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CLERK OF THE BOARD
OF COUNTY COMMISSIONERS
MIAMI-DADE COUNTY, FLORIDA

Memorandum

MIAMI-DADE COUNTY

Date: January 21, 2010

To: Honorable Chairman Dennis C. Moss
and Members, Board of County Commissioners

From: George M. Burgess
County Manager

Agenda Item No. 8(J)(1)(A)

Resolution No. R-28-10

Subject: Resolution Authorizing the Execution of a Participation Agreement Between Miami-Dade County and the South Florida Regional Transportation Authority for the Provision of Services Related to the Automated Fare Collection System (AFCS)

RECOMMENDATION

It is recommended that the Board of County Commissioners (Board) approve the execution of an Interlocal Agreement between Miami-Dade County (County) and the South Florida Regional Transportation Authority (SFRTA) for the provision of clearinghouse services for back office functions for Miami-Dade Transit's (MDT) Automated Fare Collection System (AFCS). The primary role of the clearinghouse will be to allow the County to process transactions in the payment system on behalf of the SFRTA. Additionally, this Agreement will provide SFRTA with the capability of using the EASY Card as a method of cashless fare collection on SFRTA's fixed-route service and allow for patron transfers between MDT and SFRTA's transit systems.

SCOPE

This Participation Agreement has a county-wide impact.

FISCAL IMPACT/FUNDING SOURCE

There is no direct cost to the County for this Participation Agreement with the SFRTA. The SFRTA shall pay to the County approximately $240,000 for performing clearinghouse functions. An additional approximate $120,000 is also included as a contingency amount currently contemplated to be absorbed by SFRTA and its contractor but may be transferred to MDT in the event SFRTA's contractor does not provide the support. These costs are delineated in Attachment 1, Interim Clearinghouse Cost Table.

In addition, it is agreed that six (6) months after the implementation date, the County and the SFRTA shall mutually agree to any changes to the Clearinghouse Cost Table based on actual customer service call volumes, actual transaction volumes and an audit.

TRACK RECORD/MONITOR

This will be the first Agreement the County has entered into with the SFRTA for the purpose of clearinghouse activities. The person responsible for monitoring the Agreement is Marjan Mazza, Assistant Director, Financial Services.

DELEGATED AUTHORITY

In accordance with Section 2-8.3 of the Miami-Dade County Code related to identifying delegation of Board authority, there are no authorities beyond that specified in the resolution which include authority for the Mayor, or Mayor's designee, to execute a Participation Agreement between Miami-Dade County and the SFRTA for the provision of services related to the AFCS and any related renewals.

BACKGROUND

MDT recently concluded full implementation of the AFCS throughout the Miami-Dade County (County) system (mover, rail and bus). The AFCS was designed to be a future regional fare vending and collection system which can ultimately provide residents and visitors to the South Florida region (Miami-Dade, Broward and Palm Beach) the ability to use a credit-card sized contact-less smart card (CSC) as the single fare media on public transportation.

In December 2008, the SFRTA Board approved entering into negotiations for their fare collection procurement. Since that time, MDT and SFRTA staff have held numerous meetings to discuss the inter-agency functionality of the equipment and strategies to ensure a seamless transition for our mutual customers. The SFRTA approved the attached Participation Agreement at its October 16, 2009, Board meeting. SFRTA has finalized negotiations with Cubic Transportation, Inc., and will recommend award following the Board of County Commission's approval of the Participation Agreement. SFRTA system design is then scheduled to begin early 2010 with equipment installation and is slated for completion by January 2011.

The basic assumption used to estimate back office costs that SFRTA will pay the County is based on the number of SFRTA customers transferring into Miami-Dade County. In 2008, SFRTA averaged 15,000 daily riders per day, with approximately 5,000 riders transferring into Miami-Dade County. Therefore, MDT and SFRTA estimate that approximately 1/3 of SFRTA daily passengers, or 5,000 passengers, will convert to the EASY Card in the first year. The unit costs for tasks such as Card Fulfillment, Customer Service, Reconciliation and Settlement was developed using unit cost estimates used during the joint procurement in 2004 for back office services for the region. Additionally, these unit costs were compared to information obtained from the Metropolitan Transportation Commission (MTC), in San Francisco, California which performs back office services for Muni, Caltran, Bay Area Regional Transit (BART), AC Transit and Golden Gate. MTC's unit costs were found to be comparable to those included in Attachment 1 of this Agreement.

While this Agreement is for a five-year term, with one five-year term renewal option, this Agreement provides that both Miami-Dade County and the SFRTA will re-visit this agreement six (6) months after implementation of SFRTA's system to mutually determine if the clearinghouse cost table requires re-negotiation. One year after implementation, and each subsequent year thereafter, the parties shall reassess and agree to a revised clearinghouse cost table, if necessary and taking into account actual customer service call volumes, actual transaction volumes and an audit of the EASY Card program.

The new SFRTA Automated Fare Collection System will integrate directly into the County's system and is designed to be more reliable, convenient and flexible than the current system. The AFCS will consist of ticket vending machines (80—full service and 35—cashless), ticket office machines, stand-alone validators (72) and hand held fare validators (60). The new fare collection equipment will be installed at all 18 SFRTA stations. The ticket vending machines will issue smartcards and paper fare media. The County's EASY Card can be dispensed and reloaded from the Tri-Rail ticket vending machines and Station kiosks.

