecasted adverse weather events to ensure adequate coverage of critical operational functions.
213.	The Contractor shall coordinate with NCTA, the BOS contractor, and other contractors and subcontractors providing operational Services to NCTA, as necessary and in accordance with the Business Operations Continuity / Disaster Recovery Plan, to conduct a joint test of the Business Operations Continuity / Disaster Recovery Plan on an annual basis or on a frequency as determined by NCTA.
214.	The Contractor shall assist with any Business Operations Continuity and Disaster Recovery test exercises, such as the BOS, as requested by NCTA.

#### 4.2. Operations Contractor Provision of Hardware and Software

While the BOS contractor is responsible for providing all workstations for the BOS, the Contractor shall provide the following for their staff in order to support Contractor-related work external to NCTA's NC Quick Pass and NC Ferry Customer Service Operations Program and management of NC Quick Pass facilities. The cost of this equipment and software shall not be processed by the Contractor as pass-through expenses and as such will not be reimbursed by NCTA.

215.	The Contractor shall be responsible for providing all workstations, laptops, iPads, printers, connectivity, and other hardware for Contractor staff and employees that are required to perform Contractor's responsibilities under the Contract not related to operating the BOS <u>or Ferry reservations.</u>
216.	The Contractor shall be responsible for providing all software necessary for Contractor employees and staff to perform the Requirements of this Contract as well as for Contractor Company business not related to operating the BOS <u>or Ferry reservations.</u>
217.	The Contractor shall be responsible for furnishing, installing, testing, and enabling anti-virus, anti-intrusion, PCI and personally identifiable information (PII) compliant and other security applications on all Contractor-provided computer equipment <del>accessing or containing any Project, customer, or other NCTA data during throughout</del> the term of the Contract.
218.	<del>If the Contractor chooses to implement a work force management system, Any work force management software it</del> is the responsibility of the Contractor to provide, <del>and should be compatible with the RingCentral telephony system. Any such integration with RingCentral, the telephony system provided by the BOS Contractor, will be at NCTA's sole discretion due to PCI and other security concerns.</del>

219.	The Contractor shall be responsible for providing office consumables (e.g. paper, pens, folders, printer ink, all office supplies, etc.) to Contractor employees and staff to perform Contractor-related business not related to operating the BOS <u>or Ferry reservations.</u>
220.	Any internal Contractor networking Requirements, such as WiFi, shall be the responsibility of the Contractor.

### 4.3. Operational Requirements

The Contractor shall closely coordinate with NCTA to plan and carry out operational elements, review operations activities on a regular basis, and identify emerging trends and issues.

#### 4.3.1. General Operational Requirements

The Contractor shall meet the following general operations Requirements for all aspects of the NC Quick Pass and NC Ferry Customer Service Operations Contract. All current operations activities shall be performed within the NC Quick Pass facilities.

221.	The Contractor shall provide all Services in accordance with applicable laws, regulations, ordinances and in compliance with all NCTA policies. All plans and procedures prepared by the Contractor shall be Approved by NCTA.
222.	The Contractor shall provide and manage a timekeeping and reporting system for all employees working under the Contract.
223.	The Contractor shall provide NC Quick Pass call center Services Monday through Friday between the hours of 9 a.m. and 5 p.m. and Saturday, between the hours of 9 a.m. and 2p.m. Eastern Time.
224.	The Contractor shall provide NC Quick Pass walk-in Services, <u>consisting of, at a minimum, one (1) greeter, one (1) CSR, and one (1) supervisor,</u> Monday through Friday, between the hours of 9 a.m. and 5 p.m. and Saturday, between the hours of 9 a.m. and 2 p.m. Eastern Time at the Monroe, Charlotte, and Morrisville Customer Service Center locations. <u>Additional staff may be required during these hours to meet or exceed performance requirements, depending on customer volume.</u>
225.	<p>The Contractor shall observe the following holidays for the NC Quick Pass call center and walk-in Services:</p> <ul style="list-style-type: none"> <li>• New Year's Day;</li> <li>• Martin Luther King Jr. Day;</li> <li>• Good Friday;</li> <li>• Memorial Day;</li> <li>• Independence Day;</li> <li>• Labor Day;</li> <li>• Veterans Day;</li> <li>• Thanksgiving holiday (Thursday and Friday);</li> <li>• Christmas Eve; and</li> <li>• Christmas Day.</li> </ul>



	Note: Holidays shall be observed on the day it occurs.
226.	The Contractor shall provide NC Ferry reservation call center Services 6 a.m. and 6 p.m. Eastern Time, seven (7) days a week.
227.	The Contractor shall provide daily management to ensure the timely and successful execution of operations.
228.	The Contractor shall perform operations Services in accordance with the Approved NC Quick Pass and NC Ferry Customer Service Operations Plan and Approved SOPs.
229.	The Contractor shall provide an on-going training program in accordance with the NCTA Approved Staffing and Training Plan.
230.	The Contractor shall maintain an overall organizational chart and directory of all personnel.
231.	The Contractor shall use the BOS to perform daily functions required under the Contract.
232.	The Contractor shall use data captured and produced by the BOS and call center phone system, as well as data captured and produced by the Contractor's own methods, as necessary, as the basis of their reporting to NCTA.
233.	The Contractor shall coordinate with third-party Contractors (e.g. armored car, pest control, maintenance personnel, security Services, etc.), as necessary, to provide the Services of the Contract and to resolve issues.
234.	The Contractor shall be responsible for securing, tracking, and reporting on revenues, in accordance with SOPs.
235.	The Contractor shall fully reconcile all revenue daily, weekly, monthly, quarterly and annually, or as directed by NCTA.
236.	The Contractor shall be responsible for securely managing NC Quick Pass and NC Ferry data and documents, including all customer correspondence and materials.
237.	The Contractor shall report on KPIs, staffing, daily, weekly, monthly and annual activities, complaints, revenue, system health and other duties as assigned.
238.	The Contractor shall be responsible for procuring, purchasing, receiving, inventorying and storing all necessary materials and supplies required to manage and operate the NC Quick Pass and NC Ferry Customer Service Centers and perform Facility Management as detailed in the Contract.
239.	The Contractor shall be responsible for providing estimates, receipts, details and descriptions of all purchases and provided to NCTA to support reimbursement as a pass-through expense.
240.	The Contractor shall identify and resolve operational issues.
241.	The Contractor shall notify NCTA of operational issues and resolutions.
242.	The Contractor shall immediately notify NCTA of any critical or systemic operational issues.

243.	The Contractor shall log and report, via a method to be agreed upon by NCTA, the Contractor, and the BOS contractor, any BOS-related issues to NCTA and the BOS contractor immediately upon discovery.
244.	The Contractor shall safeguard all PII and comply with all state law and Payment Card Industry Data Security Standards (PCI-DSS) and ensure Contractor staff do not disperse or sell information provided by NCTA, NC Quick Pass, NC Ferry or a customer, or use such information for any other purpose except NC Quick Pass and NC Ferry business.
245.	The Contractor shall provide customer service via the following customer channels: <ul style="list-style-type: none"> <li>• Phone;</li> <li>• In-person;</li> <li>• Email;</li> <li>• Live chat;</li> <li>• Fax;</li> <li>• Written correspondence; and</li> <li>• Text (e.g. Short Message Service (SMS)).</li> </ul>
246.	The Contractor shall educate customers on the use of self-service tools.

#### 4.3.2. NC Quick Pass Support

In support of NCTA's NC Quick Pass statewide toll program, and by following the NC Quick Pass Customer Service Business Policies, the Contractor shall be required to provide operational and customer support Services.

##### 4.3.2.1. Customer Account Creation

NC Quick Pass customers can create NC Quick Pass pre-paid Accounts via the website, by phone, by mail, by email, by mobile application or by visiting a CSC. Bill by Mail Accounts are created automatically by the BOS, or manually by CSRs on an exception basis, whenever a license plate does not match an existing NC Quick Pass, Bill by Mail, or Bill by Email customer Account.

247.	The Contractor shall perform all functions and Services in compliance with applicable laws, NCTA Business Policies, Approved SOPs, BOS User Manuals, PCI Requirements, and Key Performance Indicators.
248.	The Contractor shall provide all Account creation activities not otherwise performed by the customer through self-service channels or automatically created by the BOS.

##### 4.3.2.2. Account Management

The Contractor shall provide Account management Services for customers upon customer request.

249.	The Contractor shall provide all Account management and maintenance Services for all Account types and plans required to support the NC Quick Pass Program in accordance with the Approved SOPs.
250.	The Contractor shall ensure CSRs validate customer credentials prior to accessing a

	customer's Account, revealing Account information or updating a customer's Account.
251.	<p>The Contractor shall provide Account management Services via the following customer interaction channels:</p> <ul style="list-style-type: none"> <li>• Phone;</li> <li>• In-person;</li> <li>• Email/Web;</li> <li>• Live chat;</li> <li>• Fax;</li> <li>• Written Correspondence; and</li> <li>• Text (e.g. SMS).</li> </ul>
252.	<p>The Contractor shall update customer Account information in accordance with the SOPs based on notification from various authorized parties, such as:</p> <ul style="list-style-type: none"> <li>• Customers;</li> <li>• DMV and other Registered Vehicle Owner lookup Services;</li> <li>• Merchant or credit card update service providers;</li> <li>• United States Post Office;</li> <li>• Skip tracing providers; and</li> <li>• Collections providers.</li> </ul>
253.	The Contractor shall document, resolve, and provide a response to all customer disputes and complaints accurately and timely in accordance with Approved Case Management SOPs.
254.	The Contractor shall enter clear and concise notes onto the customer Account to document all customer contacts and other Account management/update activities.
255.	The Contractor shall be required to scan and upload documents, applications, letters, chat logs, and other customer communications to an Account if the document is not automatically added to the Account via the BOS.

#### 4.3.2.3. Large Business (Commercial) Account Management

NCTA offers customers a business Account type that can consist of large numbers of vehicles. These Accounts routinely require special handling by experienced CSRs.

256.	The Contractor shall ensure large business Accounts are handled exclusively by experienced staff to ensure accurate and timely Service for these customers.
257.	The Contractor shall work with large business Account customers to provide Account maintenance and resolve Account issues.

#### 4.3.2.4. First Responder Account Management

NCTA offers toll-free passage on some NCTA toll facilities to first responders who meet criteria set by the North Carolina General Statutes.

258.	The Contractor shall ensure First Responder Accounts are handled exclusively by experienced staff to ensure accurate and timely Service for these customers.
259.	The Contractor shall work with First Responder Account customers to provide Account maintenance and resolve Account issues.

#### 4.3.2.5. Transit Account Management

NCTA offers toll-free passage on the I-77 Express Lanes to Transit Operators who meet criteria set by the North Carolina General Statutes.

260.	The Contractor shall ensure transit Accounts are handled exclusively by experienced staff to ensure accurate and timely Service for these customers.
261.	The Contractor shall work with transit Account customers to provide Account maintenance and resolve Account issues.

#### 4.3.2.6. Government Account Management

NCTA offers post-paid Transponder Accounts to government agencies for travel on North Carolina toll facilities.

262.	The Contractor shall ensure government Accounts are handled exclusively by experienced staff to ensure accurate and timely Service for these customers.
263.	The Contractor shall work with government Account customers to provide Account maintenance and resolve Account issues.

#### 4.3.2.7. HOV Account Management and HOV Declaration Customer Service

NCTA offers toll-free passage on the I-77 Express Lanes to registered HOV users. HOV users can set their HOV status through the use of a switchable Transponder, through the use of the NC Quick Pass HOV App, website, or manually at CSC, or through the use of a HOV Account.

264.	The Contractor shall fully understand and provide customer service related to the I-77 Express Lanes HOV declaration Business Policies.
265.	The Contractor shall follow the Business Policies with respect to the creation or modification of HOV Accounts.
266.	The Contractor shall support customer requests to activate and deactivate HOV declaration status on their Account.

#### 4.3.2.8. Inactive NC Quick Pass Account Management Support

The Contractor shall provide Account management Services for inactive NC Quick Pass Accounts.

267.	The Contractor shall support customer inquiries related to inactive Accounts.
268.	The Contractor shall monitor customer response to inactive Account closure notifications, inactive Account fees, and prevent Account closure as requested by the customer.

#### 4.3.2.9. Merging and Unmerging Accounts

The Contractor is responsible for merging and unmerging Accounts and/or Account types, as applicable, when Accounts are eligible for merging or separation as defined by the Business Policies and authorized by NC Quick Pass customers.

269.	The Contractor shall merge or unmerge two or more Accounts, after verifying customer credentials for all Accounts, in accordance with Approved Business Policies and SOP upon request from a customer.
270.	The Contractor shall ensure all personal, replenishment, vehicle, Transponder, financial and non-financial historical and transactional data is either transferred to the final, single Account (merge) or is completely removed from all Accounts except for final Account (unmerging).
271.	The Contractor shall provide the authorized user(s) with the ability to select the preferred personal and replenishment information from the affected Accounts.
272.	The Contractor shall be required to perform a quality review once an Account merge or unmerge is complete to ensure the actions performed meet the needs of the customer, and all necessary data (e.g. transaction history, balance, payment info, etc.) has been accurately transferred, as applicable.

#### 4.3.2.10. HOV Declaration

The Contractor shall support HOV declaration Services for NC Quick Pass pre-paid Account customers.

273.	The Contractor shall support customer requests to activate and deactivate HOV declaration status on their Account.
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#### 4.3.2.11. Case Management

Case Management is the tracking, managing and resolving customer cases that cannot be immediately handled and require follow-up. The Contractor is responsible for managing customer cases received through any customer channel in the BOS.

274.	The Contractor shall create a case for any customer issue or request that cannot be completely and accurately resolved at the time of request into the BOS for management, tracking and reporting. The Contractor shall work and prioritize open cases through to final resolution as required in the SOPs.
275.	The Contractor shall accurately resolve and respond to customer issues and requests by the customer's preferred method of contact, which may include obtaining additional information needed for resolution of a case and providing the customer with a timely and accurate response.
276.	For customers with chronic exceptions and recurring cases, the Contractor shall develop and follow procedures aimed at handling and resolving the issue.
277.	As part of the operational support for I-77 Express Lane transactions, the Contractor shall utilize the I-77 Mobility Partners JIRA Ticketing System to report customer issues and adjustment requests to I-77 Level 2 CSRs for resolution. The <del>Operator</del> <u>Contractor</u> will perform these functions only for I-77 Express Lane transactions that require Level 2 service.

278.	The Contractor shall follow the “North Carolina Turnpike Authority and I77 Mobility Partners Level 2 Customer Service Rules” as outlined in Appendix H.
279.	The Contractor shall coordinate with NCTA and I-77 Mobility partners for issue handling procedures and any changes and updates to the Level 2 Customer Service rules, as necessary.
280.	The Contractor shall review the list of open cases daily, and shall make sure they are accurately resolved in accordance within the timelines set forth in the Performance Standards. NCTA shall be notified immediately if there are any critical comments or issues that need immediate attention.
281.	The Contractor shall report on the status of all cases as part of the Monthly Operations Report.
282.	The Contractor shall support a process for issues requiring NCTA involvement such as escalated customer complaints.

#### 4.3.2.12. Transponder Fulfillment Management

The Contractor is responsible for receiving NC Quick Pass customer requests for Transponders and for fulfilling those requests, either by mail or in person, accurately and timely so that customers receive the correct Transponder.

283.	The Contractor shall manage the fulfillment and assignment of Transponders to customers and the in-person collection of money related to the sale of Transponders (e.g. Transponder cost, tax and other costs).
284.	The Contractor shall use the BOS to assign class- and type-specific Transponders to customer Accounts, and activate Transponders for customers upon fulfillment.
285.	The Contractor shall use tag programming equipment, provided by others, to encode Transponders with the correct vehicle class, where necessary.
286.	The Contractor shall fulfill Transponder orders by mail and in-person at CSCs (or other NC Quick Pass special events).
287.	The Contractor shall track and report Transponder fulfillment of each Transponder type by fulfillment location and fulfillment channel.
288.	The Contractor shall test each Transponder prior to fulfillment.
289.	The Contractor shall utilize a process that minimizes Transponder mailing costs, which may require the use of a third-party pre-sort service.
290.	The Contractor shall ensure all mailed Transponders are mailed with a system generated receipt for the Transponder order.
291.	The Contractor shall ensure all mailed Transponders are sent with a NC Quick Pass Customer Welcome Kit. The kit includes NC Quick Pass Terms and Conditions, installation instructions, and the customer’s current profile letter.

292.	The Contractor shall enter the application information into the BOS, collect payment, and distribute a Welcome Kit and Transponder(s) to the customer when fulfilling a Transponder order in-person for a new NC Quick Pass Transponder Account.
293.	The Contractor shall <del>manage the returned Transponder program</del> <u>process transponders returned to the NC Quick Pass CSC.</u>
294.	The Contractor shall test Transponders with Transponder testing equipment, supplied by others, whenever walk-in customers report Transponder issues or upon their request when the Transponder is available. This testing may require testing Transponders mounted in vehicles using portable Transponder readers.
295.	The Contractor shall manage and reconcile postage associated with mailing Transponders.

#### 4.3.2.13. Transponder Inventory Management

The Contractor is responsible for managing Transponder inventory and other packaging and mailing materials to fulfill Transponder orders received. The Contractor shall be responsible for maintaining accurate records as to the status and assignment of all NCTA Transponders.

296.	The Contractor shall be responsible for monitoring and reporting on Transponder inventories at all CSC locations for all Transponders and related equipment, transferring inventory between locations as necessary, and coordinating with NCTA to procure new Transponders when necessary.
297.	The Contractor shall track all Transponders purchases from the point of purchase request/order to Transponder mailing and customer receipt, and Transponders returned or reported lost or stolen.
298.	The Contractor shall manage Transponder welcome kit inventory and other packaging used to mail Transponders to customers, as well as report on inventory-related activities, and fulfill Transponder orders.
299.	<p>The Contractor shall maintain Transponder inventory in a secured manner and shall develop written internal control policies for managing Transponder inventory to ensure safeguarding including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Providing and maintaining secure storage area;</li> <li>• Limited access;</li> <li>• Security surveillance;</li> <li>• Separation of duties; and</li> <li>• No less than annual reconciliation of physical count to system inventory records.</li> </ul>
300.	The Contractor shall provide training to ensure proper inventory handling procedures.
301.	The Contractor shall consistently monitor Transponder inventory levels, Transponder issuance rate and manufacturer lead times, by Transponder type, and shall make recommendations to NCTA for Transponder purchases to prevent lapse in Transponder availability.

302.	The Contractor shall, upon receipt of shipment from the manufacturer, perform an inventory and reconcile to shipping records and purchase orders to verify accuracy and completeness of order.
303.	The Contractor shall document any exceptions or variances, including shortages, overages, damage to shipping containers, etc. to support possible claims.
304.	The Contractor shall communicate inventory receipt, including any variances or exceptions, to NCTA toll operations to support invoice payment.
305.	The Contractor shall upload received inventory items into the BOS inventory system within five (5) Business Days of inventory receipt.
306.	The Contractor shall track Transponder inventory warranty status, manage, and resolve all warranty issues with the Transponder manufacturer.
307.	The Contractor shall test any Transponder a customer reports and returns as defective and shall replace defective Transponders in accordance with NC Quick Pass Business Policies and set aside the defective Transponder for disposal or return to manufacturer if still in warranty period.
308.	The Contractor shall return all inventory found to be defective or damaged and still under the manufacturer's warranty to the manufacturer, according to the manufacturer's return process/policy. The Contractor shall be required to process Transponder returns every quarter, at a minimum.
309.	The Contractor shall package and ship the Transponder inventory identified for return to the manufacturer.
310.	The Contractor shall track the warranty returns for all returned Transponders, and confirm that NCTA receives replacement Transponders or credit for any inventory returned under warranty in accordance with NCTA's agreements with manufacturer.
311.	The Contractor shall investigate, reconcile, and document all variances between expected (BOS) balance, and physical balance of the physical inventory.
312.	The Contractor shall submit a Transponder Inventory Reconciliation Report to NCTA, no later than ten (10) Business Days after the completion of the inventory.
313.	The Contractor shall be financially responsible for lost or unaccounted inventory.
314.	The Contractor shall develop procedures for proper disposal of scrap inventory, and provide NCTA with evidence of proper disposal.
315.	The Contractor shall manage, coordinate and perform the scrap inventory disposal process utilizing a disposal service certified for Transponder disposal.
316.	The Contractor shall coordinate with NCTA in the event of a manufacturer-initiated Transponder recall.
317.	The Contractor shall assist with identifying inventory items subject to recall, manage the customer notifications, collect recalled inventory items, document items collected for recall, and prepare for shipment.



