

Department of Highway Safety and Motor Vehicles

Agency Service Level Agreements
Solicitation: Mail Services
Solicitation No. 13-991-530-A

Julie L. Jones
Executive Director

2900 Apalachee Parkway
Tallahassee, Florida 32399-0500
www.flhsmv.gov



Rick Scott
Governor

Pam Bondi
Attorney General

Jeff Atwater
Chief Financial Officer

Adam Putnam
Commissioner of Agriculture

Mail Services Agreement
AMENDMENT NO. 4

This AMENDMENT NO. 4 is entered into between **PITNEY BOWES MANAGEMENT SERVICES, INC.** ("PBMS"), a Delaware corporation with a place of business at 1 Elmcroft Road, Stamford, CT 06926 and **DHSMV** (the "Department"), with a place of business at 2900 Apalachee Parkway, Tallahassee, FL 32399.

WHEREAS, PBMS and the Department have previously entered into a Management Services Agreement dated as of October 1, 2009, (the "Agreement" or "contract") contract number 990-530-04-1/HSMV-249-10 executed on September 28, 2009; and,

WHEREAS, the Department negotiated with PBMS to provide additional services as part of the Governor's Procurement Transition Initiative.

NOW, THEREFORE, PBMS and the Department agree to amend the contract as follows:

1. Section B.2.c. will be deleted in its entirety and replaced with:

PBMS will provide all personnel, equipment, material handling and facilities for the receipt, processing and printing of DHSMV Mail Run Data Files and other Department-related documents. PBMS will provide printer paper, printing supplies, printer click cartridges and all costs associated with printing. DHSMV will provide paper for motor vehicle titles. The reporting of this information will be in sufficient detail and format prescribed by the Department.

2. Section B.2.d will be deleted in its entirety and replaced with:

The printing services to be assumed by PBMS shall include actual printing of various data files and other Department-related documents that are electronically transmitted by the Department. PBMS will print Department notices after verifying correct formatting. Printed images will be processed according to the contract. Printing services for DHSMV will include the documents addressed in Appendix C (Statement of Work and Performance Standards).

3. The following shall be appended to Appendix C under :

SERVICE PRODUCT	ACTIVITY	AVERAGE MONTHLY VOLUME*	PERFORMANCE STANDARD
MISCELLANEOUS DOCUMENTS	Receive and print on PBMS-provided paper	Variable, based on need	Deliver to Department as mutually agreed-upon. Frequency: as needed

IN WITNESS WHEREOF, Pitney Bowes Management Services Inc. and the Department of Highway Safety and Motor Vehicles have caused this amendment to be executed by their respected authorized officials effective this 17 day of December, 20 12

Pitney Bowes Management Services, Inc.

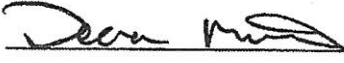
By: 

Printed Name: Glen M. Donald

Title: Director of Contracts

Date: 12/17/12

Department of Highway Safety and Motor Vehicles

By: 

Printed Name: Deana Metcalf

Title: Director, Administrative Services

Date: 12/11/12

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Mail Services Agreement
AMENDMENT NO. 3

This AMENDMENT NO. 3 is entered into between **PITNEY BOWES MANAGEMENT SERVICES, INC.** ("PBMS"), a Delaware corporation with a place of business at 1 Elmcroft Road, Stamford, CT 06926 and **DHSMV** (the "Department"), with a place of business at 2900 Apalachee Parkway, Tallahassee, FL 32399.

WHEREAS, PBMS and the Department have previously entered into a Management Services Agreement dated as of October 1, 2009, (the "Agreement" or "contract") contract number 990-530-04-1/HSMV-249-10 executed on September 28, 2009; and,

WHEREAS, the Department desires PBMS to provide additional services, namely Presort Processing Services on the terms and conditions set forth herein at their PBPS Presort Facility ("presort facility") with a place of business at: 8551-7 Westside Industrial Drive, Jacksonville, FL. 32219; and

WHEREAS, the Department and PBMS agree that PBMS will provide presort services through Pitney Bowes Presort Services. As a result PBMS and the Department agree to modify the existing Management Services Agreement to reflect this change. PBMS will guarantee a postage rate to the Department that at current volumes will exceed the annual savings previously committed to the Department. This guarantee will take the form of a discount from the weighted average postage cost per piece described below.