Stand-alone validators located on the platform at each Station will be used by passengers to pay fares at boarding and alighting Tri-Rail trains. Handheld units will be utilized by Fare Enforcement Officers on-board the train to verify that the correct fares have been paid. All transactional data resulting from the sale of fare media will reside on a central computer system located at MDT. The central computer will perform the electronic processing and credit card activities necessary to process ticket sales.

This Participation Agreement between Miami-Dade County and the SFRTA will allow MDT to serve as the clearinghouse for their new fare collection system. Some of the specific tasks this Agreement will effectuate include:

1. Reconcile and settle revenue each business day. Weekend activity will be processed on the following Monday and holiday activity will be processed on the following business day. The close of the revenue day is defined as 2:00 a.m.

2. Within three (3) business days of the close of the revenue day, transfer by wire or other electronic means, all revenue recognized by SFRTA Fare Device activity, except in the event of a declared natural emergency/disaster.

3. Provide revenue reports to SFRTA to coincide with the processing of Fare Device transactions sufficient to allow full reconciliation of fare media use and revenue.

4. Provide SFRTA access to the NextFare central computing system for the purpose of generating reports and conducting analysis.

5. Maintain the County's Clearinghouse, related software and data sufficient to support the clearing, settlement and customer service functions between SFRTA and the County, including uploading and downloading data from Fare Devices, i.e., fare tables, autoload lists, negative lists, payment and usage data, etc.

In addition, the County shall be responsible for the operation of a central system and clearinghouse which will recognize when an EASY Card is presented to an SFRTA fare device and transmit the necessary data to properly recognize, reconcile and deposit revenue to the SFRTA. MDT will retain responsibility for the provision of EASY Card customer service, including managing centralized card sales and distribution, and addressing customer inquiries.

MDT's centralized computer system is designed to be expanded on a regional scale, i.e., Broward and Palm Beach Counties, should they procure a new fare collection system and desire for MDT to perform clearinghouse services. Their systems would have to have the ability to communicate with MDT's central computer system. This Agreement supports MDT's effort to provide the capability of a regional and seamless fare collection system which supports regional transfers between the two properties.

Assistant County Manager

MEMORANDUM

(Revised)

TO: Honorable Chairman Dennis C. Moss and Members, Board of County Commissioners

DATE: January 21, 2010

FROM: R. A. Cuevas, Jr. County Attorney

SUBJECT: Agenda Item No. 8(J)(1)(A)

Please note any items checked.

_____ **"3-Day Rule" for committees applicable if raised**

_____ **6 weeks required between first reading and public hearing**

_____ **4 weeks notification to municipal officials required prior to public hearing**

_____ **Decreases revenues or increases expenditures without balancing budget**

_____ **Budget required**

_____ **Statement of fiscal impact required**

_____ **Ordinance creating a new board requires detailed County Manager's report for public hearing**

_____ **No committee review**

_____ **Applicable legislation requires more than a majority vote (i.e., 2/3's ____, 3/5's ____, unanimous _____) to approve**

_____ **Current information regarding funding source, index code and available balance, and available capacity (if debt is contemplated) required**

Approved _____ Mayor
Veto _____
Override _____

Agenda Item No. 8(J)(1)(A)
1-21-10

RESOLUTION NO. R-28-10

RESOLUTION AUTHORIZING THE EXECUTION OF A PARTICIPATION AGREEMENT BETWEEN MIAMI-DADE COUNTY AND THE SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY FOR THE PROVISION OF CLEARINGHOUSE SERVICES RELATED TO THE AUTOMATED FARE COLLECTION SYSTEM (AFCS) AND ANY RELATED AGREEMENT RENEWALS

WHEREAS, an automated fare collection system integrated between Miami-Dade Transit and SFRTA will provide for a seamless transfer for patrons within both systems; and

WHEREAS, providing their seamless transfer will promote the use of mass transit throughout South Florida; and

WHEREAS, this Board desires to accomplish the purposes outlined in the accompanying memorandum, a copy of which is incorporated herein by reference,

NOW, THEREFORE BE IT RESOLVED BY THE BOARD OF COUNTY COMMISSIONERS OF MIAMI-DADE COUNTY, FLORIDA, that this Board authorizes the execution of a Participation Agreement between Miami-Dade County and the South Florida Regional Transportation Authority for the provision of clearinghouse services related to the Automated Fare Collection System and the one five-year Agreement renewal.

The foregoing resolution was offered by Commissioner Jose "Pepe" Diaz, who moved its adoption. The motion was seconded by Commissioner Barbara J. Jordan and upon being put to a vote, the vote was as follows:

Dennis C. Moss, Chairman aye
Jose "Pepe" Diaz, Vice-Chairman aye

Bruno A. Barreiro	aye	Audrey M. Edmonson	aye
Carlos A. Gimenez	aye	Sally A. Heyman	aye
Barbara J. Jordan	aye	Joe A. Martinez	aye
Dorrin D. Rolle	aye	Natacha Seijas	aye
Katy Sorenson	aye	Rebeca Sosa	aye
Sen. Javier D. Souto	absent		

The Chairperson thereupon declared the resolution duly passed and adopted this 21st day of January, 2010. This resolution shall become effective ten (10) days after the date of its adoption unless vetoed by the Mayor, and if vetoed, shall become effective only upon an override by this Board.