### 4.3.3. Delinquent Accounts

The Contractor is responsible to coordinate with the NCTA provided collection agency and the DMVs to support DMV vehicle holds for the collection of delinquent debt from customers.

#### 4.3.3.1. DMV Hold and Release Support

The BOS will perform DMV hold and releases automatically based upon Business Policies. In some instances, automated hold and releases cannot be made and therefore the Contractor will be responsible for performing these activities.

318.	Contractor shall coordinate with DMV and NCTA to support the DMV hold and release processes, when necessary, as well as interact with jurisdictions outside of North Carolina should NCTA enter into reciprocal agreements for enforcement.
319.	For NC registered vehicles eligible for DMV Hold, the Contractor may be required to utilize the DMV system and place / release a hold on the vehicle in accordance with the SOPs and NC Quick Pass Business Policies.
320.	The Contractor shall coordinate with the DMVs and other parties to support vehicle DMV Hold and Release processes, including responding to inquiries from customers and DMVs, as required by NCTA.

#### 4.3.3.2. Collections Support

The Contractor shall ~~operate-support~~ the Collections Program, monitor its effectiveness and refine the program to improve debt collection.

321.	The Contractor shall monitor customer responses to delinquent Account notifications/invoice and fees and provide information to the customer regarding balances due and actions necessary to bring current, balances forwarded to a collections agency or DMV Hold, if applicable, and accepting payment to bring Accounts current.
322.	The Contractor shall perform collections Services in accordance with the NC Quick Pass Business Policies, SOPs and NCTA directives.
323.	The Contractor shall coordinate with an outside collections agency or agencies so the collection agency may pursue delinquent NC Quick Pass or Bill by Mail Accounts.
324.	The Contractor may be responsible for identifying and flagging delinquent Accounts for transfer to outside collections based on NC Quick Pass Business Policies, SOPs and NCTA directive.
325.	The Contractor shall establish processes to ensure payments made to the collection agency are accurately posted to customer Accounts in the BOS. This may include: <ul style="list-style-type: none"> <li>• The Contractor manually entering to the BOS payments made to the collection agency; and</li> <li>• The Contractor performing Quality Assurance reviews of payments entered in to the BOS by the collection agency.</li> </ul>
326.	The Contractor shall monitor collection processes and shall coordinate with NCTA and the collection agency to refine collections-related processes, as necessary.

327.	<p>The Contractor shall be required to track and regularly report to NCTA collections activity, including but not limited to:</p> <ul style="list-style-type: none"> <li>• The number of all Accounts in collections;</li> <li>• Account balances (total and individual) sent to collections; and</li> <li>• Amount received from the Collection Agency.</li> </ul>
328.	<p>The Contractor shall coordinate with NCTA for the proper handling of customer declaring bankruptcy. Once being made aware of the bankruptcy, the Contractor shall discontinue collections efforts in compliance with the SOPs.</p>
329.	<p>The Contractor shall support NCTA and North Carolina courts to validate any received Bankruptcy Petition (e.g. via Proof of Claim filing) regarding an NC Quick Pass customer bankruptcy and shall provide information and respond to requests related to customer bankruptcy proceedings.</p> <ul style="list-style-type: none"> <li>• The Contractor shall scan Bankruptcy Petition into the BOS and associate with the proper Account and flag the customer Account with bankruptcy status.</li> <li>• The Contractor shall provide NCTA with original Bankruptcy Petition received.</li> <li>• The Contractor shall update the status of the bankruptcy in the system accordingly following the notice from NCTA to the Contractor of any bankruptcy proceedings and outcomes, including removal from bankruptcy status upon court dismissal.</li> <li>• The Contractor shall apply payments received on Accounts in bankruptcy status in accordance with the SOPs.</li> <li>• The Contractor shall be required to track and report on all Accounts in bankruptcy status.</li> </ul>

#### 4.3.4. Customer Correspondence Management

##### 4.3.4.1. General Requirements

The Contractor is responsible for managing ~~all non-automated~~ customer ~~correspondence, contact and Correspondence, from all sources, whether generated by the Customer, the Contractor, the Mail House, the BOS, or NCTA.~~

330.	The Contractor shall provide mail and email processing for incoming and outgoing Correspondence.
331.	The Contractor shall direct and deliver customer Correspondence to the proper customers in a secure manner while protecting customer privacy and Account security in the process.
332.	The Contractor shall sort and log all Correspondence received and route it to the appropriate department and protect customer privacy in the process.
333.	The Contractor shall monitor the flow of customer communications and notifications (through all channels) to and from customers, identify, track and mitigate issues, and coordinate resolution of all issues with NCTA and the BOS contractor.

334.	The Contractor shall work with the BOS contractor to investigate and resolve any issues with customer communications and notifications.
335.	The Contractor, upon discovering issues, shall identify affected Accounts/customers, and shall coordinate with the BOS contractor to recreate and resend customer communications and/or notifications in the event customer communications and/or notifications need to be recreated and resent.
336.	The Contractor shall support ad hoc requests for customer communications according to NC Quick Pass Business Policies or as requested by NCTA.
337.	The Contractor shall be required, at the direction of NCTA and at its own expense, to communicate to customers or the general public any information related to issues or problems caused by the Contractor that affect customers. The Contractor shall not release any information to NC Quick Pass or NC Ferry customers prior to NCTA's review and Approval of any information.
338.	The Contractor shall be required to scan all <u>customer communications not received through the BOS</u> <del>communications from customers (via mail, email, text, chat, etc.)</del> , and attach and associate them with the proper customer Accounts.
339.	The Contractor shall be responsible for tracking and reporting on all Correspondence processing activities, such as number of incoming and outgoing pieces by type, number of returns, number of redirect/new addresses, number and value of items in suppressed mail, etc.

#### 4.3.4.2. Returned Mail (Nixie) Processing

340.	The Contractor shall develop and manage a process for handling returned mail.
341.	The Contractor shall attempt to obtain a new address for all returned mail.
342.	The Contractor shall, when necessary, update customer Accounts (e.g. addresses, Nixie status, etc.) to reflect the most recent customer addresses, or mark Accounts as Nixie.
343.	The Contractor may be required to identify and flag Accounts on the BOS for mail suppression where mail has been returned as undeliverable and where a new address cannot be obtained.
344.	The Contractor shall log received returned mail, scan mail onto customer Accounts (as appropriate) and store returned mail according to NCTA and North Carolina's Document Retention Schedule and policies.

#### 4.3.5. Interoperability

The NCTA is Interoperable with other toll agencies and facilities such that NC Quick Pass customers may travel on away facilities (a non-NCTA roadway) using their NC Quick Pass Transponder or license plate listed on the NC Quick Pass Account, and customers of other toll agencies may travel on NCTA facilities using their home Transponder or Account-registered license plate. The Contractor is responsible for supporting NC Quick Pass Interoperability.

345.	The Contractor, in coordination with NCTA, shall support Interoperability and Interoperable Partners (including but not limited to E-ZPass Group, Florida's Turnpike
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	SunPass and Georgia PeachPass) in accordance with NC Quick Pass Business Policies, SOPs, NCTA Interoperability Agreements and as directed by NCTA.
346.	The Contractor shall support home and away authority transactional and financial support for IOP and programs.
347.	The Contractor shall coordinate with NCTA, the BOS contractor and each IOP to perform periodic (weekly or monthly, depending on the IOP) reconciliation and settlements of Interoperable transactions and revenue in accordance with the SOPs and the governing reciprocity agreements and operating documents, and preparing settlements for NCTA. The Contractor will report to NCDOT Finance the settlements for final authorization to each IOP from the NCTA Account.
348.	The Contractor shall coordinate with NCTA, the BOS contractor and IOP to resolve customer or processing issues and customer disputes.
349.	The Contractor shall coordinate with NCTA and the BOS contractor on the implementation of regional HUB processing.

#### 4.3.6. NC Ferry Support

The Contractor is responsible for utilizing the NCDOT's NC Ferry reservations system and providing NC Ferry customers with reservation support and fare payment processing.

350.	The Contractor shall support NC Ferry reservations and general inquiries using the Ferry Reservation system.
351.	The Contractor shall coordinate with NC Ferry and NCTA to develop and modify SOPs for NC Ferry support, including but not limited to: <ul style="list-style-type: none"> <li>• Taking phone calls from NC Ferry customers;</li> <li>• Answering questions regarding NC Ferry operations;</li> <li>• Scheduling NC Ferry reservations, and taking payments according to SOPs; and</li> <li>• Assist with refunds.</li> </ul>
352.	The Contractor shall track and regularly report to NCTA on all NC Ferry activities.
353.	The Contractor shall invoice NCTA for all Ferry Support Services separately from the operations and pass-through invoices.

#### 4.3.7. Financial Requirements

The Contractor is responsible for providing comprehensive financial management and reporting Services in order to ensure accurate and timely reporting of NC Quick Pass and Bill by Mail activities.

##### 4.3.7.1. General Financial Requirements

354.	The Contractor shall use NCTA provided banking services.
355.	The Contractor shall provide financial Services support in compliance with Generally Accepted Accounting Principles (GAAP), North Carolina State laws, NC Quick Pass Business Policies, and as directed by NCTA.

356.	The Contractor shall coordinate with NCTA to design and implement comprehensive daily, monthly, annual, and on-demand financial reporting packages.
357.	<p>The Contractor shall utilize the BOS <del>for</del> and provide financial Services that include, but are not limited to:</p> <ul style="list-style-type: none"> <li>• Reconciliation of Interoperable Partner transactions for settlement;</li> <li>• Payment acceptance via CSCs, the lockbox service, online, phone, <del>text, chat,</del> or United States Postal Service (USPS);</li> <li>• Process payments from all accepted methods (e.g. cash, check, credit cards, Automated Clearing House (ACH), Apple Pay, etc.);</li> <li>• Apply payments to the customer Accounts;</li> <li>• Apply adjustments (e.g. chargebacks, reversals, error corrections, etc.);</li> <li>• Refund coordination, including initiation, maintaining backup, tracking, and follow-up;</li> <li>• Reconciliation and reporting of financial data related to toll transactions, fees, and penalties processed by the CSC;</li> <li>• Managing cash/credit receipts;</li> <li>• Apply split payments and multiple payments;</li> <li>• Process, resolve, reconcile and report unidentified payments that do not have sufficient information to record the transaction (i.e., lockbox payments);</li> <li>• Process overpayments and partial payments;</li> <li>• Sales and returns of Transponders; and</li> <li>• Inventory received with fiscal impact to the current accounting period.</li> </ul>
358.	The Contractor shall provide NCTA staff and representatives access to all accounting records and internal reports (including risk assessment, analytical review, transaction and accounting reviews, and other internal and external audit results) related to CSC processed transactions and activities.
359.	The Contractor shall coordinate with NCTA and the BOS contractor to devise a method of tracking variances or discrepancies.
360.	<p>The Contractor shall document and report to NCTA immediately upon discovery all identified variances or discrepancies, including:</p> <ul style="list-style-type: none"> <li>• Cause of variance/discrepancy (e.g. system or CSC-related);</li> <li>• Amount of variance/discrepancy;</li> <li>• Transaction date(s);</li> <li>• Recommended resolution; and</li> <li>• Date of resolution.</li> </ul>
361.	The Contractor shall follow NCTA daily, monthly and year-end closing schedules for entering financial activity and producing reconciliations in accordance with the SOPs.
362.	The Contractor shall implement any NCTA-Approved changes related to accounting policies or procedures within ten (10) Business Days.

363.	The Contractor shall conduct on-going accounting reviews to ensure the accuracy of BOS processed transactions.
364.	The Contractor shall confirm the BOS is processing financial transactions within the correct financial period.

#### 4.3.7.2. Credit Card and Debit Card and ACH Processing

Customers may make payments and fund Accounts electronically using credit cards, debits cards, and ACH processes. The Contractor is responsible for managing customer payments, corrections, adjustments, and refunds, via these electronic payment methods. Additionally, the Contractor is responsible for reconciliation and reporting for these activities.

365.	The Contractor shall manage payment processing made by customers using accepted debit and credit cards and ACH in accordance with NC Quick Pass Business Policies and SOPs.
366.	The Contractor shall comply with security, privacy and PCI standards as described elsewhere in this RFP.
367.	The Contractor shall comply with NACHA Operating Rules and NCDOT ACH processing Requirements. Any fines resulting from Contractor's failure to comply with ACH rules are the Contractor's responsibility.
368.	The Contractor shall use the BOS-supplied credit and debit card readers.
369.	The Contractor shall work with NCDOT Finance, as well as the BOS contractor, to resolve any processing issues with ACH, credit and debit cards.
370.	The Contractor shall provide a timely response to charge back dispute notifications within requested response date indicated on the notification and shall reverse payments from customer Accounts in accordance with the SOPs.
371.	The Contractor shall monitor electronic payment failure alerts and immediately notify NCTA and the BOS contractor, if applicable, of processing issues.

#### 4.3.7.3. Cash and Check Processing

NCTA will provide a lockbox service to process customer check payments by USPS which will interface with the BOS. In instances when the lockbox processor cannot apply a payment, the lockbox processor will send payment exceptions to the Contractor for processing. The Contractor is responsible for logging items received and researching lockbox exceptions to find the proper customer to apply the payment. The Contractor may also receive checks and cash directly and is responsible for processing these payments and applying credit to the proper customer Accounts. The Contractor shall meet the following Requirements in support of cash and check payment processing.

372.	The Contractor shall manage and process cash, money orders, and check payments presented by the customer in accordance with NC Quick Pass Business Policies, NCDOT Cash Management Plan, SOPs and Performance Requirements.
373.	The Contractor shall be responsible for scanning front and back of all checks received using BOS contractor-provided scanning equipment and associate the check image with the correct NC Quick Pass or Bill by Mail Account.

374.	The Contractor shall utilize BOS or bank-provided receipt printers to restrictively endorse all customer checks processed by the Contractor.
375.	The Contractor may process checks received at the CSC to NCTA's designated bank electronically according to the Check 21 Act rules and Requirements utilizing a remote deposit process.
376.	Whenever a currency bill of \$50 or larger is presented, prior to processing the payment or replenishment the Contractor shall test the currency utilizing the existing Cassida Instacheck Counterfeit Detectors.
377.	The Contractor shall implement anti-money laundering procedures that allow for the identification of potential money laundering activities conducted through NC Quick Pass Accounts.
378.	The Contractor shall properly safeguard all cash and checks and maintain records of the chain of custody.
379.	The Contractor may contract with an armored car service to transfer fund deposits from the CSCs and the mail-processing center to NCTA's bank.
380.	NCDOT Finance will provide the deposit slips. The Contractor shall provide all other deposit supplies. Deposit supplies shall meet Requirements of NCTA's banking services provider.
381.	The Contractor shall log and process payment exceptions forwarded by the lockbox provider in accordance with the SOPs. In all cases, the Contractor shall maintain accurate records of the application of each payment received and how and where they were applied.
382.	The Contractor shall ensure accuracy of fund deposits sent to NCTA designated bank or financial institution. Contractor shall be responsible for all funds until the bank has verified the deposit.
383.	Where necessary, the Contractor shall keep an electronic and hard copy of each deposit filed for audit and review.

#### 4.3.7.4. Financial Reconciliation

The Contractor is responsible for performing financial reconciliations and for providing NCTA with reconciliation support.

384.	<p>The Contractor shall perform and maintain transactional reconciliations between the BOS accounting activity reports and CSC receipt activity. Daily reconciliations due by twelve (12) noon of the following Business Day, include but are not limited to:</p> <ul style="list-style-type: none"> <li>• Comparison of customer pre-paid Account balances to activity reports and General Ledger postings;</li> <li>• Transponder issuance and return activity compared to inventory reports and General Ledger postings;</li> <li>• CSR expected cash/equivalents compared to actual cash/equivalents, per shift closeout; and</li> </ul>
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	<ul style="list-style-type: none"> <li>• Comparison of receipts to bank deposit reports and General Ledger postings.</li> </ul>
385.	The Contractor shall perform a daily proof that processed payments, credits, and fees reconcile to BOS reports and deposit information.
386.	The Contractor shall work with NCTA/NCDOT and the BOS contractor to investigate and resolve any transactions that do not post correctly to a customer Account or NCTA financial institution.

#### 4.3.7.5. Financial Activities Reporting

The Contractor is responsible for providing NCTA with reports on Contractor operations including accurate and complete financial activity, operational statistics, and performance results.

387.	The Contractor shall utilize BOS reports and any supplemental reporting required in order to support financial operations, statistical reporting, and performance reporting as requested by NCTA.
388.	The Contractor shall review all reports for accuracy and quality and shall communicate any errors or deficiencies in BOS reports to NCTA and the BOS contractor within one (1) Business Day upon identification of an issue.
389.	Throughout the term of the Contract the Contractor shall be required to develop and generate for NCTA various ad-hoc reports that supplement BOS reporting.

#### 4.3.8. Audit Support Requirements

The Contractor is responsible for supporting NCTA internal and external audits of Contractor activities related to the NC Quick Pass and NC Ferry Operations.

##### 4.3.8.1. Audit Support

390.	The Contractor shall provide support to NCTA and NCDOT internal audit staff and external auditors to meet all audit Requirements.
391.	The Contractor shall provide all financial, transaction and inventory records and reports to support auditing.
392.	The Contractor shall grant full access to its records, staff, data, systems, and other information to NCTA's internal audit staff and external auditors, as Approved by NCTA.

##### 4.3.8.2. System and Organization Control (SOC) Audit

393.	The Contractor shall annually obtain a System and Organization Control (SOC) I audit of Contractor's Operations activities under the Contract performed by a NCTA pre-approved Certified Public Accounting firm.
394.	The Contractor shall be responsible for all costs related to the annual assessment audits including the implementation of any and all corrective actions requested by NCTA.
395.	The Contractor shall remedy any qualified opinions, exceptions, or other negative findings or areas of improvement identified by the SOC I.



**4.3.8.3. PCI Audits**

The NC Quick Pass and NC Ferry Customer Service Operations is classified as a Level I merchant. As such, NCTA and the BOS Contractor will engage third-party firms to annually certify that all system, processes, and practices of the NC Quick Pass and NC Ferry Customer Service Operations meet or exceed PCI standards.

396.	<del>The Contractor shall maintain all NC Quick Pass and NC Ferry Operations Service Center and customer materials, data, and payment information in full compliance with the most current PCI-DSS at all times. The Contractor's SOPs, physical security implementation, and operating practices shall be compliant with the most recent PCI-DSS Level I merchant standards at all times.</del>
397.	<del>The NC Quick Pass and NC Ferry Operations Service Center is classified as a Level I merchant. As such, the Contractor shall retain a highly qualified and credentialed third-party firm to annually certify that all processes and practices of the Contractor meet or exceed PCI standards. NCTA shall Approve the PCI compliance subcontractor and the cost of annual exams shall be borne by the Contractor and shall not be considered a pass-through cost to NCTA. The Contractor shall allow access to records and facilities to PCI auditors and cooperate with any PCI audits conducted by others related to Contractor practices, as directed by NCTA.</del>
398.	<del>The Contractor shall provide to NCTA prior to transition to Ongoing Operations, and annually thereafter, the third-party firm's report detailing the compliance exam results. The Contractor shall implement corrective actions within seven (7) days of notice or within a time period agreed to with NCTA to address deficiencies and/or negative PCI findings related to Contractor practices.</del>
399.	<del>The Contractor shall resolve all Report on Compliance (ROC) exam exceptions within seven (7) days of receipt of the exam results, or within a time period agreed to with NCTA after submitting a satisfactory remediation plan. The Contractor shall ensure all Contractor staff are initially trained upon hire regarding PCI requirements and that all staff are provided at a minimum annual PCI re-training.</del>
400.	<del>The Contractor shall schedule and pay for any required retests immediately upon resolving any exceptions in order to verify compliance. The Contractor shall not allow any NC Quick Pass or NC Ferry customer data on Contractor-owned or Contractor-specific equipment or computers.</del>

**4.3.9. Records Management and Public Disclosure Requests**

The Contractor shall meet the following Requirements for record retention and public disclosure requests.

