
EXHIBIT B – PAYMENT AND BUDGET PROVISIONS
Ventura County Transportation Commission and
Enghouse Transportation LLC

1. RATES

The not-to-exceed pricing for MSA products and services to be provided to Transit Agencies are listed in Exhibit B.1 - Rate Sheet. All prices and fees shall be fixed for the entire MSA term including any optional extension periods unless the State approves a price adjustment in accordance with Section 6, Rate Adjustments.

A. Payment Acceptance Devices - Category A – (Not Offered)

B. Transit Processor Services - Category B –

- 1) Rates shall be based on monthly revenue processed and services defined in the User Agreement taking any applicable breakpoints into account. For any revenue processed that is equal or greater to a breakpoint but smaller than the next breakpoint, fees shall be priced in accordance with the rate for that breakpoint. **Enghouse Transportation LLC will waive monthly charges for the first three months on go live or beneficial use.**

Breakpoints are defined as follows:

Breakpoints	% of the total processed revenue to be charged (per month)
\$0-\$5,000	1.68%
\$5,000-\$10,000	1.68%
\$10,000-\$15,000	1.61%
\$15,000-\$25,000	1.54%
\$25,000-\$50,000	1.54%
\$50,000-\$100,000	1.40%
\$100,000-\$500,000	1.40%
\$500,000-\$1,000,000	1.40%
\$1,000,000-\$5,000,000	1.26%
\$5,000,000-\$10,000,000	1.12%
>\$10,000,000	0.98%

- 2) For Transit Processing Services, the rate shall include the Published Processing Services Rate which is based on the Total Revenue Processed (see Exhibit G: Definitions), comprising fare revenues processed under all

User Agreements with Contractor. At no point in time shall the rate charged exceed the effective Published Processing Services Rate.

- 3) For Transit Processing Services the rate charged shall also include the rate for free (\$0) fare transactions if the Transit Agency has free fare transactions for Transit Customers.
 - **Rate for free (\$0) fare transactions – \$0.02**
- 4) Other fee terms include...
 - **Implementation service fee – *waived***
 - **Integration fees with validator and payment processor – *waived***
 - **Eligibility verification fee – \$5,000** (Payment terms: 100% due on go live/beneficial use of the eligibility verification module)
 - **Custom development – \$140/hour**

2. TRANSIT PROCESSING SERVICES RATE DETERMINATION AND PUBLICATION (Category B Only)

Upon award of the MSA, the Published Processing Services Rate will be the rate associated with breakpoint 1.

Thereafter, the Published Processing Services Rate for Contractor's Transit Processing Services shall be determined bi-annually and shall be valid for six (6) calendar months. The rate shall be determined by taking the monthly average of Total Revenue Processed over the previous six (6) calendar months, provided that only months with a non-zero Total Revenue Processed shall be included in the average.

Not later than on January 31st and July 31st of each calendar year, Contractor shall send a rate determination request the following to Masters@dgs.ca.gov and cal-itp@dot.ca.gov:

- Total Revenue Processed and its constituent monthly parts for the covered time period (July 1st – December 31st or January 1st – June 30th respectively); and
- Corresponding rate for the subsequent period

DGS and Caltrans shall publish the new Published Processing Services Rate no later than March 15th and September 15th, as the case may be. This rate shall be valid from October 1st until March 31st and April 1st until September 30th respectively.

Period for determining rate	Submission due	Publishing Date	Period to apply new rate
January 1 – June 30	July 31 st	September 15 th	October 1 – March 31
July 1 – December 31	January 31 st	March 15 th	April 1 – September 30

If the State raises questions or disputes the accuracy of Contractor's Total Revenue Processed or the corresponding rate, Contractor shall respond within 5 working days to written questions or requests for supporting information. In case no agreement can be reached between State and Contractor before the required publishing date, the lower of the current Published Processing Services Rate and Contractor's calculated rate for the next period shall apply.

3. TRAVEL

Transit Agencies may allow additional travel reimbursement as permitted, which must be itemized separately on the invoice. The Contractor must have prior approval by the Transit Agency for any additional travel reimbursement. Travel costs cannot exceed a total of \$15,000.00. Any costs beyond that require additional authorization and are subject to approval by VCTC. Reimbursements requests must include dates and receipts for all costs and expenses incurred.

4. INVOICES

A. Submission of Invoices

- 1) The Contractor shall submit itemized invoices to the Transit Agency contact person at the address contained in the Transit Agency's User Agreement. The information is mandatory information to be provided for all invoices:
 - a) DGS MSA Number
 - b) Transit Agency Contract Number
 - c) Transit Agency Order Number
 - d) Transit Agency Billing Code
 - e) Transit Agency Name
 - f) Transit Agency Address
 - g) Description of services ordered
 - h) Pricing information, specified by Tier or Breakpoint where applicable
- 2) The Transit Agency contact person will verify and approve, or disapprove, the invoiced items. If the Transit Agency does not approve the invoiced items, the invoice will be disputed and returned to the Contractor for correction.

5. PAYMENT

Payment for services performed under this Contract will be made upon satisfactory completion of services rendered. The Contractor shall invoice Transit Agencies in arrears upon successful completion of services. Invoices for services are not due and payable, and do not constitute an obligation of the Transit Agency, until the month following the month for which charges are accrued.

Payment shall be made within 45 days in accordance with, and within the time specified in Government Code Chapter 4.5, commencing with Section 927 unless agreed otherwise in the User Agreement.

6. RATE ADJUSTMENTS

Contractor may request Consumer Price Index (CPI) rate increases for services should the State decide to execute the options to extend. Rate increases may be requested no more than once annually and may only be requested following the initial five (5) year term of the Agreement. Rate increases shall be capped at three percent (3%) for a given year and may only be requested when the CPI for the "Public Transportation" goods and services category, as published by the U.S. Department of Labor, Bureau of Labor Statistics has increased one percent (1%) or greater for the previous calendar year. The website, subject to change without amendment to this Agreement, can be found at the [CPI Index](https://www.bts.gov/components-consumer-price-index-transportation) (<https://www.bts.gov/components-consumer-price-index-transportation>).

The Contractor shall submit a written request to the DGS Contract Administrator, provide a copy of the index and other supporting documentation necessary to support the adjustment. Rates will be fixed for twelve (12) months following an approved price adjustment. Adjustments shall not be retroactive.