MIAMI-DADE COUNTY, FLORIDA
BY ITS BOARD OF
COUNTY COMMISSIONERS

HARVEY RUVIN, CLERK

By: **DIANE COLLINS**
Deputy Clerk

Approved by County Attorney as
to form and legal sufficiency.

Bruce Libhaber

Attachment 1
Interim Clearinghouse Cost Table

SFRTA ACTIVE SMARTCARD ACCOUNTS BASIC OPERATING ASSUMPTIONS				COST/UNIT	Base Assumptions
				5,000	Assumed that approximately 1/3 of SFRTA daily passengers or 5,000 passengers will convert to the EASY Card in the first year. This assumption is used to calculate the activities shown below in Items 1. Card fulfillment and 4. Inventory Management
Monthly Transactions	Assumes number of touches of Tri-Rail riders for 250 days per year, excluding weekends (based on 2009 Calendar Year)			416,667	Assumed that each Tri Rail EASY Card user rides every weekday and will "tap" the card four times in using the Tri Rail system
Ticket Vending Machine Transactions	Assumes 50% of SFRTA patrons will use TVM daily			2,500	Assumes 2,500 daily transactions at Tri Rail TVMs. This assumption is used to calculate Item 9. TVM Transactions
Autoload Activation	Assume 15% of accounts			750	This assumes that a minimum of 15% of account holders will choose to autoload option their cards. This assumption is used to calculate the activities shown below in Item 5, Autoload
Autoload deactivation	Assume 5% of autoload accounts			38	This assumes that a minimum of 5% of account holders will de-activate the autoload option. This assumption is used to calculate the activities shown below in Item 6, Deactivation

ITEM/ACTIVITY	DESCRIPTION	UNIT	PAYMENT BASIS	ANNUAL COSTS	Base Assumptions
Card Management					
1. Card Fulfillment	Fee assessed for fulfilling new card order, not including cost of actual card	$0.60	Per card	$3,000.00	The unit cost estimate is the same unit cost estimate used during the joint procurement in 2004 for back office services for the region. This includes the following: salaries costs for encoding (.06/each); preparing envelopes (.10/each); and first class postage (.44) per card for mail-out.
Customer Services					
2. Customer Service Basic Operations	**General tasks include, but are not limited to the following:** *Provide accurate and detailed information regarding fares, fare media options, and parking, including where to purchase fare media and obtain special passes * Provide accurate information in the use of equipment and systems, including TVMs, faregates, bus fareboxes, and POS equipment *Review reports produced by Nextfare *Explain restitution process to customer and process electronic Restitution Request for action from appropriate area	$3,333.33	Monthly	$40,000.00	This cost represents 25% salaries and time of three (3) Administrative Officers, a Clerk 3 and Clerk 4 to provide customer service support to SFRTA. Total staffing for the MDT EASY Card customer service function is 13. In total MDT is proposing that SFRTA pay 5.8% of Easy Card Customer Service. This amount is subject to adjusment based on actual call volume and will be reassessed after 6 months.
ACD/ IVR Phone System	Facility and phone infrastructure/equipment			$4,000.00	MDT's recurring cost for the ACD/IVR Phone System is $17,000 annually. MDT proposes that SFRTA pay a flat $4,000 annually to support ACD / IVR system cost or 23.5% of the recuring cost. This is a fixed cost.
3. Variable Account Management	Managing each active customer record, general inquiries, account info updates, and hotlist management	$0.19	Per account per month	$11,400.00	The unit cost estimate is the same unit cost estimate used during the joint procurement in 2004 for back office services for the region.
Autoload Services					
4. Account setup, servicing/support	On-going service, processing and administration for each active Autoload account setup; credit card processing	$5.00	Per account	$3,750.00	This unit cost estimate is the same unit cost estimate used during the joint procurement in 2004 for back office services for the region. Salary cost for accessing and entering account information to database; setting up credit card accounts and processing; and any required customer contact.
5. Account Deactivation	On-going service, processing and administration for each deactivated Autoload account.	$2.00	Per account	$75.00	This is the same unit cost used in the joint procurement in 2004 for back office services for the region.