401.	The Contractor shall meet all NCTA and North Carolina's Document Retention Schedule NCDOT data retention Requirements which can be found at <a href="https://archives.ncdcr.gov/government/retention-schedules">https://archives.ncdcr.gov/government/retention-schedules</a> .
402.	The Contractor shall assist NCTA with transferring, receipt and logging of records that are transported to and from an NCTA provided documentation storage location.

403.	The Contractor shall retain a third-party firm to provide document shredding services. The Contractor shall identify materials that require shredding according to the Approved SOPs.
404.	The Contractor shall assist in the gathering of data in support of public records requests or other requests for information from external entities, as requested by NCTA.
405.	The Contractor shall ensure no data or information is provided to any external entity (e.g. news organization, individual with a public disclosure request, etc.) without first being reviewed and Approved by the NCTA Project Manager, and/or other NCTA personnel as directed by NCTA.
406.	The Contractor shall implement SOPs for handling public disclosure requests.
407.	<p>The Contractor shall implement a Quality Control process to manage each request for data or information that includes, but is not limited to:</p> <ul style="list-style-type: none"> <li>• Appointing one person responsible for each request to provide NCTA with a single point of contact, whose responsibilities shall include but not be limited to: <ul style="list-style-type: none"> <li>○ Managing the collection of data/information based on the timeline of the request;</li> <li>○ Ensuring all data undergoes QC and data validation;</li> <li>○ Providing the information to NCTA;</li> <li>○ Answering any questions NCTA or others reviewing the information may have;</li> <li>○ Providing any narrative that may be necessary to clarify the data; and</li> <li>○ Supporting NCTA through such time that NCTA has officially responded to the request.</li> </ul> </li> <li>• Communicating the contact person's name and contact information to NCTA, the BOS contractor, NCTA consultants and other personnel as directed by NCTA.</li> <li>• Identifying a person(s) for Quality Control review of data/information.</li> <li>• Review of request to ensure the request for information is clear and understood, as well as determine if NCTA has responded to similar requests in the past.</li> <li>• Identifying the best reports or sources of information to use to fulfill the request.</li> <li>• Review of gathered data to ensure data matches, or aligns with, similar data provided for prior requests.</li> </ul>

#### 4.3.10. Continuous Improvement Program

The Contractor shall strive to make continuous improvement throughout the life of the Contract.

408.	The Contractor shall implement a Continuous Improvement Program per the Approved Continuous Improvement Plan.
409.	<p>The Contractor shall monitor customer feedback, and propose changes to NCTA to improve overall customer satisfaction including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Increased customer self-service opportunities;</li> <li>• Improve customer interaction channels and tools (e.g. CSC walk-in, IVR, website, mobile application, etc.); and</li> </ul>

	<ul style="list-style-type: none"> <li>• Identification of ideas to enhance program offerings.</li> </ul>
410.	The Contractor shall regularly submit program findings (whether generated internally or externally) for NCTA's review and Approval.
411.	The Contractor shall track and report on Project improvements in the Monthly Operations Report.
412.	The Contractor shall annually submit an updated Continuous Improvement Plan for NCTA's review and Approval.

#### 4.4. Facility Management

NCTA requires their facilities to have a professional appearance to the public. The Contractor is responsible to maintain all NC Quick Pass facilities in a state of cleanliness and good repair.

##### 4.4.1. General Facility Management Requirements

The Contractor is responsible to operate and maintain all NC Quick Pass facilities in accordance with the following Requirements. It should be noted that the NC Quick Pass Operations Center is available to the Contractor 24/7 and if used as such may require additional maintenance Services. For informational purposes the current Lease Agreements have been included as Appendices E-G.

413.	The Contractor shall be responsible for assuming the leases of the Morrisville CSC and Monroe CSC, including a thorough understanding of lessor/lessee responsibilities, negotiating rent, improvements, and other lease terms, paying any necessary rent as a pass-through expense to NCTA, and interacting with facility owners/landlords and their representatives. The Contractor shall also be responsible for coordinating with NCTA and facility owners/landlords to negotiate and enter into facility extension agreements, as necessary.
414.	The Contractor shall provide all the management, supervision and coordination of the administrative, and technical functions necessary for the effective and timely accomplishment of all facility management, preventative and corrective maintenance activities.
415.	The Contractor shall make or oversee tenant improvements, as directed by NCTA.
416.	The Contractor shall provide efficient and innovative solutions to accommodate growth or increase in volume that surpasses the current capacity of the Morrisville Operations Center.
417.	The Contractor shall maintain all NC Quick Pass facilities in conformance with ADA standards, and shall meet Occupational Safety and Health Administration (OSHA) Requirements.
418.	The Contractor shall ensure the maintenance of breakroom equipment include, but are not limited to refrigerators, microwaves, vending machines, tables, and chairs.
419.	The Contractor shall maintain employee lockers for personal items.

420.	The Contractor shall allow all NCTA authorized staff, contractors or consultants full 24-hour unannounced access to all NC Quick Pass facilities and all areas within these facilities.
421.	The Contractor shall be responsible for regular testing and maintenance of NC Quick Pass facility alarms (security, smoke, carbon monoxide, etc.) to ensure a continuous working state.
422.	The Contractor shall be responsible for addressing all facility safety issues and concerns such that all facilities follow North Carolina building safety codes.
423.	The Contractor is responsible for all janitorial Services, as applicable to the particular NC Quick Pass facility, and shall ensure that all facilities used by the Contractor for this Work are professional in appearance and clean.
424.	The Contractor shall exercise due care in the use, maintenance and storage of NCTA-provided facilities, property and assets.
425.	The Contractor shall utilize security systems to keep employees, data, funds, property, equipment and assets safe.
426.	The Contractor shall promptly notify NCTA of any weakness in the security at NC Quick Pass facilities.
427.	The Contractor shall make all NCTA-directed and Approved improvements to the NC Quick Pass facilities, if any, as a combination of <del>Additional Work</del> <u>extra work or task order</u> and a Pass-through Cost.
428.	The Contractor shall coordinate with the existing operations contractor for an orderly hand-off of the NC Quick Pass facilities.
429.	The Contractor shall provide a written summary of activities performed during the preceding month, and submit the activity in the Monthly Operations Report for NCTA's review.
430.	The Contractor shall maintain the facilities, furniture, and equipment in a state of good repair and professional appearance for the duration of the Contract.
431.	Upon request by NCTA, the Contractor shall prepare and submit for NCTA's review and Approval a Facility Renewal Plan and Budget to address replacement and renewal needs of the facilities, furniture and equipment.
432.	The Contractor shall conduct inspections of all facilities at least annually to ensure all facilities meet specifications and guidelines. The Contractor shall report the findings of these inspections to NCTA in the Annual Facility Inspection Report.
433.	The Contractor shall submit any changes to the facility layout or space purpose prior to making any changes for NCTA's review and Approval.
434.	The Contractor shall take all reasonable precautions in the performance of any Work on an NC Quick Pass facility to protect the health and safety of employees and members of the public, and shall comply with all applicable health and safety regulations.

#### 4.4.2. Facility Equipment and Systems Management

The Contractor shall meet the following facilities management Requirements:

435.	<p>The Contractor shall operate, maintain, inspect, and repair all mechanical, electrical, plumbing, and utility systems installed at each NC Quick Pass facility, including, but not limited to:</p> <ul style="list-style-type: none"> <li>• HVAC Systems;</li> <li>• Air Handling/distribution equipment and systems;</li> <li>• Water Supply and systems;</li> <li>• Sewage equipment and systems;</li> <li>• Fire Protection Systems;</li> <li>• Computer/server/communications rooms;</li> <li>• Uninterruptable power supplies;</li> <li>• Generators;</li> <li>• Storm Drainage Systems;</li> <li>• Utility Systems;</li> <li>• Lighting Systems; and</li> <li>• Emergency Systems.</li> </ul>
436.	<p>The Contractor shall report on the status of any major equipment or systems not operating correctly, or that became non-operational during the workday immediately to both NCTA and the property owner and/or property management company, as applicable and appropriate maintenance and repair contractor.</p>

#### 4.4.3. Pest Control Requirements

The Contractor shall meet the following pest control Requirements:

437.	<p>The Contractor shall provide Services necessary to control rodents, insects and other pests using only those mechanisms and pesticides which comply with the provisions of state and federal laws.</p>
438.	<p>The Contractor shall control insects using measures which are necessary to suppress crawling and flying insect populations within the facilities covered by these Requirements using properly registered and labeled pesticide products and Approved devices.</p>
439.	<p>The Contractor shall control rodents using measures necessary to suppress populations of rats, mice, and/or any other species which become a pest within and around NC Quick Pass facilities.</p>
440.	<p>The Contractor shall conduct a thorough inspection and treatment every six months at a minimum.</p>
441.	<p>The Contractor shall provide a continuous program for the control of rodents, insects and other pests.</p>
442.	<p>The Contractor shall immediately address any obvious signs of infestation.</p>

443.	The Contractor shall provide these Services personally or can elect to utilize a subcontractor to perform the required Work. The selection of a subcontractor shall not alleviate any of the Contractor responsibilities.
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#### 4.4.4. Trash or Waste Disposal/Removal Requirements

The Contractor shall meet the following trash or waste disposal/removal Requirements:

444.	The Contractor shall furnish all necessary labor, equipment, and supervision to provide waste and incidental debris removal and disposal Services as set forth herein.
445.	The Contractor shall maximize recycling to the greatest extent possible.
446.	The Contractor shall dispose of waste not transported to a facility for manufacture or recycling through a waste disposal facility that has been certified by the appropriate State Agency for waste management or by the Environmental Protection Agency.
447.	The Contractor shall provide these Services personally or can elect to utilize a subcontractor to perform the required Work. The selection of a subcontractor shall not alleviate any of the Contractor responsibilities.

#### 4.4.5. Heating, Ventilation, and Air Conditioning Maintenance

The Contractor shall meet the following Requirements for HVAC maintenance.

448.	The Contractor shall be responsible for routine maintenance and repair of all HVAC units located in NC Quick Pass facilities.
449.	The Contractor shall provide these Services personally or can elect to utilize a subcontractor to perform the required Work. The selection of a subcontractor shall not alleviate any of the Contractor responsibilities.

#### 4.4.6. Electrical Maintenance

The Contractor shall meet the following Requirements for electrical maintenance.

450.	The Contractor shall be responsible for maintenance of all electrical equipment and electrical fixtures, including emergency generators and uninterrupted power systems on all NC Quick Pass CSC facilities.
451.	The Contractor shall provide all management, supervision, labor, materials, supplies, repair parts, tools, and equipment, and shall plan, schedule, coordinate and ensure the effective and economical operation, maintenance and repair of the facilities as required.
452.	The Contractor shall exercise all emergency standby generators according to manufacturer specifications.
453.	The Contractor shall provide these Services personally or can elect to utilize a subcontractor to perform the required Work. The selection of a subcontractor shall not alleviate any of the Contractor responsibilities.

454.	The Contractor shall perform scheduled and unscheduled maintenance and repairs, as necessary, on an eight (8) hour a day, seven (7) days per week basis.
455.	The Contractor shall perform emergency maintenance and repairs on an as needed basis, and shall not be restricted by the eight (8) hour a day time constraint.

#### 4.4.7. Facility Contractor Oversight

The Contractor shall be responsible for overseeing and managing all contractors performing facility repairs and maintenance at NC Quick Pass facilities.

456.	The Contractor shall manage correction or repair work through to completion including all punch list items and operational and functional checks.
457.	The Contractor shall ensure the quality of the Work and the repaired areas shall be fully compatible with adjacent surfaces and equipment.
458.	The Contractor shall coordinate with NCTA in advance to schedule interior and exterior painting on a periodic basis.

#### 4.4.8. Facility Access Control

The Contractor shall be responsible for managing access control for all NC Quick Pass facilities.

459.	The Contractor shall be responsible for managing access control for the NC Quick Pass CSC facilities, including providing and monitoring badge in and badge out activities as well as the issuance of temporary and permanent badges.
460.	The Contractor shall create and maintain an Access Control Matrix, which identifies authorized personnel and their access levels to NC Quick Pass CSC facilities. NCTA reserves the right to review or audit the Access Control Matrix at any time.
461.	The Contractor shall conduct quarterly reviews of the Access Control Matrix against the actual access logs from NCTA CSC facility security systems for all personnel.
462.	The Contractor shall promptly notify NCTA of any security weakness, security breach or attempts, or other security related issues.

#### 4.4.9. Facility Security Requirements

The Contractor shall assume and maintain security systems for all NC Quick Pass facilities including building exterior and parking areas.

463.	<p>The Contractor shall maintain and update security systems to keep employees, data, funds, property, equipment and assets secure and safe including, but not limited to:</p> <ul style="list-style-type: none"> <li>• Cameras in any areas where cash, checks and inventory are handled;</li> <li>• Cameras to monitor all public areas and entrances to secure areas;</li> <li>• Motion and intrusion detection;</li> <li>• Panic buttons; and</li> <li>• Card key access to the building and secure areas within the building.</li> </ul>
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464.	The Contractor shall be responsible for developing and adhering to an appropriate NC Quick Pass facility card key access program including but not limited to: <ul style="list-style-type: none"> <li>• Assign and manage the card key access by user and user role;</li> <li>• Assign user roles to specific areas of the building;</li> <li>• Provide reporting on card key access rights and access activity;</li> <li>• Replenish access card inventory; and</li> <li>• Develop and monitor visitor pass process.</li> </ul>
465.	The Contractor shall make the key card system access available to NCTA upon request.
466.	The Contractor shall furnish locksmith Services through coordination with NCTA for routine installation and removal of lock-sets and tumblers, duplication of keys, repair of defective lock-sets, and opening doors in the event of lost keys.
467.	The Contractor shall change out or re-tumble all affected locks, at their cost, if any keys are lost.
468.	The Contractor shall replace all locks and keys at the Contractor's expense in the event a master key in the Contractor's possession is lost or duplicated.
469.	The Contractor shall ensure all new locks shall fit existing master key systems and be keyed to fit existing keys for the locks being replaced.
470.	The Contractor shall ensure all locks and keys are compatible with the security system.

#### 4.4.10. Facility Network Communications Requirements

The Contractor shall provide network communications for facility access, security systems, and Contractor workstations for all facilities.

471.	The Contractor shall be responsible for <del>maintaining the existing</del> providing network communications necessary to support <del>the existing</del> facility access and security systems for all NC Quick Pass facilities. The BOS contractor will be responsible for providing network communications to support the BOS.
472.	The Contractor is responsible for providing and maintaining network connectivity for Contractor-provided computers and connections to peripherals as necessary.
473.	The Contractor shall ensure that any Contractor-provided WiFi network is appropriately secured and in compliance with NC Statewide Technical Architecture Network Domain standards ( <a href="https://files.nc.gov/ncdit/documents/files/Network.pdf">https://files.nc.gov/ncdit/documents/files/Network.pdf</a> ).

#### 4.5. Marketing and Public Relations Support

The Contractor is responsible for working with NCTA to provide information to customers, media and others about the NC Quick Pass Program and NCTA toll facilities in a proactive, responsive, consistent and complete manner.



474.	The Contractor shall supply staff and other support to assist NCTA with marketing and outreach activities such as special events, company/employer on-sites, and other marketing opportunities, and, at NCTA's direction, participate in media events.
475.	The Contractor shall prepare reports and materials for NCTA's use in responding to media inquiries.
476.	The Contractor shall refer all media requests to NCTA prior to releasing any information or participating in any interviews (on camera or off camera). NCTA will be the sole media spokesperson.
477.	The Contractor shall support tours of CSCs for media, local or State government officials or NCTA management at NCTA's request.
478.	The Contractor shall provide access to Contractor staff and NC Quick Pass CSC facilities for photography and video efforts at NCTA's request.
479.	The Contractor shall regularly report to NCTA customer feedback received through all customer communication channels, and make recommendations regarding emergent issues.
480.	The Contractor shall <del>coordinate with</del> <u>assist</u> NCTA, NCTA's consultants and the BOS contractor to update the BOS-provided website with static content.
481.	The Contractor shall coordinate with NCTA, NCTA's consultants and the BOS contractor to update the BOS provided IVR with message content or call tree flow.
482.	The Contractor shall manage the printing and distribution of marketing materials and customer collateral developed by NCTA, including but not limited to Transponder packaging, Transponder mounting instructions, customer applications, and other NCTA toll program materials as directed by NCTA.
483.	The Contractor shall support outreach and communication efforts for service interruptions such as outages or other issues affecting a customer's ability to reach customer service via phone, email, website or visit a walk-in location.

#### 4.5.1. Special Event Support

The Contractor shall meet the following Requirements to support NC Quick Pass special events as directed by NCTA.

484.	The Contractor shall support special event programs as initiated by NCTA in support of NC Quick Pass Transponder distribution, new road openings, or other public relations/marketing events to market Transponders and the NC Quick Pass Program in accordance with NC Quick Pass Business Policies.
485.	The Contractor shall coordinate with the NCTA marketing team, marketing and PR consultant or other designee as directed by NCTA to organize, coordinate and conduct special events.
486.	The Contractor shall be responsible for contacting locations where special events are scheduled to be held in advance of the event to coordinate and determine key event details, including but not limited to:

	<ul style="list-style-type: none"> <li>• Setup of location;</li> <li>• Size of allotted space;</li> <li>• Arrival time, setup time, departure time;</li> <li>• Availability of power and network communications;</li> <li>• Availability of refreshments (e.g. water or vending machines);</li> <li>• Availability of restrooms;</li> <li>• Travel, parking, and other logistics; and</li> <li>• Necessary equipment (laptops, booths, tents, etc.).</li> </ul>
487.	The Contractor shall be responsible for maintaining a calendar of special events to track all planned / “booked” special events, and schedule necessary Contractor personnel/resources.
488.	The Contractor shall coordinate with NCTA to register NC Quick Pass participation in any scheduled event with the organization hosting the event.
489.	The Contractor shall coordinate with NCTA and the event host to estimate event attendance, and secure all necessary materials (Transponders, Account applications, promotional materials, etc.).
490.	<p>The Contractor shall be responsible for providing full-service customer support during the event, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Answering questions about NC Quick Pass or NCTA toll facilities;</li> <li>• Live registration and opening of new customers;</li> <li>• Performing Account maintenance activities;</li> <li>• Proactively talking to event attendees; and</li> <li>• Handing out promotional items.</li> </ul>
491.	<p>The Contractor shall be required to report on activity that took place at the event within three (3) Business Days, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Number of Accounts opened;</li> <li>• Transponders sold (by type);</li> <li>• Account maintenance activity conducted; and</li> <li>• Continuous improvement suggestions received.</li> </ul>
492.	The Contractor shall provide staff capable of supporting NC Quick Pass special events as directed by NCTA.
493.	The Contractor shall provide one CSR (at a minimum), and a Supervisor to manage each special event. Contractor shall be prepared with staff fluent in Spanish, if required for the special event.
494.	The Contractor shall coordinate with the NCTA marketing team, marketing and PR consultant or other designee as directed by NCTA on the procurement of specialty merchandise used in association with the special events.