NOW, THEREFORE, PBMS and the department agree to amend the contract as follows:

1. The Department and PBMS agree that PBMS will provide presort services through Pitney Bowes Presort Services. PBMS will guarantee a postage rate to the Department. This guarantee will take the form of a discount from the weighted average postage cost per piece described below.
2. Section B.1.1 will be deleted in its entirety and replaced with:

PBMS will presort "Automation-Compatible" mail produced at our Production Facility. This mail will be presented to and processed at our presort facility located in Jacksonville, Florida. In the event of a USPS postage increase, qualifying sorting averages below will be used to determine the "new" guaranteed postage rate for the department. The new rate will be calculated by applying the below percentages to each of the new USPS qualifying rates and determining a weighted average cost per piece. A postal credit of \$.0092 will be applied to the new calculated rate to determine the guaranteed rate. Both parties agree that the qualification rate percentages listed below will be used in the event of a USPS postage increase. The postal credit of \$.0092 only applies to USPS letter size Automation Compatible mail that is produced at our Production Facility.

DHSMV	5 digit	3 digit	AADC	Full
Sorting %	21%	71%	5%	3%

3. Section B.1.m will be deleted in its entirety

4. Section B. 2. i will be will be deleted in its entirety and replaced with:

Once PBMS has received the DHSMV Mail Run Data File and verified the data is correct, PBMS will schedule the order for production. PBMS, at its discretion, will determine the optimum scheduling and equipment to meet service delivery requirements.

5. Section C. 3. b will be removed in its entirety from the contract.

6. Appendix E, paragraph (b)(iii) is amended to read :

“Non Automation-Compatible Mail” postage , Federal Express, UPS, envelopes, and other similar disbursements will be paid by DHSMV on a reimbursement basis. PBMS shall provide supporting documentation of these expenses in sufficient detail and format prescribed by the Department.

7. The following terms are defined as:

Production Facility: Located at 2540 W. Executive Center Circle, Tallahassee, FL 32399

Produced: Any Department mail that is printed, mail inserted and metered at the Production Facility.

IN WITNESS WHEREOF, Pitney Bowes Management Services Inc. and the Department of Highway Safety and Motor Vehicles have caused this amendment to be executed by their respected authorized officials effective this 19 day of MARCH, 2012

Pitney Bowes Management Services, Inc.

By: [Signature]

Printed Name: Glen Maxwell

Title: Director of Contracts

Date: 3/19/12

Department of Highway Safety and Motor Vehicles

By: [Signature]

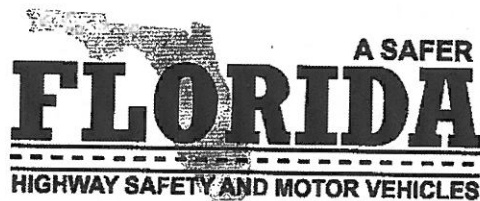
Printed Name: Kevin Bailey

Title: Chief, Bureau of Purchasing & Contracts

Date: 3/12/12

Julie L. Jones
Executive Director

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DHSMV MAIL SERVICES AGREEMENT AMENDMENT NO. 2

This Amendment is between **Pitney Bowes Management Services, Inc.** ("PBMS" or "Provider") and the **Department of Highway Safety and Motor Vehicles** ("DHSMV" or "department") and amends contract number 991-530-04-1/HSMV 249-10 executed on September 28, 2009 ("contract").