SFRTA Clearinghouse/Back Office Estimate

ITEM/ACTIVITY	DESCRIPTION	UNIT	PAYMENT BASIS	ANNUAL COSTS	Base Assumptions
Financial Management					
6. Basic Monthly Ops & Admin	General accounting, financial reporting, auditing	$2,500.00	Monthly	$30,000.00	This amount represents 25% of the salary cost for an Accountant and Clerk. These positions are required in order to prepare and process monthly transaction reports. Total staff in this function support Easy Card is five (5). Based on total staff SFRTA is paying 10% of cost.
7. Reconciliation and Settlement	Every touch of the smart card to a target, plus autoload transactions.	$0.001	Per transaction per month	$5,000.00	This unit cost estimate is the same unit cost estimate used during the joint procurement in 2004 for back office services for the region. MDT estimates that Tri-Rail riders would touch the reader 4 times per day. 1. Entering Tri-Rail Station 2. Exiting Tri-Rail Station; Return Trip: 3. Entering Tri-Rail Station 4. Exiting Tri-Rail station. This cost is necessary for processing information and managing fare payment. Each record gets created in database. Every touch increases retention requirement in database
8. TVM Transactions	TVM transactions are compiled, reconciled and funds settled.	$0.07	Per TVM transaction per month	$43,750.00	TVM transactions are separate from touches. Every touch and purchase at the TVM represents a separate transaction. This include smart card purchases and tickets without microchip technology. Every sales transaction is recorded and retained in MDT's back office database. The database will also reconcile and settle funds. Assumes 2,500 Tri Rail TVM transactions every weekday.
Security Management					
9. Credit/Debit Chargeback Mgmt	Researching transaction disputes, managing fraud	$336.00	per incident	$4,032.00	Salary costs for monitoring and researching fraudulent activities. The annual cost represents an estimated one (1) incident per month. These incidents do not include external investigation for criminal activities.
Systems Management (IT)					
10. Systems Management	• Design and implementation of network connectivity and security from SFRTA to MDT • PRI installation for CPOS units • Design and implement VLAN for TVM • PCI compliance vulnerability testing and configurations • Backup and Recovery of data • Scheduled maintenance • Disaster Recovery • Operating systems maintenance for TVM • System access control and capacity management • System security control • Network device management, administration and security monitoring • Database instrumentation, monitoring, troubleshooting and repair	$7,871.20	Monthly	$94,454.45	This is the combined salary for 25% of four (4) staff consisting of Database Administrator, Network Manager, Operating System Programmer, and System Analyst. With fringe benefits and on-call services, the cost of this effort is $94,454. MDT currently has a total of 40 IT staff supporting the EASY Card function. Based on the total of 40, MDT is proposing that SFRTA pay 2.5% of staff cost
	• Database diagnostics and problem resolution • Database backup, restore and capacity management • Application version control • application monitoring and performance efficiency • Monitor data latency and accuracy • Central system software management and change control • Application issue research and resolution • Manage third party applications • Users access and account maintenance • Assist and manage external interfaces • Maintain issue tracking system • Provide application audit support • Standard and adhoc report/query development and support • EASY Card center user and application support • Website application, issue and functionality maintenance and support • Liaison with Government Information Center (GIC) for website publishing and deployment • Internal support of Finance and EASY Card Center staff who will be supporting the SFRTA transactions and activities				
	Sub Total			**$239,461.45**	Recurring Estimated Annual Cost

ITEM/ACTIVITY	DESCRIPTION	UNIT	PAYMENT BASIS	ANNUAL COSTS	Base Assumptions
One Time Contingent Cost					
11 Set-Up Contingency (estimated)	The following estimate is provided in the event the fare collection contractor does not provide support for engineering, design, documentation, training, and hardware for SFRTA during the initial implementation.	10%	Not to Exceed (Estimated)	**$23,946.15**	This assumes a one-time charge for MDT in supporting the implementation of SFRTA system. This is an estimated amount to be evaluated and paid after 6 months of actual operation from the Implementation Date
12 Network Contingency (optional)	The following estimate is provided in the event the fare collection contractor does not provide support for Network Integration Hardware		Not to Exceed (Estimated)	**$94,374.42**	This is an initial hardware cost necessary for network services integration to SFRTA. It is optional as whether this equipment is purchased directly by MDT or SFRTA. If purchased by MDT, SFRTA will reimburse actual costs. This is an estimated amount to be evaluated and paid after 6 months of actual operation from the Implementation Date
			Total (estimate)	**$357,782.02**	First year cost (estimate)
13. Credit Card Processing Fees	Credit transactions processing fees pass through to the Miami-Dade County.	3.00%	monthly	$66,000.00	This is based on an estimated $2.2M SFTRA credit card sales. These costs are paid directly to Miami Dade Finance.
14. Fare Media Encoding Fees	The cost to perform Sections 4a and b, Provisions of Fare Media in Attached Participation Agreement will be calculated based on the hourly labor rate of revenue employees required to complete said task.				If these services are required, SFRTA will reimburse based on hourly labor rates.

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PARTICIPATION AGREEMENT
BETWEEN
MIAMI-DADE COUNTY
AND
SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

This Agreement made and entered into this ___ day of ____, 2009, by and between MIAMI-DADE COUNTY (the "COUNTY") and the SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY ("SFRTA");

WHEREAS, the COUNTY has contracted for the design, fabrication, installation and maintenance of an Automated Fare Collection System ("AFCS contract") under the COUNTY's Contract No. _____, using contactless smart card media;

WHEREAS, in the design of the automated fare collection system the COUNTY has provided for the capability of regional fare collection and seamless transfers between regional transit providers;

WHEREAS, SFRTA is desirous of implementing the EASY Card system that will be part of the COUNTY's system as a method of fare collection for its patrons and to allow for seamless transfer between SFRTA and the COUNTY;

NOW, THEREFORE, for and in consideration of the mutual obligations the parties agree as follows:

1. Definitions

a. EASY Card/EASY Ticket: limited use or extended use smart card displaying the EASY logo/branding and used in compatible automated fare collection equipment installed on participating transit systems.

b. COUNTY: Miami-Dade County, the fixed route Metrobus, Metrorail, and Metromover operations provided by Miami-Dade County and the associated paratransit system.

c. Fare Device: Ticket vending machines (TVMs), ticket office machines (TOMs), handheld validators, stand alone validators (SAVs) and point of sale (POS) devices or other mechanisms or interfaces between the customer and the automated fare collection system.

d. Implementation Date: The first date on which the EASY Card system is fully operational and accepted in writing by the SFRTA for use as a means of fare collection for payment of SFRTA fares.

e. COUNTY Clearinghouse: The system centrally administered by the COUNTY to monitor EASY Card devices, maintain necessary software, transmit fare payment information and credit card transactions, process any necessary payment transactions, provide customer service, convey necessary reports, and to reconcile financial data between the COUNTY and SFRTA.

f. Initial Term: A period of five (5) years from the Implementation Date.

g. NextFare: The software system installed for the purpose of defining fare structure, recognizing fare media, recording, and reconciling transactions using the EASY Card and

providing data related thereto.

h. AFCS: Automated Fare Collection System.

2. ***Purpose and Scope of Agreement.*** The purpose of this Agreement is to provide for SFRTA to use the EASY Card as a method of cashless fare collection on SFRTA's fixed route service and for patron transfer between the fixed-route service of the COUNTY and the SFRTA. The COUNTY shall provide the services set forth herein so that SFRTA may sell EASY Card fare products, collect fares through SFRTA Fare Devices equipped with EASY Card readers, manage SFRTA's automated fare collection system and provide transfers between the COUNTY system and SFRTA. The COUNTY shall be responsible for the operation of a central system and clearinghouse which shall recognize revenue when the EASY Card is presented to a SFRTA Fare Device and transmit the necessary data to properly recognize, reconcile and deposit revenue to the account of SFRTA (the "COUNTY's Clearinghouse"). The COUNTY shall be responsible for the provision of EASY Card customer service, including managing centralized card sales and delivery of EASY Cards to SFRTA for distribution, and addressing customer inquiries.

3. ***Fare Structure.***

a. It is the intention of the parties to maintain control and manage their own respective fare policies, but to assure inter-operability of the EASY Card system. It is also their intent to maintain interagency fare products that support convenient inter-agency transfers consistent with the specific inter-agency policies to be determined by a separate agreement. The COUNTY agrees to maintain and be responsible for EASY Card system fare tables and associated transfer of fare tables to Fare Devices for both the COUNTY and for SFRTA. Upon written request by SFRTA, the COUNTY will have sixty (60) calendar days to implement changes to the SFRTA fare structure.

b. Until the sooner of six (6) months after either (1) the approval of this Agreement by the COUNTY or (2) when the COUNTY adopts and implements a new transfer policy, the COUNTY will continue to accept existing paper transfer media for rail-to-bus transfers from SFRTA to the COUNTY. SFRTA shall permit transfers from the COUNTY to SFRTA using existing paper transfer media.

c. The COUNTY and SFRTA will determine a process to assure that the central fare tables and other software necessary to support the operation of a regional, inter-operable smart card program are maintained by the COUNTY, including any alterations that may be necessary from time-to-time as a result of fare pricing or policy modifications or software upgrades/changes. Any costs necessary to support said modifications or upgrades shall be shared as provided in 5.d.~~i.~~ 1. The COUNTY shall be responsible for making all changes within sixty (60) calendar days after notification from SFRTA pursuant to Paragraph 18. The COUNTY shall also be responsible for assuring that all Fare Devices remain interoperable with the County's Clearinghouse.

Design, Installation and Testing of NextFare Software and Supporting Hardware. The COUNTY agrees to support the design, testing and installation process in accordance with Attachment 1.

4. ***Provision of Fare Media.***

a. Extended Use EASY Cards. SFRTA shall determine the means and methods of distributing EASY Cards to its patrons. At SFRTA's request, the COUNTY shall provide encoded or unencoded extended use EASY Cards to SFRTA for sale at SFRTA's sales outlets and Fare Devices. These cards may be unvalued or preloaded with cash and other types of products. SFRTA shall pay to the COUNTY the actual cost of procuring the extended use EASY Card. The COUNTY shall provide encoded extended use EASY Cards within sixty (60) calendar days of receiving an order. SFRTA shall pay the County the costs of said encoding in accordance with Attachment 1.

The COUNTY shall provide web-based, phone, and mail order sales of extended use EASY Cards through the EASY Card web site, the customer call center and mail order as part of the monthly fee between the COUNTY and SFRTA as referenced in section 4(d). SFRTA shall have the right to link its website to the EASY Card web site for SFRTA web-based EASY Card sales.

b. Limited Use EASY Tickets. SFRTA shall determine the extent to which it shall offer limited use EASY Tickets to its patrons. At SFRTA's request, the COUNTY shall provide encoded limited use EASY Tickets to SFRTA for sale at SFRTA's sales outlets. These tickets may be preloaded with cash and other types of products as requested by SFRTA. SFRTA shall pay to the COUNTY the actual costs of such limited use EASY Tickets. The COUNTY shall provide pre-encoded limited use EASY Tickets to SFRTA within sixty (60) calendar days of receiving an order. SFRTA shall pay the County the costs of said encoding in accordance with Attachment 1. Should the SFRTA decide to stock TVMs with limited use EASY Tickets, the COUNTY shall keep SFRTA supplied on a continuous basis with non-encoded limited use EASY Tickets for stocking in the TVMs.