495.	The Contractor shall prepare for and provide staff to support events in duration of approximately 10-12 hours per day, including set up and tear down. Some reimbursable overnight travel and lodging may be required for some events as pre-Approved by NCTA.
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#### 4.6. Succession Support

The Contractor is responsible for assisting NCTA with an orderly transition from the Contractor to a new operations contractor. Compensation for this support shall be paid as extra work and negotiated with NCTA.

496.	The Contractor shall work with NCTA and the successor to determine the activities required to transition operations in an orderly manner while minimizing disruption to NC Quick Pass and NC Ferry Operations and Facility Management.
497.	The Contractor shall appoint a project manager to manage transition of operations to the Successor in order to provide a single point of contact for the successor and NCTA.
498.	<p>The Contractor shall be responsible for:</p> <ul style="list-style-type: none"> <li>• Providing appropriate staff time for meetings and other coordination activities with the successor and NCTA for the orderly transfer of operations;</li> <li>• Managing the development of a schedule containing all necessary transition items based on mutually agreeable dates between NCTA, the Contractor and the successor;</li> <li>• Developing an issue tracking log for the transition of operations;</li> <li>• Perform a physical inventory of all NCTA assets, immediately prior to transfer;</li> <li>• Working with NCTA to manage any issues which come up during transition of operations; and</li> <li>• Providing weekly updates on the progress of the transition to the successor.</li> </ul>
499.	The Contractor shall ensure operations and facility management staff with sufficient experience are retained/hired to maintain the quality of Services required by the Contract during the transition of operations.
500.	The Contractor shall coordinate with NCTA and the successor to enable the successor conduct onsite inspections of the CSCs and other NC Quick Pass facilities prior to and during transition of operations.
501.	The Contractor shall be required to update CSC related business process documents, SOPs, and other related documentation as a part of the transition process.
502.	The Contractor shall assist in the training of the successor in CSC Operations, the Business Policies and SOPs.
503.	The Contractor shall, as appropriate, assign any required facility leases, licenses, supporting Services contracts, utilities, communications, and any other support contracts to NCTA, the successor or their designee as directed by NCTA.

## 5. OPTIONAL Requirements for NC Quick Pass and NC Ferry Customer Service Operations Support

The Requirements below outline optional operational areas the Contractor may be requested to support upon NCTA's direction. All Work would be negotiated through change order or priced as extra Work, depending on the requested task.

### 5.1. Image Review Quality Audits

Image Review is performed by third-party contractors for NCTA tolled transactions. NCTA may elect to assign image review quality auditing to the Contractor. If the Work is assigned the Contractor will be responsible for utilizing the BOS to select and review video images for comparison to plate data entered in the BOS.

504.	For each license plate that is returned from a DMV as rejected or 'no hit', the Contractor shall view the image representing the Bill by Mail transaction on the BOS to ensure the license plate in the image was entered correctly by the third-party contractor. If the image was not entered correctly, the Contractor shall update the plate data in the BOS.
505.	For images originating from the I-77 Express Lanes, the Contractor shall utilize the BOS to select a sample of images to view and compare image to the data entered.
506.	The Operations Contractor shall utilize License Plate Guidebooks, supplied by others, in order to determine the accuracy of the data entered, including plate jurisdiction, plate type (if required for a given jurisdiction), and the plate characters.

### 5.2. Retail Transponder Sales

Should NCTA implement agreements with regional retailers for the sale and distribution of NC Quick Pass Transponders, the Contractor may be required to meet the following Requirements.

507.	<p>The Contractor shall prepare and submit a Retail Transponder Distribution Plan for NCTA's review and Approval, which describes the Contractor's plan to fulfill the Requirements of the program. The plan shall include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Program description;</li> <li>• Overall goals of program;</li> <li>• Details describing how Transponders shall be distributed to each retailer and tracked;</li> <li>• Details describing how inventory management procedures shall be modified to support this program;</li> <li>• Reporting Requirements; and</li> <li>• Approach to evaluating, maintaining and modifying the program.</li> </ul>
508.	<p>The Contractor shall establish and operate a retail distribution program which shall enable customers to perform the following in-store activities:</p> <ul style="list-style-type: none"> <li>• Purchase an NC Quick Pass Transponder for later association to an Account;</li> <li>• Fund the NC Quick Pass Account associated with the Transponder(s) purchased at retail locations;</li> </ul>

	<ul style="list-style-type: none"> <li>• Add money to an existing NC Quick Pass Transponder Account;</li> <li>• Pay a Bill by Mail invoice; and</li> <li>• Pay a toll violation notice.</li> </ul>
509.	The Contractor shall procure packaging, if necessary, for NC Quick Pass Transponders distributed at retail locations, and display items for in-store racks. The packaging shall contain a tracking number on the outside of the package.
510.	The Contractor shall manage distribution of Transponders throughout the retail network.
511.	<p>The Contractor shall provide a regular report to NCTA at a frequency of their choosing of Transponder sales at all retail locations. The report shall include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Transponder identification number;</li> <li>• Sales by Transponder type;</li> <li>• Sales by location;</li> <li>• Quantity of Transponders per sale; and</li> <li>• Total revenue per location.</li> </ul>
512.	The Contractor shall ensure that each retailer in the network has sufficient Transponder inventory levels, and support from the Contractor to provide on-going Transponder sales as well cash- preferred payment services, as applicable.
513.	The Contractor shall remit payments received from customers to NCTA's bank daily.

### 5.3. Parking Payment Support

Should NCTA implement a parking payment program that would enable NC Quick Pass Transponder Customers to pay for parking using their NC Quick Pass Transponder Account, the Contractor shall meet the following Requirements.

514.	The Contractor shall support parking payment support throughout North Carolina with the NC Quick Pass Transponder Accounts.
515.	<p>The Contractor shall coordinate with NCTA to develop SOPs for parking support, including but not limited to:</p> <ul style="list-style-type: none"> <li>• Taking phone calls from parking customers;</li> <li>• Answering questions regarding participating parking locations where customers can utilize their NC Quick Pass Transponder Account to pay for parking;</li> <li>• Reconcile payments with parking vendors; and</li> <li>• Coordinate with NCTA and the BOS contractor to resolve any issues related to parking vendors and the NC Quick Pass system.</li> </ul>
516.	The Contractor shall track and regularly report to NCTA on all parking activities.

### 5.4. Traffic Management

Should NCTA decide to transition traffic management responsibilities to the Contractor for any of its roadways, the Contractor shall meet the following Requirements.

517.	The Contractor may be required to assume traffic management responsibilities for any NC Quick Pass facility as directed by NCTA.
518.	<p>The Contractor support may include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Daily facility monitoring;</li> <li>• Toll rate and dynamic algorithm management;</li> <li>• Incident response management;</li> <li>• Coordinating the removal of stalled vehicles from the toll lanes and ramps;</li> <li>• Coordination of debris removal;</li> <li>• Dynamic Message Sign (DMS) management;</li> <li>• Toll and Intelligent Transportation Systems (ITS) system monitoring;</li> <li>• Maintenance and equipment malfunction alert management;</li> <li>• Emergency responder notification and coordination; and</li> <li>• Evacuation management.</li> </ul>

## 5.5. Cash Collection for Facilities

Should NCTA decide to implement a toll facility that has a cash collection component, the Contractor shall be responsible for hiring and staffing the facility, performing revenue collection, accounting, deposit, and reporting tasks.

519.	The Contractor may be required to assume cash collection responsibilities for any NCTA facility as directed by NCTA.
520.	<p>The Contractor support may include, but not be limited to:</p> <ul style="list-style-type: none"> <li>• Cash collection and reconciliation;</li> <li>• Cash closeout procedures;</li> <li>• Cash security;</li> <li>• Reporting on all activity; and</li> <li>• Cash transport and armored car services.</li> </ul>

## 5.6. Support Growth of Ferry Operations

The Contractor may be requested to support the growth of Ferry Operations by meeting the following Requirements.

521.	The Contractor may be required to coordinate with NCTA and NC Ferry to increase the level of support offered to Ferry Operations by increasing operational functions for the NC Ferry Program.
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## 5.7. State Agency Support

The Contractor may be requested to support other state agencies by meeting the following Requirements.

522.	The Contractor may be required to support other North Carolina state agencies (e.g. DMV Operation Support) in the event of an emergency until such time the agency can resume their own operational support.
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## 6. Performance Requirements

The Contractor shall be required to meet all Performance Requirements detailed herein; and as part of their Monthly Invoice, provide reports that show compliance to the defined Performance Requirements including details of failures that resulted in the non-compliance. The calculation of actual damages resulting from failure to meet Performance Requirements is impractical to calculate. The reduction in compensation identified below for such non-compliance are a reasonable estimate of damages resulting from a failure to meet the Performance Requirements set forth in the RFP. Therefore, the Contractor shall be subject to Invoice Adjustments, as described below, as Liquidated Damages but not as a penalty, for such non-compliance.

### 6.1. Performance Requirements and Liquidated Damages

The NCTA values high quality Services and operations and this Contract emphasizes the importance of serving the NCTA Quick Pass customers with quality, care, and efficiency in a cost-effective manner. To help ensure the Contractor strives for consistent, timely, and accurate operations at a reasonable cost to NCTA, Key Performance Indicators (KPIs) have been established for monitoring and evaluating the Contractor's performance throughout the term of this Contract. These KPIs were developed to stress the importance of meeting or exceeding performance levels in several important operational areas and therefore some KPIs are weighed more heavily than others.

As part of the KPI assessment process, the Contractor shall establish an ongoing method to monitor, measure, calculate, and report compliance with all KPI areas listed in the table below, and any additions thereto that may be agreed upon throughout the On-going Operations Phase of the Contract. The frequency and format of KPI reporting will be jointly developed between the Contractor and NCTA during the Implementation Phase of the Contract. KPIs for toll operations will be monitored and reported separately from Ferry Support.

For a given monitoring period, if the Contractor is unable to at least meet one or more KPIs, a point assessment system has been devised that culminates in a monthly point total that may negatively impact the Contractor's compensation via an Invoice Adjustment process. Invoice Adjustments are reductions in the amounts to be paid from NCTA for Services invoiced by the Contractor. In addition, there are other Liquidated Damages that may be assessed on a daily basis if certain KPIs are not met. Please refer to the KPI tables for the applicable KPIs and related Liquidated Damages.

Using the Call Abandon Rate (CC4) KPI as an example which has two levels of non-compliance assessment:

- A. Requirement: For incoming calls that have been waiting for 3 minutes or longer, the abandon rate shall not exceed 2.5%
- B. Daily Liquidated Damage Assessment: For each day the abandon rate exceeds 2.5% a \$100 Invoice Adjustment is assessed and shall be deducted from the Operations and/or Ferry Support Invoice payment request(s) submitted by the Contractor.
- C. Monthly Point Assessment: If the monthly average for the abandon rate is greater than 2.5% but no greater than 3.0%, one (1) non-compliance point is assessed for the month.
  - Higher points will be assessed depending on the actual average monthly abandon rate performance:
    - Greater than 3% but no greater than 3.5% = 3-point assessment for the month
    - Greater than 3.5% but no greater than 4.5% = 5-point assessment for the month



- Greater than 4.5% but no greater than 5.5% = 10-point assessment for the month
- Greater than 5.5% = 15-point assessment for the month
- For all KPIs subject to monthly point assessments, the point assessments are totaled for the entire month. Depending on the total number of points, the Contractor may be subject to Liquidated Damages in the form of a reduced payment amount by NCTA.
- The Contractor is required to report Contractor's performance and results of the KPI analysis as part of the Monthly Operations Report. If during a given month Contractor's performance has resulted in either Liquidated Damages or point assessments triggering an invoice adjustment, the Contractor shall calculate the required Invoice Adjustments (e.g.: total of invoice adjustments due to point assessments plus any liquidated damages).
- As part of the Contractor's invoicing process to NCTA for Contractor Services performed, the Contractor shall clearly identify the Invoice Adjustments for that month's invoice that are due to performance shortfalls for that same month (e.g.: the February monthly KPI results impact the February invoice). All such adjustment shall be subject to NCTA review.

At all times the Contractor is expected to perform the Services identified in this Contract, and any Amendments thereto, in a fashion that meets or exceeds the KPIs. However, it is understood that certain conditions, Back Office System availability, environmental factors, and other unforeseen issues may prevent the Contractor from meeting a particular KPI. These exception situations are expected to be rare occurrences and should not be considered normal operations. In such exception situations the Contractor may request an exception to the KPIs and shall fully document any request for exception in writing to NCTA and provide all supporting information. NCTA will not unreasonably withhold Approval of exception requests however NCTA, in its sole discretion, shall have the right to reject any request.

#### 6.1.1. NCTA Operations Contractor KPI Table

No.	KPI <u>Category</u>	Definition	KPI <u>Measurement</u>	Invoice Adjustment	Reporting
<b>CONTACT CENTER</b>					
CCI	Handle Time (AHT)	The amount of time CSRs spend in the following phone states – Talk Time, After Call Work (ACW) and Hold Time	<del>7:minutes</del> 30 <u>seconds</u> Maximum Monthly Average	5% deduction of the 'Price per Call Center Productive Hour' portion of the monthly invoice if not achieved.	Phone System; Average measured monthly; Deduction assessed monthly

No.	KPI Category	Definition	KPI Measurement	Invoice Adjustment	Reporting
CC2	Speed to Answer	Average amount of seconds from when customers select option to speak with Customer Service Representative (CSR) within the phone system until customer calls are answered by CSRs	No greater than 60 seconds average	Greater than 60 sec but no greater than 65 sec = 1-point assessment Greater than 65 sec but no greater than 70 sec = 3-point assessment Greater than 70 sec but no greater than 80 sec = 5-point assessment Greater than 80 sec but no greater than 90 sec = 10-point assessment Greater than 90 seconds = 15-point assessment	This KPI applies to both Toll Operations and Ferry Support. Each will be evaluated separately.  Phone System; Average measured monthly; Points assessed monthly
CC3	Wait Time	Time from when the customer selects a CSR option within the phone system to answer	<u>95% of calls answered in No greater than 180 seconds or less average</u>	Less than 95% but no less than 94% = 1-point assessment Less than 94% but no less than 91% = 3-point assessment Less than 91% but no less than 86% = 5-point assessment Less than 86% but no less than 80% = 10-point assessment Less than 80% = 15-point assessment	This KPI applies to both Toll Operations and Ferry Support. Each will be evaluated separately.  Phone System; Average measured monthly; Points assessed monthly
CC4	Call Abandonment	Overall percent of calls that abandon after waiting 180 seconds	No greater than 2.5%	<u>Daily:</u> Liquidated Damages in the amount of \$100.00 will be assessed for each day where rate is above 2.5%.  <u>Monthly Percentage:</u> Greater than 2.5% but no greater than 3% = 1-point assessment Greater than 3% but no greater than 3.5% = 3-point assessment Greater than 3.5% but no greater than 4.5% = 5-point assessment Greater than 4.5% but no greater than 5.5% = 10-point assessment Greater than 5.5% = 15-point assessment	This KPI applies to both Toll Operations and Ferry Support. Each will be evaluated separately.  Phone System; \$100 Liquidated Damage measured daily, Percentage measured monthly; Points assessed monthly

No.	KPI <u>Category</u>	Definition	KPI <u>Measurement</u>	Invoice Adjustment	Reporting
CC5 - A	Call Center Staffing (Toll Operations)	Hours of staffed telephone coverage shall be open and available for customers	Monday – Friday 9:00 a.m. to 5:00 p.m.  Saturday 9:00 a.m. to 2:00 p.m.	4 points assessed for each day Call Center staffing is not maintained per this KPI	Phone system; Staffing measured daily; Points assessed daily
CC5 - B	Call Center Staffing (Ferry Support)	Hours of staffed telephone coverage shall be open and available for customers	6:00 a.m. to 6:00 p.m.  Seven (7) days a week	4 points assessed for each day Call Center staffing is not maintained per this KPI	Phone system; Staffing measured daily; Points assessed daily
<b>PRODUCTION</b>					
PI	Transponder Fulfillment Response Time	Amount of time from when a fulfillment request enters the fulfillment queue until the Transponder is processed and removed from the fulfillment queue for shipment to the customer	A) 95% within 2 <u>Business-Production</u> Days	<u>Daily:</u> A \$100.00 Liquidated Damage will be assessed for each day where 2-day performance is below 95%.  <u>Monthly Percentage:</u> Less than 95% but no less than 94% = 1-point assessment Less than 94% but no less than 92% = 3-point assessment Less than 92% but no less than 90% = 5-point assessment Less than 90% but no less than 88% = 10-point assessment Less than 88% = 15-point assessment	BOS; \$100 Liquidated Damage measured daily, Percentage measured monthly; Maximum measured monthly; Points assessed monthly

No.	KPI Category	Definition	KPI Measurement	Invoice Adjustment	Reporting
			B) <u>100% within 3 Business-Production Days</u>	<p><u>Daily:</u> A \$100.00 Liquidated Damage will be assessed for each day where 3-day performance is below 100%.</p> <p><del>Daily-Maximum</del><u>Oldest Transponder Processed:</u> Greater than 3 <u>Business-Production Days</u> <del>but no more than 4 Business-Days</del> = 5-point assessment Greater than 4 <u>Business-Production Days</u> <del>but no more than 5 Business-Days</del> = 10-point assessment Greater than 5 <u>Business-Production Days</u> = 15-point assessment</p>	
P2	Service Requests/Cases Response Time	Amount of time from when a Case is created until a written response is sent to a customer	<p>A) 98% within 1 <u>Business-Production Day</u></p> <p>B) <u>100% within 2 Business-Production Days</u></p>	<p><u>Monthly Percentage:</u> Less than 98% but no less than 97% = 1-point assessment Less than 97% but no less than 95% = 3-point assessment Less than 95% but no less than 93% = 5-point assessment Less than 93% but no less than 91% = 10-point assessment Less than 91% = 15-point assessment</p> <p><del>Daily-Maximum</del><u>Oldest Service Request/Case Processed:</u> Greater than 2 <u>Business-Production Days</u> <del>but no more than 3 Business-Days</del> = 5-point assessment Greater than 3 <u>Business-Production Days</u> <del>but no more than 4 Business-Days</del> = 10-point assessment Greater than 4 <u>Business-Production Days</u> = 15-point assessment</p>	BOS; Percentage measured monthly; Maximum measured monthly; Points assessed monthly

No.	KPI Category	Definition	KPI Measurement	Invoice Adjustment	Reporting
P3	Existing Account Update Processing Time	Amount of time from when an Account Update is received until the Account Update is processed	<u>100% within 1 Business Production Day</u>	<u>Daily Maximum Monthly Average:</u> Greater than 1 <u>Business-Production</u> Day but no more than 2 <u>Business-Production</u> Days = 1-point assessment Greater than 2 <u>Business-Production</u> Days but no more than 3 <u>Business-Production</u> Days = 3-point assessment Greater than 3 <u>Business-Production</u> Days but no more than 4 <u>Business-Production</u> Days = 5-point assessment Greater than 4 <u>Business-Production</u> Days but no more than 5 <u>Business-Production</u> Days = 10-point assessment Greater than 5 <u>Business-Production</u> Days = 15-point assessment	Self-reported; Maximum measured monthly; Points assessed monthly
P4	Payment Processing by Mail Time	Payments processed from time received at facility by mail from applications, one-time replenishments, Transponder requests, etc.	A) 98% within 1 <u>Business-Production</u> Day	<u>Monthly Percentage:</u> Less than 98% but no less than 97% = 1-point assessment Less than 97% but no less than 95% = 3-point assessment Less than 95% but no less than 93% = 5-point assessment Less than 93% but no less than 91% = 10-point assessment Less than 91% = 15-point assessment	BOS Case Management system, <u>Percentage</u> measured monthly; Maximum measured monthly; Points assessed monthly
			B) <u>100% within 2 Business-Production</u> Days	<u>Daily Maximum Oldest Payment Processed:</u> Greater than 2 <u>Business-Production</u> Days <del>but no more than 3 Business Days</del> = 5-point assessment Greater than 3 <u>Business-Production</u> Days <del>but no more than 4 Business Days</del> = 10-point assessment Greater than 4 <u>Business-Production</u> Days = 15-point assessment	