5. ***Revenue Recognition, Clearinghouse, and Revenue Reconciliation.*** Each participating agency will be responsible for collecting funds deposited in its Fare Devices and depositing said revenues in its respective bank account. Revenues generated from transactions using credit cards and fare value added to an EASY Card at one agency, but used at another agency will be the subject of clearing and reconciliation between the participating agencies. The COUNTY shall be responsible for the operation of the County's Clearinghouse which shall recognize revenue transactions when the EASY Card is presented to a Fare Device and transmit the necessary data to properly recognize, reconcile, and deposit revenue to the account of each agency in accordance with the following revenue recognition principles:

a. Revenue Recognition Principles:

1. The full value of a SFRTA pass products encoded on an EASY Card, i.e., daily, weekly, monthly, 7 day, 12-trip or other instrument whose use is limited to the SFRTA, shall be recognized as a sale to SFRTA and credited in full to SFRTA. Pass products that can only be used on COUNTY services will be credited to the COUNTY.

2. The fare resulting from use of an EASY Card stored value purse shall be recognized for each agency upon use of the trip and credited to the agency using the then-current agency fare structure.

3. The value of interagency transfers or products shall be allocated to the COUNTY and

SFRTA based on a separately agreed inter-agency fare policy.

4. The COUNTY and SFRTA will agree on a set of reports for the purposes of revenue reconciliation within the first six (6) months of the initial term of this Agreement.

b. *The COUNTY's Clearinghouse Responsibilities:*

1. Reconcile and settle revenue each business day. Weekend activity will be processed on the following Monday and holiday activity will be processed on the following business day. The close of the revenue day is defined as 2:00 a.m.

2. Within three (3) business days of the close of the revenue day, transfer by wire or other electronic means all revenue recognized by SFRTA Fare Device activity, except in the event of a declared natural emergency/disaster.

3. Provide revenue reports to SFRTA to coincide with the processing of Fare Device transactions sufficient to allow full reconciliation of fare media use and revenue.

4. Provide SFRTA access to the NextFare central computing system for the purpose of SFRTA generating reports and conducting analysis at no additional cost to SFRTA. Should additional licenses be necessary for SFRTA to access the MDT back office system or to access reporting or other management tools used for fare system reporting and monitoring as referenced in this agreement, MDT shall provide this access at cost to SFRTA.

5. Maintain the County's Clearinghouse, related software and data sufficient to support the clearing, settlement and customer service functions between SFRTA and the COUNTY, including uploading and downloading data from Fare Devices, such as fare tables, autoload lists, negative lists, payment and usage data, etc.

c. *SFRTA Clearinghouse Responsibilities:*

1. Maintain a bank account into which cash from EASY Card sales and clearinghouse revenue settlements are deposited.

2. Maintain Fare Devices and supporting communication systems to assure operationally necessary exchange of fare collection related data on a mutually agreeable schedule.

d. *County's Clearinghouse Service Fees.*

1. The COUNTY and SFRTA agree that the SFRTA shall pay to the COUNTY for clearinghouse services rendered in accordance with the terms and conditions specified in the Clearinghouse Cost Table attached and incorporated herein as Attachment 1.

If the SFRTA wishes the County to perform <u>either: (1)</u> any service or task not explicitly designated in this Agreement; <u>or (2) a service or task included</u>

in this Agreement but not designated a cost in Attachment 1 or a method of payment in Section 5.d.1 of this Agreement, SFRTA shall submit said request in writing to the COUNTY. The COUNTY, if it wishes to perform said service or task, will provide a written estimate for the cost of providing said service or task.

All ~~other~~ costs for services ~~pursuant to this Agreement and not explicitly designated in Attachment 1~~ referenced in: Section 3.c. (costs associated with modifications or upgrades, as described in this section); Section 5.e. (Dormant Value), Section 8 (Loss from Fraud or Abuse); Section 9 (Audit and Analysis) and Section 12 (Security) shall be allocated based on relative passenger usage of the EASY Card on each participating transit system relative to the total volume of EASY Card passenger trips. The parties agree that costs will be evaluated annually based on an audit of the EASY Card program and that allocated shares of cost shall not exceed the proportional share of EASY Card riders on each participating agency relative to total EASY Card usage. At no time shall the cost allocated to SFRTA exceed the total cost of the EASY Card program.

2. Prior to the availability of actual costs and transaction volumes, the agencies agree to an interim Clearinghouse Cost Table. The initial Clearinghouse Cost Table is attached with this agreement as Attachment 1. This initial Clearinghouse Cost Table shall remain in effect until the SFRTA and the COUNTY reach agreement on ~~a permanent~~ an established Clearinghouse Cost Table. It is agreed that six (6) months after the Implementation Date, the COUNTY and the SFRTA shall mutually agree to any changes to the Clearinghouse Cost Table based on actual customer service call volumes and actual transaction volumes. One (1) year after the Implementation Date, and each subsequent year thereafter, the parties shall reassess and agree to a revised Clearinghouse Cost Table taking into account actual customer service call volumes and actual transaction volumes and an audit of the EASY Card program. Any mutually agreed upon adjustments resulting from the initial six (6) month review shall remain in effect until the actual audit of EASY Card operations is conducted after one (1) full year of regional operation.

3. Commencing on the Implementation Date, SFRTA will pay to the COUNTY, the amounts in Attachment 1, in arrears, in monthly increments during the course of the fiscal year. Payments will be in accordance with appropriate Florida statutes. SFRTA will confirm in writing to the COUNTY, on or before each June 1 during the Term of this Agreement, that the necessary annual budgetary appropriations have been made for the next fiscal year based on a proposed budget agreed to by the SFRTA and the COUNTY.

4. The COUNTY and SFRTA agree that all accounting activities undertaken in the operation of the County's Clearinghouse shall conform to Generally Accepted Accounting Principles (GAAP) in effect upon the date of this Agreement and as may be amended from time to time.

5. If any other Regional Partners (Broward County or Palm Beach County) agree to become participants in the COUNTY's EASY Card system, the COUNTY and SFRTA will renegotiate SFRTA's proportional share of the County's Clearinghouse cost.

e. *Dormant Value.*

It is anticipated there will be revenue recognized and received by the County's Clearinghouse that will be incapable of being transferred due to non-use of all or a portion of the value of purchased EASY Cards. The parties agree that dormant funds will be allocated as stipulated in section 5.d.1.

6. ***Liability for Errors.*** In the event that a processing error is discovered, whether the said error favors the COUNTY or SFRTA, the COUNTY shall rectify the error. If the error results in SFRTA receiving less money than it is entitled to, the COUNTY shall credit SFRTA's account for the amount of money that SFRTA should have received. If the error results in SFRTA receiving more money than it is entitled to, then the COUNTY reserves the right to correct the transactions that were incorrectly executed, regardless of the nature and cause of the error and to deduct funds from future revenue allocations, or request payment. Any correction for error, whether credit or debit, shall be first reviewed and approved by cognizant SFRTA and COUNTY staff. Any disputes shall be subject to the Dispute Resolution process contained herein.

7. ***Extension or Termination of the County's Clearinghouse Services.*** The COUNTY shall supply clearinghouse services to SFRTA during the Initial Term of this Agreement, defined as five (5) years from the SFRTA's Implementation Date. Ninety (90) business days prior to the expiration of the Initial Term, either the COUNTY or SFRTA may provide written notice of its intent to terminate the Agreement. In the absence of written notification from SFRTA, the COUNTY may at its sole discretion , exercise an option to continue to provide the clearinghouse services at the same rates and conditions for a period not to exceed an additional five (5) years.

If the SFRTA intends to extend this Agreement for an additional five year term, SFRTA shall provide the County with written notice no later than 90 days prior to the expiration of the initial term of the Agreement.

In the event the SFRTA provides notice of its intent to extend, the County shall have 30 days to respond in writing either agreeing to said extension or providing notice of termination.

Upon SFRTA's election to terminate this Agreement, the parties shall adopt a termination plan to include, at a minimum, the following: a schedule for final audit of fare revenue reconciliation and assessment of the County's Clearinghouse charges.

Upon the mutual election to extend this Agreement for additional five (5) year term, the parties shall review the terms and conditions thereof and shall extend this Agreement upon the same terms for an additional five (5) years, or shall make such adjustments and amendments as may be deemed necessary or desirable.

8. ***Loss from Fraud or Abuse.*** Revenue loss associated with balance protection and any fraud or abuse not directly attributable to the failure of either the COUNTY or SFRTA to properly

follow established operating procedures shall be shared between the agencies based on the provisions of Section 5.d.1. Any losses associated with either the COUNTY's or SFRTA's management or operation of the automated fare collection system, associated Fare Devices or credit/debit capability shall be that agency's sole responsibility. Any loss associated with either the COUNTY's or SFRTA's failure to properly follow established automated fare collection operating procedures shall also be that agency's sole responsibility.

9. ***Audit and Analysis.*** All functions of the County's Clearinghouse shall be subject to audit and analysis at least annually, with the audit costs thereof to be shared generally based on the provisions of section 5.d.1. by and among all parties whose fares are collected and recognized by the County's Clearinghouse. The COUNTY shall keep true and accurate records of all transactions pertaining to this Agreement. Such records shall be open to audit, with reasonable prior notice, by SFRTA or its authorized representatives during normal business hours at the COUNTY's offices, at any time while this Agreement is in effect and for four years after its termination, or for such period of time as dictated by Florida's Records Retention Laws, whichever is later. The parties shall have the right to seek adjustment of revenue recognition and revenue reconciliation based upon the results of any such audit by the giving of written notice to the other party no later than sixty (60) days after the completion and delivery of said audit. Such notice shall describe the adjustment sought and the grounds therefore. Upon receipt of such notice, the other party shall have the right to conduct such additional audit or examination as may be necessary to investigate the adjustment sought and shall provide a response in writing, including a tender of any sums agreed to be due as a result of the adjustment, to the other party no later than ninety (90) days from the date of such notice of adjustment.