No.	KPI Category	Definition	KPI Measurement	Invoice Adjustment	Reporting
P5	Lockbox Exception Processing Time	Processing of lockbox payment exceptions	A) 98% within 1 <del>Business-Production</del> Day	<u>Monthly Percentage:</u> Less than 98% but no less than 97% = 1-point assessment Less than 97% but no less than 95% = 3-point assessment Less than 95% but no less than 93% = 5-point assessment Less than 93% but no less than 91% = 10-point assessment Less than 91% = 15-point assessment	<del>BOS Case Management system</del> Lockbox Report, <u>Percentage</u> measured monthly; Maximum measured monthly; Points assessed monthly
			B) <del>100% within 2 Business-Production</del> Days	<del>Daily Maximum</del> Oldest Lockbox Exception <u>Processed:</u> Greater than 2 <del>Business-Production</del> Days <del>but no more than 3 Business Days</del> = 5-point assessment Greater than 3 <del>Business-Production</del> Days <del>but no more than 4 Business Days</del> = 10-point assessment Greater than 4 <del>Business-Production</del> Days = 15-point assessment	
P6	Transponder Account Assignment Accuracy	Accuracy of Transponders assigned correctly to Accounts	100%	<u>Daily:</u> A \$100.00 Liquidated Damage will be assessed for each day when KPI is not met.  <u>Per Occurrence:</u> 1-point assessment per occurrence for each Transponder assigned inaccurately	Self-reported (customer complaint/dispute log and reason codes for Transponder error); \$100 Liquidated Damage measured daily, Occurrences measured monthly; Points assessed monthly

No.	KPI <u>Category</u>	Definition	KPI <u>Measurement</u>	Invoice Adjustment	Reporting
<b>CUSTOMER SERVICE CENTER</b>					
CS1	Customer Service Center Walk-In Response Time (at window)	Amount of time <u>between entering the Customer Service Center and starting the business transaction at the window or self service station to respond to Walk-In customers at Customer Service Centers (Service Request defined as pending action impacting customer Account on BOS)</u>	A) 98% within 10 minutes	<u>Daily:</u> A \$100.00 Liquidated Damage will be assessed for each day for each CSC Walk-in site where performance is below 98%.  <u>Monthly Percentage:</u> Less than 98% but no less than 97% = 1-point assessment Less than 97% but no less than 95% = 3-point assessment Less than 95% but no less than 93% = 5-point assessment Less than 93% but no less than 91% = 10-point assessment Less than 91% = 15-point assessment	Self-reported; measured monthly. Each CSC Walk-in storefront is measured independently. \$100 Liquidated Damage <u>assessments</u> measured daily, Percentage measured monthly; Maximum measured monthly; Points assessed monthly
			B) 100% within 30 minutes	<u>Daily:</u> <u>A \$100.00 Liquidated Damage will be assessed for each day for each CSC Walk-in site where performance is below 100%.</u>  <u>Daily Maximum:</u> Greater than 30 minutes = 5-point assessment	
CS2	Walk-in Center Availability	Customer Service Centers shall be open and available for customers	Monday – Friday 9:00 a.m. to 5:00 p.m.  Saturday 9:00 a.m. to 2:00 p.m.	\$100/day per incident per Customer Service Center  4 points assessed for each day Walk-in Center Staffing is not maintained per this KPI	Self-reported, measured daily. Each CSC Walk-in storefront is measured independently. Staffing measured daily; Points assessed daily
<b>QUALITY ASSURANCE</b>					

No.	KPI <u>Category</u>	Definition	KPI <u>Measurement</u>	Invoice Adjustment	Reporting
Q1	Customer Satisfaction	Customer survey rating that measures the CSRs ability to resolve/respond to the customer inquiry. All customer types and channels must be surveyed	4.6 / 5.0	<u>Monthly Rating:</u> Less than 4.6 but no less than 4.5 = 5-point assessment Less than 4.5 but no less than 4.4 = 10-point assessment Less than 4.4 but no less than 4.3 = 15-point assessment Less than 4.3 but no less than 4.2 = 20-point assessment Less than 4.2 = 40-point assessment	Proponisi Survey; Phone Survey, Score measured monthly; Points assessed monthly
Q2	Quality Assurance Review Timeliness	Measures timeliness of completing the required Quality Assurance reviews of invoices, statements, DMV hold letters, etc., shall be approved for mail or email	100% of QA reviews shall be completed within two (2) <u>Business-Production</u> Days of availability in mail house web portal	<u>Monthly Percentage:</u> Less than 100% but no less than 95% = 1-point assessment Less than 95% but no less than 90% = 3-point assessment Less than 90% but no less than 85% = 5-point assessment Less than 85% but no less than 80% = 10-point assessment Less than 80% = 15-point assessment	Mail house reports; Rate measured monthly; Points assessed monthly
Q3	Information Accuracy	Measures customer interactions for accuracy completeness, whether they are conducted in compliance with SOPs, and that interaction is properly documented, as required	98% of customer interactions shall be correctly handled	<u>Monthly Percentage:</u> Less than 98% but no less than 97% = 1-point assessment Less than 97% but no less than 95% = 3-point assessment Less than 95% but no less than 93% = 5-point assessment Less than 93% but no less than 91% = 10-point assessment Less than 91% = 15-point assessment	Measured and reported through QA audits and NCTA compliance reviews; Rate measured monthly; Points assessed monthly



No.	KPI Category	Definition	KPI Measurement	Invoice Adjustment	Reporting
Q4	Quality Assurance	Measures the timeliness and accuracy of the reporting of the quality review of customer interactions—Calls, Service Requests (Emails), Walk-In, Chat, Correspondence	Report received by the 10th of the month and is 98.0% accurate	<u>Monthly Percentage:</u> Less than 98% but no less than 96% = 1-point assessment Less than 96% but no less than 92% = 3-point assessment Less than 92% but no less than 88% = 5-point assessment Less than 88% but no less than 85% = 10-point assessment Less than 85% = 15-point assessment	Self-reported; (validated by NCTA compliance review); Rate measured monthly; Points assessed monthly
<b>MANAGEMENT</b>					
M1	Contract Deliverables	Measures that all monthly report Deliverables are submitted on time and contain required information	Pass / Fail	\$5,000 Liquidated Damage per occurrence per document	Self-reported; Liquidated Damage assessed monthly
M2	Privacy / PCI Conformance	All Privacy / PCI non-conformance incidents must be addressed and corrected per the agreed upon SOPs	Pass / Fail	5 points assessed per occurrence  15 points assessed per occurrence not addressed and corrected within 5 Production Days  10 points assessed for each reoccurrence within sixty (60) days	Measured and reported through observation, QA audits and NCTA compliance review

Table 6-1: NCTA Operations Contractor KPI Table

### 6.1.2. NCTA Operations Contractor KPI Invoice Adjustment Table

The NCTA Contractor KPI Invoice Adjustment table indicates the amount that will be assessed as Liquidated Damages and applied as an Invoice Adjustment to the monthly operations and/or Ferry Support invoice(s) submitted by the contractor to NCTA, depending on the number of monthly points assessed.

Total Points	Invoice Adjustment
0-15 points assessed	0%
16-25 point assessed	1% Invoice deduction
26-35 points assessed	3% Invoice deduction

36-50 points assessed	5% Invoice deduction
51-75 points assessed	10% Invoice deduction
>75 points assessed	20% Invoice deduction

**Table 6-2: NCTA Operations Contractor KPI Invoice Adjustment Table**

# **Part IV**

## **Terms and Conditions**

## Part IV – TABLE OF CONTENTS

<b>1.</b>	<b>CONTRACT TERMS AND CONDITIONS.....</b>	<b>1</b>
1.1.	TERM OF CONTRACT .....	1
1.2.	PAYMENT TERMS AND CONDITIONS.....	1
1.2.1.	<i>Operations Implementation .....</i>	<i>1</i>
1.2.2.	<i>Ongoing Operations .....</i>	<i>2</i>
1.3.	KEY PERFORMANCE INDICATORS AND INVOICE ADJUSTMENTS.....	2
1.3.1.	<i>Invoice Adjustments .....</i>	<i>2</i>
1.3.2.	<i>Actual Damages .....</i>	<i>2</i>
1.3.3.	<i>Risk of Loss.....</i>	<i>2</i>
1.4.	AUDITS AND FINANCIAL REPORTING.....	2
1.4.1.	<i>Annual Audited Financial Statements .....</i>	<i>2</i>
1.4.2.	<i>Audit and Examination of Records .....</i>	<i>3</i>
1.5.	CONTRACTOR COOPERATION.....	4
1.6.	WARRANTIES .....	4
1.6.1.	<i>Warranties.....</i>	<i>4</i>
1.6.2.	<i>Intellectual Property Warranty and Indemnity:.....</i>	<i>5</i>
1.6.3.	<i>Data Accuracy.....</i>	<i>6</i>
1.6.4.	<i>Pervasive Defects.....</i>	<i>6</i>
1.6.5.	<i>General Guaranty .....</i>	<i>6</i>
1.7.	AUTHORITY OF THE PROJECT MANAGER .....	7
1.8.	IMPLEMENTATION PHASE .....	7
1.9.	ONGOING OPERATIONS PHASE .....	7
1.10.	PROJECT COMPLETION .....	7
1.11.	ORDER OF PRECEDENCE.....	7
<b>2.</b>	<b>CONTRACT CHANGES AND TERMINATION.....</b>	<b>8</b>
2.1.	GENERAL.....	8
2.2.	CHANGE ORDERS .....	8
2.3.	EXTRA WORK ORDERS .....	8
2.4.	TASK ORDERS.....	9
2.5.	TIME EXTENSIONS, SCHEDULE CHANGES AND SUBMITTALS.....	9
2.5.1.	<i>Time Extensions and Schedule Changes .....</i>	<i>9</i>
2.5.2.	<i>Submittals.....</i>	<i>9</i>
2.6.	CONTRACT TERMINATION .....	10
2.6.1.	<i>Termination General Requirements .....</i>	<i>10</i>
2.6.2.	<i>Termination for Cause .....</i>	<i>10</i>
2.6.3.	<i>Termination for Convenience Without Cause .....</i>	<i>12</i>
2.7.	END OF CONTRACT TRANSITION .....	12
<b>3.</b>	<b>GENERAL TERMS AND CONDITIONS .....</b>	<b>13</b>
3.1.	STANDARDS .....	13
3.2.	ACCEPTANCE CRITERIA .....	13
3.3.	PERSONNEL.....	13
3.4.	SUBCONTRACTING.....	14
3.5.	CONTRACTOR’S REPRESENTATION .....	14
3.6.	STATE PROPERTY AND INTANGIBLES RIGHTS .....	14
3.6.1.	<i>Patent, Copyright and Trade Secret Protection .....</i>	<i>15</i>
3.6.2.	<i>Data Security .....</i>	<i>16</i>

3.7.	OTHER GENERAL PROVISIONS.....	16
3.7.1.	<i>Governmental Restrictions</i> .....	16
3.7.2.	<i>Prohibition Against Contingent Fees and Gratuities:</i> .....	16
3.7.3.	<i>Equal Employment Opportunity</i> .....	17
3.7.4.	<i>Inspection at Contractor’s Site</i> .....	17
3.7.5.	<i>Advertising / Press Release</i> .....	17
3.7.6.	<i>Confidentiality</i> .....	17
3.7.7.	<i>Deliverables</i> .....	19
3.7.8.	<i>Late Delivery, Back Order</i> .....	19
3.7.9.	<i>Assignment</i> .....	19
3.7.10.	<i>Insurance Coverage</i> .....	19
3.7.11.	<i>Dispute Resolution</i> .....	19
3.7.12.	<i>Default</i> .....	19
3.7.13.	<i>Waiver of Default</i> .....	20
3.7.14.	<i>Limitation of Contractor’s Liability</i> .....	20
3.7.15.	<i>Contractor’s Liability for Injury to Persons or Damage to Property</i> .....	20
3.7.16.	<i>General Indemnity</i> .....	21
3.7.17.	<i>Changes</i> .....	21
3.7.18.	<i>Time is of the Essence</i> .....	21
3.7.19.	<i>Independent Contractors</i> .....	21
3.7.20.	<i>Travel Expenses</i> .....	21
3.7.21.	<i>Transportation</i> .....	22
3.7.22.	<i>Notices</i> .....	22
3.7.23.	<i>Titles and Headings</i> .....	22
3.7.24.	<i>Amendment</i> .....	22
3.7.25.	<i>Taxes</i> .....	22
3.7.26.	<i>Governing Laws, Jurisdiction, and Venue</i> .....	22
3.7.27.	<i>Force Majeure</i> .....	23
3.7.28.	<i>Compliance with Laws</i> .....	23
3.7.29.	<i>Severability</i> .....	23
3.7.30.	<i>Federal Intellectual Property Bankruptcy Protection Act</i> .....	23
3.7.31.	<i>Ineligible Contractors</i> .....	23
3.7.32.	<i>Availability of Funds</i> .....	23
3.7.33.	<i>E-Verify</i> .....	24

# I. Contract Terms and Conditions

## I.1. Term of Contract

The term of the Contract shall commence on the Effective Date and end five (5) years after Operations Go-live, unless terminated, canceled or extended as otherwise provided herein. The phases are further described as follows:

- NC Quick Pass and NC Ferry Customer Service Operations Implementation Phase – The NC Quick Pass and NC Ferry Customer Service Operations Implementation shall begin on the Effective Date and shall continue until go-live of the new BOS system.
- On-Going Operations Phase – The On-Going Operations Phase shall begin upon go-live of the new Back Office System by NCTA, and shall continue through the end of the base Contract Term.
- Options to Extend Phase – The Optional Extension Phase includes two (2) three (3)-year optional NC Quick Pass and NC Ferry Customer Service Operations extensions to be executed at the sole discretion of NCTA, with the first extension commencing upon the end of the base Contract Term.
- NCTA will provide a minimum of ninety (90) Calendar Days-notice if NCTA elects to exercise the extension option.

NCTA shall fix the Effective Date after the Contract has been fully executed by the Contractor and by NCTA, and all Approvals required by NCTA contracting procedures have been obtained. NCTA shall not be responsible for reimbursing the Contractor for goods provided nor Services rendered prior to the appropriate signatures and the arrival of the Effective Date of the Agreement.

## I.2. Payment Terms and Conditions

1. Payment terms are net thirty (30) Calendar Days after receipt of a correct invoice. NCTA is responsible for all payments under the Contract. A “correct” invoice is one that contains an accurate description of the amounts due, is in the Approved format, has no errors, includes all required supporting information including payment Approvals, and meets all other Requirements for invoicing set forth in **Part III, Scope of Work and Requirements**.
2. The Contractor shall invoice NCTA in accordance with the amounts set forth in the Price Proposal.
3. NCTA may exercise any and all rights of set off as permitted in the Set Off Debt Collection Act (Chapter 105A-1 et. seq. of the N.C. General Statutes) and applicable Administrative Rules. Upon Contractor’s written request of not less than thirty (30) Calendar Days and Approval by NCTA, NCTA may:
  - a. Forward the Contractor’s payment check(s) or other mutually acceptable means directly to any person or entity designated by the Contractor, or
  - b. Include any person or entity designated in writing by Contractor as a joint payee on the Contractor’s payment check(s), however
  - c. In no event shall such Approval and action obligate NCTA to anyone other than the Contractor and the Contractor shall remain responsible for fulfillment of all Contract obligations.

### I.2.1. Operations Implementation

NCTA and the Contractor have agreed to a lump sum compensation amount as set forth in the final Contract documents for Implementation Work to achieve Operations Go-live, as described in **Part III Scope of Work and Requirements**. Such compensation shall be paid upon receipt and be based on the prices shown in the Contractor’s Operations Implementation Price Proposal. The Contractor shall

not be entitled to receive more than the established lump sum amount for Implementation, except as may be modified in accordance with Section 2, Contract Changes and Termination, of these Terms and Conditions.

### **1.2.2. Ongoing Operations**

The Ongoing Operations compensation for each month shall commence upon Operations Go-live and be based on the prices shown in the Contractor's Ongoing Operations Price Proposal.

## **1.3. Key Performance Indicators and Invoice Adjustments**

The Contractor shall track its performance against the Key Performance Indicators (KPIs) shown in **Part III, Scope of Work and Requirements**. The Contractor shall report its performance against the KPIs to NCTA on a monthly basis.

### **1.3.1. Liquidated Damages (Invoice Adjustments)**

Contractor shall be subject to Liquidated Damages, in the form of Invoice Adjustments, for its failure to meet Performance Requirements as provided in **Part III, Scope of Work and Requirements**, Section 6.0 Performance Requirements.

### **1.3.2. Actual Damages**

1. The Contractor acknowledges that its performance during the On-Going Operations Phase is critical to NCTA in so much as the Services to be provided pursuant to this Agreement directly involve NCTA's revenue and customer service. The Contractor agrees that the actual damages set forth below are fair and reasonable and shall be incurred by the Contractor in the event of unsatisfactory performance.
2. The Contractor shall reimburse NCTA for any revenue, which NCTA identifies as having been lost due to the fault of the Contractor. NCTA may choose, in its sole discretion, to recover such lost revenue from the Contractor by deducting such amounts from payments otherwise due and owing from NCTA to the Contractor. Lost revenue includes, but is not limited to, such events as Contractor-caused delays in escalation or customer notifications that exceed statutory Requirements; incorrect information being mailed to customers after Contractor QC review processes; employee theft or Contractor is short of funds in its daily reconciliation; incorrect/unnecessary reversal of tolls.
3. The Contractor shall be responsible for any other costs incurred, which are the results of its improper handling of these Services, including such things as special mailings to customers to notify them of a mistake in their monthly statements due to transaction gathering and processing failures and inaccuracies.

### **1.3.3. Risk of Loss**

The Contractor assumes the following distinct and several risks without limitation, whether they arise from acts or omissions (whether negligent or not) of the Contractor or of any of its Subcontractors and suppliers, excepting those risks which arise from negligent acts or omissions of the NCTA:

1. The risk of loss or damage to any property of the NCTA arising out of or alleged to have arisen out of or in connection with the performance of Services pursuant to this Agreement; the risk of loss or damage to any property of the Contractor's agents, employees, and Subcontractors arising out of, or alleged to have arisen out of, or in connection with the performance of Services pursuant to this Agreement.

## **1.4. Audits and Financial Reporting**

### **1.4.1. Annual Audited Financial Statements**

The Contractor shall submit on an annual basis its current audited financial report, financial statements, and any associated notes for the term of the Contract.