The COUNTY shall cooperate with SFRTA in any audit required by the Federal Transit Administration or other funding authority/agency.

10. ***Public Awareness.*** If requested by SFRTA, the COUNTY shall assist SFRTA with its public awareness and education efforts related to the implementation of the EASY Card system. The COUNTY will share with SFRTA its education and outreach materials for SFRTA's use and may provide staff to assist in planning and implementing a public awareness campaign. The COUNTY shall not be required to incur any expense for advertising or publications as a result of this effort. The SFRTA shall have the right to add the SFRTA logo to the card design. SFRTA and MDT agree to work in coordination to develop regional branding of the EASY card for application region wide.

11. ***Privacy.*** The COUNTY and SFRTA shall develop a mutually acceptable process and procedure to assure that customer privacy is maintained as permitted by law and that all data security measures address applicable local, state and federal standards, guidelines, procedures, rules or laws.

12. ***Security.*** The COUNTY and SFRTA agree to work cooperatively to assure that the system and each agency meets all necessary security guidelines for the processing of funds and operation of the AFCS, including any associated banking, credit or payment card industry (PCI) standards or local, state or federal standards, guidelines, procedures, rules or laws. The County and SFRTA will separately be responsible for the cost of changes in their respective Fare Devices and associated agency systems. Costs incurred or required for the purpose of securing, maintaining and validating security of the County's Clearinghouse will be shared per the provisions of Section 5.d.1.

13. ***Disaster Recovery.*** The COUNTY and the SFRTA agree to establish a disaster recovery plan that minimizes disruptions for either agency or customers.

14. ***Amendment.*** This Agreement constitutes the entire agreement between the parties. No changes, amendments or modifications shall be effective and binding on the parties unless in writing, signed by the parties, and authorized by their respective governing bodies as may be required by law.

15. ***Assignment.*** Neither party shall assign this Agreement, wholly or in part, without the prior written consent of the other party. Any such assignment shall be binding on the parties only after proper written notice has been received. No assignment shall relieve the parties of any obligations under this Agreement.

16. ***Dispute Resolution.*** In the event a dispute arises between the COUNTY and SFRTA in the performance of this Agreement, the COUNTY's Project Manager and SFRTA's Project Manager shall expeditiously undertake, through direct, good faith negotiations, to resolve the dispute or controversy. The nature of said controversy shall be documented in writing by the party initiating the negotiations. In the event the dispute cannot be resolved by those individuals within fifteen (15) business days after negotiations are undertaken, the dispute shall be referred to the COUNTY's Miami-Dade Transit Director and SFRTA's Executive Director. If such dispute cannot be resolved by those parties within fifteen (15) business days of the dispute being brought to their attention, either party may pursue any other remedy available under Florida law. Each party shall continue performance of their respective obligations under this Agreement while matters in dispute are being resolved.

17. ***Acts of God (or Nature or Force Majeure).*** It is expressly understood and agreed to by all parties that all time limits and/or deadlines shall be extended in the event of an act of God or nature or force majeure. An act of God or nature or Force majeure shall include acts of God, acts of public enemy, fires, floods, epidemics, quarantine restrictions, freight embargoes, strikes, labor disputes resulting in a material impact on the ability to provide services under the Agreement, or weather more severe than normal which cause material interruptions of service to either agency.

18. ***MAILING ADDRESSES.*** Whenever either party desires to give notice to the other, it must be given by written notice, sent by (i) certified United States mail, with return receipt requested, (ii) by sending same by Federal Express, Express Mail, Airborne, Emery, Purolator or other expedited mail or package delivery, (iii) by hand delivery to the appropriate address herein provided, or (iv) by facsimile with confirmation copy to be mailed to the party for whom it is intended, at the mailing addresses set forth below, unless such addresses shall have been changed by written notice. For the present, the parties designate the following as the respective places for giving of notice:

For SFRTA:

Joseph Giulietti
Executive Director
South Florida Regional Transportation Authority
800 NW 33 St., Suite 100
Pompano Beach, FL 33064

For Miami-Dade County:

Harpal Kapoor
Director
Miami-Dade Transit
701 NW 1st Court, 17th Floor
Miami, FL 33136
Phone: (786) 469-5410

IN WITNESS WHEREOF, the parties have made and executed this Agreement on the respective date under each signature.

ATTEST:

Chair

16 day of OCTOBER, 2009

(SFRTA SEAL)

Christopher Bross, Director
Contracts Administration and Procurement

SOUTH FLORIDA REGIONAL TRANSPORTATION AUTHORITY

By:
Joseph Giulietti
Executive Director

Approved as to form and legal sufficiency by:

General Counsel, SFRTA

ATTEST:

By:
Witness

(CORPORATE SEAL)

MIAMI-DADE COUNTY

By:
County Manager

___ day of _____, 2009

Approved as to form and legal sufficiency by:

Assistant County Attorney