#### **I.4.2. Audit and Examination of Records**

##### **I. Definition of Records**

- a. Contract Records shall include, but not be limited to, all information, communications and data, whether in writing or stored on a computer, external hard drive, computer disks, microfilm, writings, working papers, drafts, computer printouts, charts or any other data compilations, books of account, photographs, videotapes and audiotapes supporting documents, any other papers or preserved data in whatever form, related to the Contract or the Contractor's performance of the Contract determined necessary or desirable by the NCTA for any purpose.
  - b. Proposal Records shall include, but not be limited to, the Proposal Materials, preliminary design document, any material relating to the determination or application of Equipment rates, related time schedules, labor rates, efficiency or productivity factors, arithmetic extensions, quotations from Subcontractors, or material suppliers, profit contingencies and any manuals standard in the industry that may be used by the Contractor in determining a price.
2. Pursuant to G.S. § 147-64.7, NCTA, the State Auditor, appropriate Federal officials, and their respective authorized employees or Agents are authorized to examine all books, records, and accounts of the Contractor insofar as they relate to transactions with any department, board, officer, commission, institution, or other authority of the State of North Carolina pursuant to the performance of this Contract or to costs charged to this Contract. Additional audit or reporting Requirements may be required by any authority, if in NCTA's opinion, such requirement is imposed by Federal or State law or regulation. The State Auditor and internal auditors of NCTA may audit the records of the Contractor during and after the term of the Contract to verify accounts and data affecting fees and performance.
3. NCTA reserves and is granted the right (at any time and from time to time, for any reason whatsoever) to review, audit, copy, examine and investigate in any manner, any Contract Records (as herein defined) or Proposal Records (as herein defined) of the Contractor or any Subcontractor. By submitting a response to the Request for Proposal (RFP), Contractor or any Subcontractor submits to and agrees to comply with the provisions of this section.
4. If NCTA requests access to or review of any Contract Records and Contractor refuses such access or review, Contractor shall be in default under its Contract with NCTA, and such refusal shall, without any other or additional actions or omissions, constitute grounds for suspension, termination or disqualification of Contractor. These provisions shall not be limited in any manner by the existence of any Contractor claims or pending litigation relating to the Contract. Disqualification or suspension of the Contractor for failure to comply with this section shall also preclude the Contractor from acting in the future as a subcontractor of another contractor doing Work for NCTA during the period of disqualification or suspension. Disqualification shall mean the Contractor is not eligible for and shall be precluded from doing future Work for NCTA until reinstated by NCTA.
5. Final Audit for Project Closeout: The Contractor shall permit NCTA, at NCTA's option, to perform or have performed an audit of the records of the Contractor and any or all Subcontractors to support the compensation paid the Contractor. The audit will be performed as soon as practical after completion and Acceptance of the contracted Services. In the event funds paid to the Contractor under the Contract are subsequently determined to have been inadvertently paid by NCTA because of accounting errors or charges not in conformity with the



Contract, the Contractor agrees that such amounts are due to NCTA upon demand. Final payment to the Contractor shall be adjusted for audit results

6. Contractor shall preserve all Contract Records for the entire term of the Contract and for a period of three (3) years after the later of: (i) completion of the Contract (ii) until all claims (if any) regarding the Contract are resolved, or (iii) expiration of the Qualification Package Records and Contract Records' status as public records.

## **I.5. Contractor Cooperation**

1. During the course of this Agreement, NCTA may undertake or award other agreements for additional Work, including but not limited to separate agreements with different contractors, vendors and or internal/external agencies related to **Part III, Scope of Work and Requirements**. It is critical that close coordination with interfacing contractors, vendors and/or other agencies as directed by NCTA occurs throughout the term of this Agreement. Contractor shall fully cooperate with NCTA and the parties to all other contracts and carefully integrate and schedule its own Work with said parties.
2. NCTA will expect all contractors to comply with all Requirements, special provisions and other terms and conditions applicable to the Contract(s) at all times during the performance of the Contract(s). In the event of a dispute between contractors, clarifications may be sought from NCTA; provided Contract Terms, conditions or obligations shall remain in effect, excepting in instances wherein a Change Order or other Contract modification is duly executed in writing in accordance with this **Part IV, Terms and Conditions**; however, contractors shall engage in all efforts to resolve disputes prior to participation of NCTA and further, such participation by NCTA does not imply or represent a NCTA responsibility for resolution or payment of claims that arise out of a dispute between two contractors.
3. Should problems in coordination with other contractors occur, the Contractor shall make NCTA aware of these problems immediately and shall take steps to address the problems and mitigate any delays or additional costs. Contractor shall not commit or permit any act that will interfere with the performance of Work by any other contractor or by NCTA.
4. Additional Coordination and Cooperation Requirements
  - a. The Contractor shall work closely with NCTA and any other contractors who will be working for NCTA for the purpose of coordinating any activity which may affect both contractors.
  - b. Should problems in coordination with other contractors occur, the Contractor shall make NCTA aware of these problems immediately, and shall take steps to address the problems and mitigate any delays or additional costs. Contractor shall not commit or permit any act that will interfere with the performance of Work by any other contractor or by NCTA.
  - c. The Contractor shall cooperate with all other contractors to avoid any delay or hindrance to the other contractors or forces. NCTA reserves the right to perform other or additional Work (including material sources) at any time, by the use of other forces.
  - d. Each contractor shall be responsible to the other for all damage to Work, to persons or property caused to the other by their Operations, and for loss caused the other due to unnecessary delays or failure to finish the Work within the time specified for completion.

## **I.6. Warranties**

### **I.6.1. Warranties**

1. Contractor warrants to NCTA that all items furnished will be new (unless otherwise specifically requested in this RFP), of good material and workmanship, and Contractor agrees to replace any

items which fail to comply with the specifications by reason of defective material or workmanship under normal use, free of NCTA's negligence or accident for a minimum of 90 days from date of acceptance. Such replacement shall include transportation costs free of any charge to NCTA. This statement is not intended to limit any additional coverage, which may normally be associated with a product. Contractor shall assign to NCTA all third party warranties applicable to such Deliverables. Contractor warrants that NCTA has all rights necessary to utilize all Deliverables for their intended purpose free from all third party claims.

2. The Contractor warrants that all Services shall be performed in a high-quality, professional manner by qualified and skilled personnel in compliance with NCTA's Requirements as set forth in Section III, Scope of Work and Requirements. In the event NCTA determines that any Services do not conform to the foregoing warranty, NCTA shall be entitled to elect one of the following remedies: (i) revision of the Services by the Contractor until NCTA deems them to be in conformity with the warranty in this section, at no charge to NCTA; (ii) refund from the Contractor for all fees paid in connection with the Services, which NCTA deems were not as warranted, subject to the provisions of Section IV, Terms and Conditions, such that the Contractor is not required to refund fees for non-provision of Services for which Liquidated Damages have been assessed, (iii) reimbursement by the Contractor for NCTA's costs and expenses incurred in having the Services re-performed by NCTA or someone other than the Contractor. Notwithstanding the foregoing, nothing in this Section shall be construed to limit NCTA's rights pursuant to Section IV, Terms and Conditions, Section 2.6.2 Termination for Cause.
3. UNLESS MODIFIED BY AMENDMENT OR THE SOLICITATION DOCUMENTS, THE WARRANTIES IN THIS SECTION 1.6 ARE IN LIEU OF ALL OTHER WARRANTIES, EXPRESS OR IMPLIED, OR WHETHER ARISING BY COURSE OF DEALING OR PERFORMANCE, CUSTOM, USAGE IN THE TRADE OR PROFESSION OR OTHERWISE, INCLUDING, BUT NOT LIMITED TO, IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, AND NO OTHER REPRESENTATIONS OR WARRANTIES HAVE FORMED THE BASIS OF THE BARGAIN HEREUNDER.

#### **1.6.2. Intellectual Property Warranty and Indemnity:**

1. Contractor shall hold and save the State, its officers, agents and employees, harmless from liability of any kind, including costs and expenses, resulting from infringement of the rights of any third party in any copyrighted material, patented or patent-pending invention, article, device or appliance delivered in connection with the Contract.
  - a. Contractor warrants to the best of its knowledge that:
    - i. Performance under the Contract does not infringe upon any intellectual property rights of any third party; and
    - ii. There are no actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party;
  - b. Should any Deliverables supplied by Contractor become the subject of a claim of infringement of a patent, copyright, trademark or a trade secret in the United States, the Contractor, shall at its option and expense, either procure for the State the right to continue using the Deliverables, or replace or modify the same to become non-infringing. If neither of these options can reasonably be taken in Contractor's judgment, or if further use shall be prevented by injunction, the Contractor agrees to cease provision of any affected Deliverables and refund any sums the State has paid Contractor and make every reasonable effort to assist the State in procuring substitute Deliverables. If, in the sole opinion of the State, the cessation of use by the State of any such Deliverables due to infringement issues makes the retention of other items acquired from the Contractor

under this Agreement impractical, the State shall then have the option of terminating the Agreement, or applicable portions thereof, without penalty or termination charge; and Contractor agrees to refund any sums the State paid for unused Services or Deliverables.

- c. The Contractor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the Deliverables supplied by the Contractor, their use or operation, infringes on a patent, copyright, trademark or violates a trade secret in the United States. The Contractor shall pay those costs and damages finally awarded or agreed in a settlement against the State in any such action. Such defense and payment shall be conditioned on the following:
  - i. That the Contractor shall be notified within a reasonable time in writing by the State of any such claim; and
  - ii. That the Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that the State shall have the option to participate in such action at its own expense.
- d. Contractor will not be required to defend or indemnify the State if any claim by a third party against the State for infringement or misappropriation results from the State's material alteration of any Contractor-branded Deliverables or services, or from the continued use of the Deliverable(s) or Services after receiving notice of infringement on a trade secret of a third party.

#### **1.6.3. Data Accuracy**

The Contractor acknowledges and understands that the data and/or information it provides to NCTA will be relied upon by to NCTA and other persons or entities that are now or will in the future be under Agreement with NCTA. Should information derived and provided by Contractor be inaccurate and cause NCTA to incur damages or additional expenses, NCTA shall notify Contractor and the Contractor shall immediately place any applicable insurance carrier on Notice of a potential claim. This provision shall survive termination of this Agreement, and the Contractor agrees to waive any applicable limitation periods consistent with enforcement of this provision.

#### **1.6.4. Pervasive Defects**

The Contractor agrees to promptly remedy, at no cost to NCTA, any defects determined by NCTA to be pervasive, such that if NCTA determines that any Equipment, component, sub-component or Software is experiencing continued or repetitive failure that requires constant replacement or repair, the Contractor agrees that a "Pervasive Defect" shall be deemed to be present in such affected types of Equipment or Software. The Contractor shall perform an investigation of the issues and prepare a report that includes a reason for the failure and their Plan for remedy. Such correction shall be in a manner satisfactory to NCTA and that permanently addresses the problem and corrects the defect so that such defect does not continue to occur.

The obligations set forth in this section shall be in addition to any warranty obligations set forth in this Agreement. The provisions of this section shall survive the expiration or earlier termination of this Agreement.

#### **1.6.5. General Guaranty**

Neither Acceptance of the Project, System and/or Services or payment thereto, nor any provision in this Agreement, nor partial or entire use of the System and Services by NCTA shall constitute an Acceptance of System and Services not performed in accordance with this Agreement or relieve the Contractor of liability for any express or implied warranties or responsibility for faulty materials or workmanship.

## **I.7. Authority of the Project Manager**

1. For purposes of this Contract the Manager of Customer Service is deemed the NCTA Project Manager. The Contractor hereby authorizes the NCTA Project Manager to determine in the first instance all questions of any nature whatsoever arising out of, under, or in connection with, or in any way related to or on account of, this Agreement including, without limitation: questions as to the value, acceptability and of the Services; questions as to either party's fulfillment of its obligations under this Agreement; negligence, fraud or misrepresentation before or subsequent to execution of this Agreement; questions as to the interpretation of **Part III, Scope of Work and Requirements**; and claims for damages, compensation and losses.
2. The NCTA Project Manager shall act as the designated representative of NCTA in all matters relating to this Agreement.
3. The NCTA Project Manager may give orders to the Contractor to do Work that they determine to be necessary for the Contractor to fulfill the Contractor's obligations under this Agreement.
4. If requested by the Contractor, the NCTA Project Manager will promptly provide appropriate explanations and reasons for his determinations and orders hereunder.
5. The Contractor shall be bound by all determinations or orders and shall promptly obey and follow every order of the NCTA Project Manager, including the withdrawal or modification of any previous order and regardless of whether the Contractor agrees with the NCTA Project Manager's determination or order. Orders shall be in writing, unless not practicable, in which event any oral order must be confirmed in writing by the Project Manager as soon thereafter as practicable.

## **I.8. Implementation Phase**

The Contractor shall proceed with the Operations Implementation Phase upon receiving the Notice to Proceed, and progress through Operations Go-Live as defined and required in the **Part III, Scope of Work and Requirements**.

## **I.9. Ongoing Operations Phase**

The Contractor's On-Going Operations responsibilities shall begin upon completion of the Operations Implementation Phase, and shall continue until the expiration of the Initial Contract Term, and also shall include any Contract renewals or extensions thereof. Commencement of the On-Going Operations Phase shall not relieve the Contractor of any of its responsibilities to complete all Requirements set forth in **Part III, Scope of Work and Requirements**, and does not waive any of the rights of NCTA in this regard.

## **I.10. Project Completion**

Project Completion shall be deemed to have occurred when all obligations under this Agreement have been successfully performed by the Contractor, including but not limited to all retentions owed to the Contractor have been released by NCTA and, when NCTA has delivered a Notice of Project completion to the effect of the foregoing.

**Note:** NCTA's beneficial use of the Customer Service and Facility Deliverables during any phase prior to Project Completion shall not constitute Acceptance of any Deliverable, nor shall such use give rise to equitable claim for adjustment.

## **I.11. Order of Precedence**

The Contract is subject to the terms and conditions of this solicitation, which, in case of conflict, shall have the following Order of Precedence:

1. Executed Agreement, including RFP, all executed RFP addenda, BAFO (if applicable), and Amendments.

2. **Part III, Scope of Work and Requirements**, as conformed.
3. **Part IV, Terms and Conditions**, Section 3 General Terms and Conditions.
4. Contractor's Operational Concepts Package.
5. Contractor's Qualification Package.

## 2. **Contract Changes and Termination**

### 2.1. **General**

The following Contract changes are allowable within the scope of this Contract:

1. Change Orders – The NCTA anticipates issuing Change Orders for Work required to modify, enhance or otherwise improve the NC Quick Pass and NC Ferry Customer Service Operations and operations associated with NCTA's program.
2. Extra Work Orders – The NCTA anticipates issuing Extra Work Orders to address variances in the specifications or **Part III, Scope of Work and Requirements** beyond that of the Approved Operational Concept and for which there is no appropriate pay item or category. Extra Work Orders will be issued within the sole discretion of the NCTA, and such additional Work may be subject to a new competitive procurement as deemed to be in the best interest of the NCTA.
3. Task Orders – The NCTA anticipates issuing Task Orders for Work required to enhance On-going Operational Services in accordance with labor rates proposed and set forth in the Price Proposal.
4. Time Extensions – The NCTA anticipates issuing Time Extensions, as necessary, to modify NC Quick Pass and NC Ferry Customer Service Operations Implementation milestones for reasons out of the control of the Contractor. Unless otherwise agreed to by the NCTA in writing, the Contractor's Payment Schedule and Price Proposal, including labor rates identified in the Price Proposal, shall apply to all of the above Contract changes. If cost for additional Work and/or Services cannot be established on the basis of the Price Proposal or the Payment Schedule, a catalog or market price of a commercial product sold in substantial quantities, or on the basis of prices set by law or regulation, the Contractor is required to submit to the NCTA detailed cost breakdowns, including information on labor and materials costs, overhead and other indirect costs.

### 2.2. **Change Orders**

1. NCTA may elect to have the Contractor perform the Change Order Work. In this case, the Contractor shall provide a detailed Operational Proposal and Price Proposal for the order, and await Approval and Notice to Proceed from NCTA before incurring any expenses for which the Contractor expects reimbursement.
2. If NCTA advertises the Change Order Work, NCTA may elect to use the Contractor to assist NCTA in the procurement of additional Hardware, Software or Services, and/or integrate the Change Order Work into the Back Office System or operations workflow. In this case, NCTA would obtain these Services through a negotiated and Approved Task Order.

### 2.3. **Extra Work Orders**

An Extra Work Order will ONLY be a change in the Scope of Work and Requirements requiring different operational services than that covered by the existing Contract or a change to a Contract Term and condition with an impact. Some examples include:

1. Large-scale changes the Contractor's scope of Work;
2. Changes to insurance or legal Requirements.

## 2.4. Task Orders

- I. The Task Order process may be utilized by NCTA to request services from the Contractor to assist the NCTA with specific tasks or services related to the Operations. Prices for Task Orders shall be prepared in accordance with the hourly labor rates contained in the applicable Operations Staffing price sheets. While NCTA makes no guarantee that Task Order Work will be requested, the Contractor should be prepared to provide assistance and support to NCTA for tasks that may include but not be limited to:
  - a. Temporary changes in approved operational procedures materially impacting staffing or processes;
  - b. Attendance, participation, and/or representation at meetings outside of the Work described in this RFP;
  - c. Assistance and support related to tasks directly related to toll collection such as expanded Interoperability Work efforts, and;
  - d. Additional or temporary staffing needed to assist NCTA with special projects.

## 2.5. Time Extensions, Schedule Changes and Submittals

### 2.5.1. Time Extensions and Schedule Changes

1. Within ten (10) Calendar Days of receiving NTP from NCTA, the Contractor shall update any schedules submitted with their Materials, and submit the updated schedule(s) to NCTA for approval.
2. The Contractor shall clearly label each update against the Approved Implementation Schedule, pursuant to the Requirements of the Approved Project Management Plan. Submission of the updates against the Approved Schedule shall not release or relieve the Contractor from full responsibility for completing the Work within the time set forth in the Approved Schedule. If the Contractor causes delays and fails or refuses to implement measures sufficient to bring its Work back into conformity with the current Approved Schedule, its right to proceed with any or all portions of the associated Work may be terminated under the provisions of the Contract. However, in the event that NCTA, in its sole determination, should permit the Contractor to proceed, the NCTA's permission shall in no way operate as a waiver of its rights nor shall it deprive NCTA of its rights under any other provisions of the Contract.
3. NCTA will Approve Time Extensions ONLY for Force Majeure causes, or acts by NCTA which have been documented to have impeded the Contractor's progress.
4. Any changes to the Approved Schedule require Approval and may require an Amendment to the Contract.
5. Unless otherwise expressly agreed to by NCTA, the Contractor shall not receive extra compensation or damages for any time extension Approved by NCTA for completion of additional and/or altered Work. However, the Contractor shall be fully compensated for such Work as agreed upon by NCTA and the Contractor in the Change Order or the supplemental agreements.

### 2.5.2. Submittals

Contractor's Submittal Requirements and Submittal schedule shall be as set out in Contractor's Approved Program Management Plan and Approved Project Implementation Schedule, as required in **Part III, Scope of Work and Requirements**. The baseline schedule Approved after Notice to Proceed shall establish accepted dates by which Contractor shall submit required documents and other items necessary for provision of NC Quick Pass and NC Ferry Customer Service Operations services. NCTA's written Approval will be required for these Submittals. NCTA will Approve or reject such Submittals, providing an explanation of any reasons for rejection in a form agreed to in the Project Management Plan. In any instance where NCTA does not provide Approval, rejection or written notification of an extended review

period by the due date specified in the Approved Baseline Schedule, the Contractor shall notify NCTA in writing that the NCTA response is due. NCTA's right to extend the review period is intended to allow flexibility in special circumstances where the nature of the Submittal requires more involved review, and not as a diminution of NCTA's obligation to promptly review Submittals. NCTA reserves the right to reject Submittals that are not complete or correct and to extend the review period accordingly.

Contractor shall not be held responsible for delays in schedule due to delays in Approvals and permits completely beyond the control of the Contractor. Notwithstanding the foregoing, Contractor shall make every effort to work around and mitigate the impact of delay.

## **2.6. Contract Termination**

### **2.6.1. Termination General Requirements**

1. The Contract issued for NC Quick Pass and NC Ferry Customer Service Operations will terminate at the end of the Contract Term(s) set forth above, inclusive of any On-Going Operations and/or extension periods as noted in **Part IV, Terms and Conditions**, Section 1.1 Term of Contract.
2. The NCTA may terminate the Contract(s), in whole or in part, for default subject to the default provisions set forth below.
3. Any required Notices of termination made under this Contract shall be transmitted via U.S. Mail, Certified Return Receipt Requested, or personal delivery to the Contractor's contract administrator. The period of Notice for termination shall begin on the day the return receipt is signed and dated or upon personal delivery to the Contractor(s) contract administrator.
4. The parties may mutually terminate this Contract by written agreement at any time.
5. NCTA may terminate this Contract, in whole or in part, pursuant to the Terms and Conditions in the Solicitation Documents.
6. NCTA will notify the Contractor(s) at least ninety (90) Calendar Days prior to the termination of the Contract in the absence of cause. This notification will require the Contractor(s) to initiate actions in preparation for leaving the NCTA Project site and handing off system operations to replacement entities. These actions shall include:
  - a. Acknowledgement of receipt of End of Contract notification, and
  - b. Act in accordance with **Part IV, Terms and Conditions**, Section 2.7 End of Contract and Transition.

### **2.6.2. Termination for Cause**

1. In the event any Services furnished by the Contractor during performance of any Contract Term fails to conform to any material requirement of the Contract, and the failure is not cured within the specified time after providing written Notice thereof to Contractor, the NCTA may cancel and procure the Work or Services from other sources; holding Contractor liable for any excess costs occasioned thereby. The rights and remedies of NCTA provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract. The Contractor shall not be relieved of liability to NCTA for damages sustained by NCTA arising from Contractor's breach of this Contract; and the NCTA may, in its discretion, withhold any payment due as a setoff until such time as the damages are finally determined or as agreed by the parties. Voluntary or involuntary Bankruptcy or receivership by Contractor shall be cause for termination.
2. Cause shall mean a material breach of this Agreement by the Contractor. Without limiting the generality of the foregoing and in addition to those instances referred to elsewhere in this Agreement as a breach, a material breach shall include the following:
  - a. The Contractor failed to secure data and/or operate in accordance with this Agreement;
  - b. The Contractor materially inhibited NCTA's collection of toll revenue;

- c. The Contractor has not submitted acceptable Deliverables to NCTA on a timely basis;
- d. The Contractor proves incapable of meeting the Requirements set forth in **Part III, Scope of Work and Requirements**;
- e. The Contractor refused or failed, except in cases for which an extension of time is provided, to supply enough properly skilled workers or proper materials to properly perform the Services required under this Agreement;
- f. The Contractor failed to meet required PCI training Requirements;
- g. The Contractor failed to make prompt payment to Subcontractors or suppliers for materials or labor;
- h. The Contractor has become insolvent (other than as interdicted by the bankruptcy laws), or has assigned the proceeds received from this Agreement for the benefit of its creditors, or it has taken advantage of any insolvency statute or debtor/creditor law or if the Contractor's property or affairs have been put in the hands of a receiver;
- i. Any case, proceeding or other action against the Contractor is commenced in bankruptcy, or seeking reorganization, liquidation or any relief under any bankruptcy, insolvency, reorganization, liquidation, dissolution or other similar act or law of any jurisdiction, which case, proceeding or other action remains undismissed, undischarged or unbonded for a period of thirty (30) Calendar Days;
- j. The Contractor fails to maintain insurance policies and coverages or fails to provide proof of insurance or copies of insurance policies as required by this Agreement;
- k. Any warranty, representation, certification, financial statement or other information made or furnished to induce NCTA to enter into this Agreement, or made or furnished, at any time, in or pursuant to the terms of this Agreement or otherwise by the Contractor, or by any person who guarantees or who is liable for any obligation of the Contractor under this Agreement, shall prove to have been false or misleading in any material respect when made;
- l. Any intentional violation by the Contractor of the ethics provisions, or applicable laws, rules or regulations;
- m. The Contractor has failed to obtain the Approval of NCTA where required by this Agreement;
- n. The Contractor's Audited Financial Statements or those of its parent company submitted to NCTA do not fairly represent the Contractor or its parent's true financial position;
- o. The Contractor has failed in the representation of any warranties stated herein;
- p. The Contractor makes a statement to any representative of NCTA indicating that the Contractor cannot or will not perform any one or more of its obligations under this Agreement;
- q. The Contractor fails to remedy Pervasive Defects;
- r. Any act or omission of the Contractor or any other occurrence which makes it improbable at the time that the Contractor will be able to perform any one or more of its obligations under this Agreement;
- s. Any suspension of or failure to proceed with any part of the Services by the Contractor which makes it improbable that the Contractor will be able to perform any one or more of its obligations under this Agreement;
- t. A pattern of repeated failures to meet a Performance Requirement(s) as defined in **Part III, Scope of Work and Requirements**;



- u. The suspension or revocation of any license, permit, or registration necessary for the performance of the Contractor's obligations under this Agreement, or
  - v. The default in the performance or observance of any of the Contractor's other obligations under this Agreement and the continuance thereof for a period of thirty (30) Calendar Days after Notice given to the Contractor by NCTA.
3. **Cure/Warning Period.** Prior to terminating the Contract(s) for cause, the NCTA will issue a Notice of cure/warning to the Contractor(s) thirty (30) Calendar Days prior to the termination date. The Notice will be transmitted via U.S. Mail Certified Return Receipt Requested or personal delivery to the Contractor(s) contract administrator, and the period of Notice for termination shall begin on the date the Return Receipt is signed and dated or upon personal delivery to the Contractor contract administrator. The Notice will specify the corrective actions/Work required to be taken by the Contractor to come into compliance with the terms and conditions of the Contract(s). If the corrective actions/Work is performed within the cure/warning period, in a manner acceptable to the NCTA, the Contract will remain in effect in accordance with the terms and conditions thereof.
4. **Termination Without Notice of Cure/Warning.** If the NCTA has issued two Notices of cure/warning to the Contractor, upon the issuance of the third or subsequent Notice the NCTA reserves the right to terminate the Contract without further Notice. The failure of the NCTA to exercise this right on any occasion shall not be deemed a waiver of any future right.

### **2.6.3. Termination for Convenience Without Cause**

- I. The NCTA may terminate the Contract(s) without cause, in whole or in part by giving ninety (90) Calendar Days prior Notice in writing to the Contractor. The Contractor shall be entitled to sums due as compensation for Deliverables provided and Services performed in conformance with the Contract. In the event the Contract is terminated for the convenience of the NCTA, the NCTA will pay for all Work performed and products delivered in conformance with the Contract up to the date of termination. This is an incidental item within **Part III, Scope of Work and Requirements**, but without separate compensation.

## **2.7. End of Contract Transition**

The Contractor acknowledges that the Services it provides under the terms of the Contract are vital to the successful operation of the NCTA program, and that said Services shall be continued without interruption. In the event that this Agreement is terminated for convenience or default or upon the Agreement completion date or expiration of the Agreement Term or any extensions thereof, the Contractor shall cooperate with NCTA to facilitate a smooth succession to the NCTA's selected successor for the Services, whether the successor is NCTA or a third-party. The Requirements for this End of Contract Transition are contained in **Part III, Scope of Work and Requirements**. Costs for such End of Contract Transition are included in the current Contract, and the Contractor shall perform such Work without additional compensation.

The Contractor acknowledges that the Services provided under the terms of this Contract are vital to the successful operation of NCTA's program, and that said Services shall be continued without interruption. If NCTA determines that additional Services by Contractor are necessary after the expiration of the Contract to facilitate a smooth succession, the Contractor must also provide for up to six (6) months after the expiration or cancellation of the Agreement additional transition assistance requested by NCTA, to allow for the expired or canceled portion of the Services to continue without interruption or adverse effect, and to facilitate the orderly transfer of such Services to the State or its designees. Such transition assistance will be deemed by the parties to be governed by the terms and conditions of the Agreement, (notwithstanding this expiration or cancellation) except for those Contract terms or conditions that do not reasonably apply to such transition assistance. If additional Services are

required and requested by NCTA, the State shall pay the Contractor for any resources utilized in performing such transition assistance at the most current rates provided by the Agreement for Contract performance. If the State cancels the Agreement for cause, then the State will be entitled to offset the cost of paying the Contractor for the additional resources the Contractor utilized in providing transition assistance with any damages the State may have otherwise accrued as a result of said cancellation.

### **3. General Terms and Conditions**

#### **3.1. Standards**

- I. Any Deliverables shall meet all applicable State and federal Requirements and regulations., Contractor will provide and maintain a Quality Assurance system or program that includes any Deliverables and will tender or provide to NCTA only those Deliverables that have been inspected and found to conform to the Requirements of this Contract. All Deliverables are subject to operation, certification, testing and inspection, and any accessibility specifications.

#### **3.2. Acceptance Criteria**

- I. NCTA shall have the obligation to notify Contractor, in writing ten (10) Calendar Days following provision, performance (under a provided milestone or otherwise as agreed) or delivery of any Services or other Deliverables described in the Contract are not acceptable. The Notice shall specify in reasonable detail the reason(s) a given Deliverable is unacceptable. Acceptance by NCTA shall not be unreasonably withheld; but may be conditioned or delayed as required for installation, review and/or testing of Deliverables. Final Acceptance is expressly conditioned upon completion of any applicable inspection and testing procedures. Should a Deliverable fail to meet any specifications or Acceptance criteria, NCTA may exercise any and all rights hereunder. Deliverables discovered to be defective or failing to conform to the specifications may be rejected upon initial inspection or at any later time if the defects or errors contained in the Deliverables or non-compliance with the specifications were not reasonably ascertainable upon initial inspection. If Contractor fails to promptly cure or correct the defect or replace or re-perform the Deliverables, NCTA reserves the right to cancel the Contract, contract with a different contractor, and to invoice the original Contractor for any differential in price over the original Contract price.

#### **3.3. Personnel**

- I. Contractor shall not substitute Key Personnel assigned to this Contract without prior written Approval by NCTA. Any desired substitution shall be noticed to NCTA, accompanied by the names and references of Contractor's recommended substitute personnel. NCTA will approve or disapprove the requested substitution in a timely manner. NCTA may, in its sole discretion, terminate the services of any person providing Services under this Contract. Upon such termination, NCTA may request acceptable substitute personnel or terminate the Contract Services provided by such personnel. The Contractor agrees to provide NCTA with resumes of the replacement, acceptable, substitute personnel within thirty (30) Calendar Days of receiving a request from NCTA to terminate the services of any person providing Services under this Contract and agree to make that person or persons available for interviews by NCTA.
2. Unless otherwise provided by NCTA, the Contractor shall furnish all necessary personnel, Services, and otherwise perform all acts, duties and responsibilities necessary or incidental to the accomplishment of the tasks specified in the Agreement. Contractor shall be legally and financially responsible for its personnel including, but not limited to, any deductions for social security and other withholding taxes required by state or federal law. Contractor shall be solely responsible for acquiring any equipment, furniture, and office space not furnished by the NCTA necessary for Contractor to comply with the Contract. Contractor personnel shall comply with any applicable State facilities or other security rules and regulations.

### **3.4. Subcontracting**

1. The Contractor may subcontract the performance of required Services with other contractors or third-parties, or change Subcontractors, only with the prior written consent of NCTA. Contractor shall provide NCTA with complete copies of any agreements made by and between Contractor and all Subcontractors. The Contractor remains solely responsible for the performance of its Subcontractors. Subcontractors, if any, shall adhere to the same standards required of the Contractor. Any contracts made by the Contractor with a Subcontractor shall include an affirmative statement that NCTA is an intended third-party beneficiary of the contract; that the Subcontractor has no agreement with NCTA; and that NCTA shall be indemnified by the Contractor for any claim presented by the Subcontractor. Notwithstanding any other term herein, Contractor shall timely exercise its contractual remedies against any non-performing Subcontractor and, when appropriate, substitute another Subcontractor.

### **3.5. Contractor's Representation**

1. Contractor warrants that qualified personnel shall provide Services in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the information technology industry. Contractor agrees that it will not enter into any agreement with a third-party that might abridge any rights of NCTA under this Contract. Contractor will serve as the prime Contractor under this Contract. Should NCTA approve any Subcontractor(s), the Contractor shall be legally responsible for the performance and payment of the Subcontractor(s). Names of any third-party contractors or subcontractors of Contractor may appear for purposes of convenience in Contract Documents; and shall not limit Contractor's obligations hereunder. Third-party subcontractors, if approved, may serve as Subcontractors to Contractor. Contractor will retain executive representation for functional and technical expertise as needed in order to incorporate any Work by third-party subcontractor(s).
2. Intellectual Property. Contractor represents that it has the right to provide the Services and other Deliverables without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third-party. Contractor also represents that its Services and other Deliverables are not the subject of any actual or threatened actions arising from, or alleged under, any intellectual property rights of any third-party.
3. Inherent Services. If any Services or other Deliverables, functions, or responsibilities not specifically described in this Contract are required for Contractor's proper performance, provision and delivery of the Services and other Deliverables pursuant to this Contract, or are an inherent part of or necessary sub-task included within the Services, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided herein, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and Deliverables.
4. Contractor warrants that it has the financial capacity to perform and to continue to perform its obligations under the Contract; that Contractor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Contractor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any Contract, or order by any court of competent jurisdiction.

### **3.6. STATE PROPERTY AND INTANGIBLES RIGHTS**

1. The parties acknowledge and agree that NCTA shall own all right, title and interest in and to the copyright in any and all software, technical information, specifications, drawings, records,

documentation, data and other Work products first originated and prepared by the Contractor for delivery to the State (the “Deliverables”). To the extent that any Contractor Technology is contained in any of the Deliverables, the Vendor hereby grants the State a royalty-free, fully paid, worldwide, perpetual, non-exclusive license to use such Contractor Technology in connection with the Deliverables for NCTA’s internal business purposes. Contractor shall not acquire any right, title and interest in and to the copyrights for goods, any and all software, technical information, specifications, drawings, records, documentation, data or derivative Works thereof, or other Work products provided by NCTA to the Contractor. NCTA hereby grants Contractor a royalty-free, fully paid, worldwide, perpetual, non-exclusive license to non-confidential Deliverables first originated and prepared by the Contractor for delivery to NCTA.

### **3.6.1. Patent, Copyright and Trade Secret Protection**

1. Contractor has created, acquired or otherwise has rights in, and may, in connection with the performance of Services for NCTA, employ, provide, create, acquire or otherwise obtain rights in various concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques, models, templates and general purpose consulting and Software tools, utilities and routines (collectively, the “Contractor Technology”). To the extent that any Contractor Technology is contained in any of the Deliverables including any derivative Works, the Contractor hereby grants NCTA a royalty-free, fully paid, worldwide, perpetual, non-exclusive license to use such Contractor Technology in connection with the Deliverables for NCTA’s purposes.
2. Contractor shall not acquire any right, title and interest in and to the copyrights for goods, any and all Software, technical information, specifications, drawings, records, Documentation, data or derivative Works thereof, or other Work products provided by NCTA to Contractor. NCTA hereby grants Contractor a royalty-free, fully paid, worldwide, perpetual, non-exclusive license for Contractor’s internal use to non-confidential Deliverables originated and prepared by the Contractor for delivery to NCTA.
3. The Contractor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the services or Deliverables supplied by the Contractor, or the operation of such Deliverables pursuant to a current version of Contractor-supplied Software, infringes a patent, or copyright or violates a trade secret in the United States. The Contractor shall pay those costs and damages finally awarded against the State in any such action. Such defense and payment shall be conditioned on the following:
  - a. That the Contractor shall be notified within a reasonable time in writing by NCTA of any such claim; and,
  - b. That the Contractor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that NCTA shall have the option to participate in such action at its own expense.
4. Should any services or software supplied by Contractor, or the operation thereof become, or in the Contractor’s opinion are likely to become, the subject of a claim of infringement of a patent, copyright, or a trade secret in the United States, NCTA shall permit the Contractor, at its option and expense, either to procure for NCTA the right to continue using the goods/Hardware or Software, or to replace or modify the same to become non- infringing and continue to meet procurement specifications in all material respects. If neither of these options can reasonably be taken, or if the use of such goods/Hardware or Software by NCTA shall be prevented by injunction, the Contractor agrees to take back such goods/Hardware or Software, and refund any sums NCTA has paid Contractor less any reasonable amount for use or damage and make every reasonable effort to assist NCTA in procuring substitute Deliverables. If, in the sole opinion of NCTA, the return of such infringing Deliverables makes the retention of other items of Deliverables acquired from the Contractor under this Contract impractical, NCTA shall then have

the option of terminating the Contract, or applicable portions thereof, without penalty or termination charge. The Contractor agrees to take back such Deliverables and refund any sums NCTA has paid Contractor less any reasonable amount for use or damage.

5. Contractor will not be required to defend or indemnify NCTA if any claim by a third-party against NCTA for infringement or misappropriation (i) results from the NCTA's alteration of any Contractor-branded product or Deliverable, or (ii) results from the continued use of the good(s) or Services and Deliverables after receiving Notice they infringe a trade secret of a third-party.
6. Nothing stated herein, however, shall affect Contractor's ownership in or rights to its preexisting intellectual property and proprietary rights.

### **3.6.2. Data Security**

1. All data, records, and operations history information shall remain property of the NCTA at all times during the life of the Contract and after Contract termination.
2. The Contractor(s) shall ensure that no unauthorized personnel will have access to individual facilities, cabinets, data and records, payment histories, any personal information of existing or potential NCTA toll customers. Paper records shall be locked when not in use; Systems shall have secure password and ID controls for any data access. Contractor shall comply with the North Carolina Statewide Information Security Manual. Currently found at <http://it.nc.gov/document/statewide-information-security-manual>, as may be amended from time to time throughout the term of the Contract.
3. Contractor shall notify NCTA of any security breaches immediately following discovery of the breach in accordance with the NC Identity Theft Act, G.S. § 75-60 *et seq.*
4. In accordance with G.S. § 136-89.213, customer account information is confidential and not subject to public disclosure.

## **3.7. Other General Provisions**

### **3.7.1. Governmental Restrictions**

1. In the event any restrictions are imposed by governmental Requirements that necessitate alteration of the material, quality, workmanship, or performance of the Deliverables offered prior to delivery thereof, the Contractor shall provide written notification of the necessary alteration(s) to NCTA. NCTA reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract. NCTA may advise Contractor of any restrictions or changes in specifications required by North Carolina legislation, rule or regulatory authority that require compliance by the State. In such event, Contractor shall use its best efforts to comply with the required restrictions or changes. If compliance cannot be achieved by the date specified in the Contract, NCTA may terminate this Contract and compensate Contractor for sums due under the Contract.

### **3.7.2. Prohibition Against Contingent Fees and Gratuities:**

1. Contractor warrants that it has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the State for the purpose of obtaining any contract or award issued by the State. Contractor further warrants that no commission or other payment was or will be received from or paid to any third-party contingent on the award of any contract by the State, except as shall be expressly communicated to NCTA in writing prior to Acceptance of the Contract or award in question. Each individual signing below warrants that he or she is duly authorized by their respective Party to sign this Contract and bind the Party to the terms and conditions of this Contract. Contractor and their authorized signatory further warrant that no officer or employee of the State has any direct or indirect financial or personal beneficial interest,

in the subject matter of this Contract; obligation or contract for future award of compensation as an inducement or consideration for making this Contract. Subsequent discovery by the State of non-compliance with these provisions shall constitute sufficient cause for immediate termination of all outstanding contracts. Violations of this provision may result in debarment of the bidder(s) or Contractor(s) as permitted by State or Federal law.

2. Gift Ban - By Executive Order 24, issued by Governor Perdue, and G.S. § 133-32, it is unlawful for any vendor or contractor ( i.e., architect, bidder, contractor, construction manager, design professional, engineer, landlord, offeror, seller, subcontractor, supplier, or vendor), to make gifts or to give favors to any State employee of the Governor's cabinet agencies (i.e., Administration, Commerce, Correction, Crime Control and Public Safety, Cultural Resources, Environment and Natural Resources, Health and Human Services, Juvenile Justice and Delinquency Prevention, Revenue, Transportation, and the Office of the Governor). This prohibition covers those vendors and contractors who: (a) have a contract with a governmental agency; or (b) have performed under such a contract within the past year; or (c) anticipate bidding on such a contract in the future. For additional information regarding the specific Requirements and exemptions, vendors and contractors are encouraged to review Executive Order 24 and G.S. § 133-32.

### **3.7.3. Equal Employment Opportunity**

1. Contractor shall comply with all Federal and State Requirements concerning fair employment and employment of the disabled, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or physical disability.

### **3.7.4. Inspection at Contractor's Site**

1. NCTA reserves the right to inspect, during Contractor's regular business hours at a reasonable time, upon Notice of not less than two (2) weeks, and at its own expense, the prospective Deliverables comprising Equipment or other tangible goods, or the plant or other physical facilities of a prospective Contractor prior to Contract award, and during the Contract Term as necessary or proper to ensure conformance with the specifications/Requirements and their adequacy and suitability for the proper and effective performance of the Contract.

### **3.7.5. Advertising / Press Release**

1. The Contractor absolutely shall not publicly disseminate any information concerning the Contract without prior written Approval from the State or its Agent. For the purpose of this provision of the Contract, the Agent is the NCTA Contract Administrator unless otherwise named in the solicitation documents.

### **3.7.6. Confidentiality**

1. To promote maximum competition in the State competitive bidding process, the State may maintain the confidentiality of certain types of information described in G.S. § 132-1 et. seq. Such information may include trade secrets defined by G.S. § 66-152 and other information exempted from the Public Records Act pursuant to G.S. § 132-1.2. Contractor may designate appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by marking the top and bottom of pages containing confidential information with a legend in boldface type "CONFIDENTIAL". By so marking any page, the Contractor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors that the portions marked confidential meet the Requirements of the Rules and Statutes set forth above. However, under no circumstances shall price information be designated as confidential. The State may serve as custodian of Contractor's confidential information and not as an arbiter of claims against Contractor's assertion of confidentiality. If an action is brought pursuant to G.S. § 132-9 to compel the State to disclose information marked confidential, the Contractor agrees that it will intervene

in the action through its counsel and participate in defending the State, including any public official(s) or public employee(s). The Contractor agrees that it shall hold the State and any official(s) and individual(s) harmless from any and all damages, costs, and attorneys' fees awarded against the State in the action. The State agrees to promptly notify the Contractor in writing of any action seeking to compel the disclosure of Contractor's confidential information. The State shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The State shall have no liability to Contractor with respect to the disclosure of Contractor's confidential information ordered by a court of competent jurisdiction pursuant to G.S. § 132-9 or other applicable law.

- a. Care of Information: Contractor agrees to use commercial best efforts to safeguard and protect any data, documents, files, and other materials received from the State or NCTA during performance of any contractual obligation from loss, destruction or erasure.
- b. Contractor warrants that all its employees and any approved third-party contractors or subcontractors are subject to a non-disclosure and confidentiality agreement enforceable in North Carolina. Contractor will, upon request of the State, verify and produce true copies of any such agreements. Production of such agreements by Contractor may be made subject to applicable confidentiality, non-disclosure or privacy laws; provided that Contractor produces satisfactory evidence supporting exclusion of such agreements from disclosure under the N.C. Public Records laws in G.S. § 132-1 et. seq. The State may, in its sole discretion, provide a non-disclosure and confidentiality agreement satisfactory to the State for Contractor's execution. The State may exercise its rights under this subparagraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes including, but not limited to 26 USC 6103 and IRS Publication 1075, (Tax Information Security Guidelines for Federal, State, and Local Agencies), HIPAA, 42 USC 1320(d) (Health Insurance Portability and Accountability Act), any implementing regulations in the Code of Federal Regulations, and any future regulations imposed upon the Office of Information Technology Services or the N.C. Department of Revenue pursuant to future statutory or regulatory Requirements.
- c. Nondisclosure: Contractor agrees and specifically warrants that it, its officers, directors, principals and employees, and any Subcontractors, shall hold all information received during performance of this Contract in the strictest confidence and shall not disclose the same to any third-party without the express written approval of the State.
- d. Contractor shall protect the confidentiality of all information, data, instruments, studies, reports, records and other materials provided to it by NCTA or maintained or created in accordance with this Contract. No such information, data, instruments, studies, reports, records and other materials in the possession of Contractor shall be disclosed in any form without the prior written consent of the NCTA. Contractor will have written policies governing access to and duplication and dissemination of all such information, data, instruments, studies, reports, records and other materials.
- e. All Project materials, including Software, data, and Documentation created during the performance or provision of Services hereunder that are not licensed to the State or are not proprietary to the Contractor are the property of the State of North Carolina and must be kept confidential or returned to the State, or destroyed. Proprietary Contractor materials shall be identified to the State by Contractor prior to use or provision of Services hereunder and shall remain the property of the Contractor. Derivative Works of any Contractor proprietary materials prepared or created during the performance of provision of Services hereunder shall be subject to a perpetual, royalty free, nonexclusive license to the State.

**3.7.7. Deliverables**

- I. Deliverables, as used herein, shall comprise all Hardware, Contractor Services, professional services, Software and provided modifications to the Software, and incidental materials, including any goods, Software or Services access license, data, reports and Documentation provided or created during the performance or provision of Services hereunder. Deliverables not subject to owner licensing or leasing are the property of the State of North Carolina. Proprietary Contractor materials licensed to the State shall be identified to the State by Contractor prior to use or provision of Services hereunder and shall remain the property of the Contractor. Deliverables include "Work Product" and means any expression of Contractor's findings, analyses, conclusions, opinions, recommendations, ideas, techniques, know-how, Designs, programs, enhancements, and other technical information; but not source and object code or Software.

**3.7.8. Late Delivery, Back Order**

- I. Contractor shall advise NCTA immediately upon determining that any Deliverable will not, or may not, be delivered at the time or place specified. Together with such Notice, Contractor shall state the projected delivery time and date. In the event the delay projected by Contractor is unsatisfactory, NCTA shall so advise Contractor and may proceed to procure substitute Deliverables or Services.

**3.7.9. Assignment**

- I. Contractor may not assign this Contract or its obligations hereunder except as permitted by this paragraph. Contractor shall provide reasonable Notice of not less than thirty (30) Calendar Days prior to any consolidation, acquisition, or merger. Any assignee shall affirm this Contract atoning to the terms and conditions agreed, and that Contractor shall affirm that the assignee is fully capable of performing all obligations of Contractor under this Contract. An assignment may be made, if at all, in writing by the Contractor, Assignee and the State setting forth the foregoing obligation of Contractor and Assignee.

**3.7.10. Insurance Coverage**

- I. During the term of the Contract, the Contractor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Contract. As a minimum, the Contractor shall provide and maintain the coverage and limits, as set forth in **Part I, Administrative**, Section 1.28, Insurance Requirements.

**3.7.11. Dispute Resolution**

- I. In the event of any dispute whatsoever arising out of or relating to the Contract Documents, the Work or the Project, the disputing party must furnish a written Notice to the other party, setting forth in detail the dispute. Such Notice must be addressed to the other party's Project Manager. Within five (5) Business Days after the receipt of the Notice by the receiving Project Manager, the two Project Managers shall meet in NCTA's offices to attempt to resolve the dispute. If the Project Managers cannot resolve the dispute then, within fourteen (14) Calendar Days after the date of written Notice by either Project Manager to the Executive Director of NCTA and the Project Principal, the Executive Director of NCTA and the Project Principal shall meet in NCTA's offices to attempt to resolve the dispute. If the Executive Director of NCTA and the Project Principal cannot resolve the dispute or otherwise agree to extend the time within which to attempt to resolve the dispute, then either Party may pursue those remedies as allowed under this Contract.

**3.7.12. Default**

- I. In the event any Services or Deliverable furnished by the Contractor during performance of any Contract Term fails to conform to any material requirement of the Contract specifications, Notice of the failure is provided by NCTA, and the failure is not cured within ten (10) Business Days, or



Contractor fails to meet the Requirements of paragraph 3.2 Acceptance Criteria herein, NCTA may cancel and procure the articles or Services from other sources; holding Contractor liable for any excess costs occasioned thereby, subject only to the limitations provided in the Contract and the obligation to informally resolve disputes as provided in these Terms and Conditions. Default may be cause for debarment. NCTA reserves the right to require performance guaranties from the Contractor without expense to the State. The rights and remedies of NCTA provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract. NCTA allows for ten (10) Business Days to rectify a problem and thirty (30) Calendar Days to cure a termination.

2. If Contractor fails to deliver or provide correct Services or other Deliverables within the time required by this Contract, NCTA may provide written Notice of said failure to Contractor, and by such Notice may require payment of a penalty.
3. Contractor will use reasonable efforts to mitigate delays, costs or expenses arising from assumptions in the Contractor's offer documents that prove erroneous or are otherwise invalid.
4. Should NCTA fail to perform any of its obligations upon which Contractor's performance is conditioned, Contractor shall not be in default for any delay, cost increase or other consequences due to NCTA's failure. Any deadline that is affected by any such failure in assumptions or performance by NCTA shall be extended by an amount of time reasonably necessary to compensate for the effect of such failure.
5. Contractor shall provide a Plan to cure any default or delay if requested by NCTA. The Plan shall state the nature of the default, the time required for cure, any mitigating factors causing or tending to cause the default, and such other information as the Contractor may deem necessary or proper to provide.

### **3.7.13. Waiver of Default**

1. Waiver by either party of any default or breach by the other Party shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be a modification or novation of the terms of this Contract, unless so stated in a writing and signed by authorized representatives of NCTA and the Contractor, and made as an Amendment in accordance with the terms of this Contract.

### **3.7.14. Limitation of Contractor's Liability**

1. Where Deliverables have been approved by NCTA and are under NCTA's exclusive management and control, the Contractor shall not be liable for direct damages caused by NCTA's failure to fulfill any responsibilities of assuring the proper use, management and supervision of the Deliverables and programs, audit controls, operating methods, office procedures, or for establishing all proper checkpoints necessary for NCTA's intended use of the Deliverables.
2. The Contractor's liability for damages to NCTA for any cause whatsoever, and regardless of the form of action, whether in contract or in tort, shall be limited to two times the value of the Contract.
3. The foregoing limitation of liability shall not apply to the payment of costs and damage awards referred to in the paragraph entitled "Patent, Copyright, and Trade Secret Protection", to claims covered by other specific provisions calling for Liquidated Damages or specifying a different limit of liability to claims for injury to persons or damage to property caused by Contractor's negligence or willful or wanton conduct or for claims for losses relating to the loss of, unauthorized access to, or unauthorized disclosure of data. This limitation of liability does not apply to the receipt of court costs or attorney's fees that might be awarded by a court in addition to damages after litigation based on this Contract.

### **3.7.15. Contractor's Liability for Injury to Persons or Damage to Property**

1. The Contractor shall be liable for damages arising out of personal injuries and/or damage to real or tangible personal property of NCTA, employees of NCTA, persons designated by NCTA for training, or person(s) other than Agents or employees of the Contractor, designated by NCTA for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Deliverables either at the Contractor's site or at NCTA's place of business, provided that the injury or damage was caused by the fault or negligence of the Contractor.
2. The Contractor agrees to indemnify, defend and hold NCTA and the State and its Officers, employees, Agents and assigns harmless from any liability relating to personal injury or injury to real or personal property of any kind, accruing or resulting to any other person, firm or corporation furnishing or supplying Work, Services, materials or supplies in connection with the performance of this Contract, whether tangible or intangible, arising out of the ordinary negligence, willful or wanton negligence, or intentional acts of the Contractor, its officers, employees, agents, assigns or Subcontractors, in the performance of this Contract.
3. Contractor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by the Contractor.

#### **3.7.16. General Indemnity**

1. The Contractor shall hold and save NCTA, its officers, Agents and employees, harmless from liability of any kind, including all claims and losses, with the exception of consequential damages, as normally construed, accruing or resulting to any other person, firm or corporation furnishing or supplying Work, Services, materials or supplies in connection with the performance of this Contract. The foregoing indemnification and defense by the Contractor shall be conditioned upon the following:
  - a. NCTA shall give Contractor written Notice within thirty (30) Calendar Days after it has actual knowledge of any such claim(s) or action(s) filed; and
  - b. The Contractor shall have the sole control of the defense of any such claim(s) or action(s) filed and of all negotiations relating to settlement or compromise thereof, provided, however, that NCTA shall have the option to participate at their own expense in the defense of such claim(s) or action(s) filed.

#### **3.7.17. Changes**

1. The Contract is awarded subject to the provision of the specified Services and the provision of other Deliverables as specified herein. Any changes made to the Contract proposed by the Contractor are hereby rejected unless accepted in writing by NCTA. NCTA shall not be responsible for Services or other Deliverables provided other than those specified in the Contract.

#### **3.7.18. Time is of the Essence**

1. Time is of the essence in the performance of this Contract. Contractor and NCTA will mutually develop and agree to a schedule of implementation, operation, etc. Contractor and Subcontractors will be required to adhere to the Approved schedule.

#### **3.7.19. Independent Contractors**

1. Contractor and its employees, officers and executives, and Subcontractors, if any, shall be independent Contractors and not employees or Agents of the State. This Contract shall not operate as a joint venture, partnership, trust, authority or any other business relationship.

#### **3.7.20. Travel Expenses**

1. Only Contractor travel of behalf of NCTA will be considered for reimbursement.
2. All Contractor travel on behalf of NCTA shall be preapproved by the NCTA Project Manager.

3. In the event that the Contractor, upon specific request in writing by the State, is deemed eligible to be reimbursed for travel expenses arising under the performance of the Agreement, reimbursement will be at the rates set forth in G.S. § 138-6; as amended from time to time. Contractor agrees to use the lowest available airfare not requiring a weekend stay and to use the lowest available rate for rental vehicles. All Contractor incurred travel expenses shall be billed on a monthly basis, shall be supported by receipt and shall be paid by the State within thirty (30) days after invoice approval. Travel expenses exceeding the foregoing rates shall not be paid by the State. The State will reimburse travel allowances only for days on which the Contractor is performing Services under the Agreement.

#### **3.7.21. Transportation**

1. Transportation of Deliverables shall be FOB Destination unless otherwise specified in this RFP. Freight, handling, hazardous material charges, and distribution and installation charges shall be included in the total price of each item. Any additional charges shall not be honored for payment unless authorized in writing by NCTA. In cases where parties, other than the Contractor ship materials against this Contract, the shipper shall be instructed to show the purchase order number on all packages and shipping manifests to ensure proper identification and payment of invoices. A complete packing list shall accompany each shipment.

#### **3.7.22. Notices**

1. Any Notices required under this Contract shall be delivered to the Contractor or NCTA be delivered in writing by U.S. Mail, Commercial Courier or by hand, unless otherwise specified in the Solicitation Documents.

#### **3.7.23. Titles and Headings**

1. Titles and Headings in this Contract are used for convenience only and do not define, limit or proscribe the language of terms identified by such Titles and Headings.

#### **3.7.24. Amendment**

1. This Contract may not be amended orally or by performance. Any Amendment must be made in written form and signed by duly authorized representatives of NCTA and Contractor in conformance with Contract Requirements.

#### **3.7.25. Taxes**

1. The State of North Carolina is exempt from Federal excise taxes and no payment will be made for any personal property taxes levied on the Contractor or for any taxes levied on employee wages. Agencies of the State may have additional exemptions or exclusions for Federal or State taxes. Evidence of such additional exemptions or exclusions may be provided to Contractor by Agencies, as applicable, during the term of this Contract. Applicable State or local sales taxes shall be invoiced as a separate item and not included in the Price Proposal.

#### **3.7.26. Governing Laws, Jurisdiction, and Venue**

1. This Contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina. The place of this Contract or purchase order, its situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or in tort, relating to its validity, construction, interpretation and enforcement shall be determined. Contractor agrees and submits, solely for matters relating to this Contract, to the jurisdiction of the courts of the State of North Carolina, and stipulates that Wake County shall be the proper venue for all matters.
2. Except to the extent the provisions of the Contract are clearly inconsistent therewith, the applicable provisions of the Uniform Commercial Code as modified and adopted in North Carolina shall govern this Contract. To the extent the Contract entails both the supply of "goods"

and "Services," such shall be deemed "goods" within the meaning of the Uniform Commercial Code, except when deeming such Services as "goods" would result in a clearly unreasonable interpretation.

### **3.7.27. Force Majeure**

- I. Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God. Force Majeure events shall not otherwise limit NCTA's rights to enforce contracts.

### **3.7.28. Compliance with Laws**

- I. The Contractor shall comply with all laws, ordinances, codes, rules, regulations, and licensing Requirements that are applicable to the conduct of its business, including those of Federal, State, and local agencies having jurisdiction and/or authority.

### **3.7.29. Severability**

- I. In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and Requirements of this Contract shall remain in full force and effect. All promises, requirement, terms, conditions, provisions, representations, guarantees and warranties contained herein shall survive the expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statute, including statutes of repose or limitation.

### **3.7.30. Federal Intellectual Property Bankruptcy Protection Act**

- I. The Parties agree that NCTA shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365(n) and any amendments thereto.

### **3.7.31. Ineligible Contractors**

- I. As provided in G.S. § 147-86.59 and G.S. § 147-86.82, the following companies are ineligible to contract with the State of North Carolina or any political subdivision of the State: a) any company identified as engaging in investment activities in Iran, as determined by appearing on the Final Divestment List created by the State Treasurer pursuant to G.S. § 147-86.58, and b) any company identified as engaged in a boycott of Israel as determined by appearing on the List of restricted companies created by the State Treasurer pursuant to G.S. § 147-86.81. A contract with the State or any of its political subdivisions by any company identified in a) or b) above shall be void ab initio.

### **3.7.32. Availability of Funds**

- I. Any and all payments to Contractor are expressly contingent upon and subject to the appropriation, allocation and availability of funds to NCTA for the purposes set forth in this Contract. If this Contract is funded in whole or in part by Federal funds, the Agency's performance and payment shall be subject to and contingent upon the continuing availability of said Federal funds for the purposes of the Contract. If the term of this Contract extends into fiscal years subsequent to that in which it is approved, such continuation of the Contract is expressly contingent upon the appropriation, allocation and availability of funds by the N.C. Legislature for the purposes set forth in the Contract. If funds to effect payment are not available, the Agency will provide written notification to Contractor. If the Contract is terminated under this paragraph, Contractor agrees to take back any affected Deliverables and Software not yet delivered under this Contract, terminate any Services supplied to the Agency under this Contract, and relieve

NCTA of any further obligation thereof. The State shall remit payment for Deliverables and Services accepted prior to the date of the aforesaid Notice in conformance with the payment terms.

### **3.7.33. E-Verify**

- I. Pursuant to G.S. § 143-133.3, the State shall not enter into a contract unless the awarded Contractor and each of its subcontractors comply with the E-Verify Requirements of N.C. General Statutes, Chapter 64, Article 2. Contractors are directed to review the foregoing laws. Any awarded Contractor must submit a certification of compliance with E-Verify to the awarding agency, and on a periodic basis thereafter as may be required by the State.

### **3.7.34. Historically Underutilized Businesses**

- I. Pursuant to N.C.G.S. §§ 143-48 and 143-128.4 and any applicable Executive Order, the State of North Carolina and NCTA invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled. Additional information may be found at: <http://ncadmin.nc.gov/businesses/hub/>.

### **3.7.35. No Waiver**

- I. Notwithstanding any other language or provision in the Contract, nothing herein is intended nor shall be interpreted as a waiver of any right or remedy otherwise available to NCTA under applicable law. The waiver by NCTA of any right or remedy on any one occasion or instance shall not constitute or be interpreted as a waiver of that or any other right or remedy on any other occasion or instance.

### **3.7.36. Entire Agreement**

- I. This RFP and any documents incorporated specifically by reference represent the entire agreement between the parties and supersede all prior oral or written statements or agreements. This RFP, any addenda hereto, and the Contractor's Proposal Documents are incorporated herein by reference as though set forth verbatim.
2. All promises, Requirements, terms, conditions, provisions, representations, guarantees, and warranties contained herein shall survive the contract expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable Federal or State statutes of limitation.

### **3.7.37. Sovereign Immunity**

- I. Notwithstanding any other term or provision in the Contract, nothing herein is intended nor shall be interpreted as waiving any claim or defense based on the principle of sovereign immunity or other State or federal constitutional provision or principle that otherwise would be available to the NCTA under applicable law.