1. All terms and conditions of the original contract are still in effect and made a part of this amendment.
2. Section B (3), (e) and (f) and Appendix C of the contract requires PBMS to image all inbound checks and related documentation. This amendment shall include as part of the contract that related bank deposits be made in compliance with the Check Clearing for the 21st Century Act or the Check 21 Act, Bank of America Image Cash Letter Service requirements, and Department reporting requirements. This amendment does not change the financial obligations of the Department in any way.
3. The contract is hereby amended to include compliance with the Check Clearing for the 21st Century Act or the Check 21 Act, Bank of America Image Cash Letter Service requirements, and Department reporting requirements. PBMS will deposit inbound checks in accordance with the Check Clearing for the 21st Century Act or the Check 21 Act, Bank of America Image Cash Letter Service requirements, and Department reporting requirements as outlined in the attached revised Appendix C, "Mail Service Activities—Bank of America Image Cash Letter Service/Check Clearing For the 21st Century Act," upon final testing and approval by the parties and Bank of America of required specifications and that PBMS shall provide software to perform such requirement. DHSMV will be responsible for any changes that may be needed as a result of changes to the federal regulations and/or Bank of America Image Cash Letter Service requirements and shall advise PBMS of these changes and shall enter into discussions on the necessary modifications. If regulatory or Bank of America Image Cash Letter Service requirements changes require software or equipment upgrades, then DHSMV agrees to bear any additional cost and shall be invoiced for such changes. DHSMV agrees that the software shall be located on DHSMV server and DHSMV shall be solely responsible for availability and maintenance on the server.
4. DHSMV will be responsible for the communication lines between the DHSMV and the Bank of America. In the event that PBMS encounters any delays due to DHSMV server or communication lines issues and such issues impact the delivery of the Performance Standards as defined herein then PBMS shall not be held in breach of the Management Services Agreement nor incur any liquidated damages. In the event that such delay requires PBMS to work overtime, upon prior approval by DHSMV then PBMS shall pass on the overtime to DHSMV at the rates outlined in the Task Order.
5. DHSMV shall make all reasonable efforts to advise PBMS of any server or communication line issues and make regular updates on correcting the problem.

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5.1 Thereafter, DHSMV assumes all responsibility for virus protection on DHSMV server, network and DHSMV equipment. PBMS assumes all responsibility for virus protection on PBMS equipment.

5.2 PBMS will periodically make available to DHSMV at no additional cost New Minor Versions and New Patch Versions of Software, as well as any corresponding documentation. New Minor Versions and New Patch Versions will perform to at least the same quality standards of the initial release of the Software and will not reduce functionality or adversely affect performance in any material way. DHSMV must allow these Minor Version and Patch Version to be installed in order to continue to receive services under this Amendment.

5.3 PBMS will support the current Major Version of Software as well as, at minimum, the immediately prior Major Version of Software ("Supported Major Versions").

6. In the event of a required Major Version of Software upgrade, PBMS shall provide a cost quote to DHSMV and provide time frame for such upgrade. DHSMV shall be responsible for the cost as outlined in the quote. PBMS will be responsible for installing and testing new releases of Software along with any associated expenses, such as third party license fees, and other costs.

7. DHSMV will perform regular maintenance and regular backups of the server and any applicable system(s) and all associated data files loaded on the software and shall create a redundancy system in the event that the server ceases all ability to perform.

8. Section D (8), provides that liquidated damages may be imposed by the Department. This amendment shall include as part of the contract the liquidated damages for failure to perform in compliance with the Check Clearing for the 21st Century Act or the Check 21 Act, Bank of America Image Cash Letter Service requirements, and/or Department reporting requirements as outlined in the attached and revised Appendix C.

9. The contract is further amended to include the following liquidated damages as part of Section D (8), (3):

g. Failure to process inbound checks and financial instruments in accordance with the requirements and timeframes established in revised Appendix C – Statement of Work and Performance Standards, Mail Service Activities – Bank of America Image Cash Letter Service/Check Clearing for the 21st Century Act of the contract. In the event the Provider fails to process inbound checks and financial instruments as required by this appendix, the Department may impose liquidated damages of \$100.00 per occurrence per performance standard. For clarity reasons, both parties agree that an occurrence per performance standard shall mean one (1) business day.

h. The information on the Summary Cash Letter Report produced by the Provider shall be at 99.00 percent or higher accuracy rate. If the accuracy rate is below 99.00 percent, the Department may impose liquidated damages of \$100.00 for every percentage point below 99.00 percent per month.

10. Section D (8), (3) (e) of the contract states that the Provider's aggregate liability for all liquidated damages under this section shall not exceed ten thousand dollars (\$10,000) per month. This amendment shall change the aggregate liability dollar amount.

11. The contract is hereby amended to change the aggregate liability amount for all liquidated damages under this section to, "shall not exceed eleven thousand dollars (\$11,000) per month."

12. Section C (4), (b) of the contract states that the invoice will be processed in accordance with Section 215.455, Florida Statutes. This Amendment shall change the statute under which invoices will be processed.

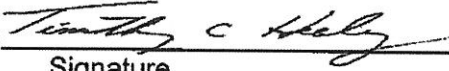
13. The contract is hereby amended to change the statute referred to in paragraph 12 above, to Section 215.422, Florida Statutes.

14. The contract is also amended to include Appendix F, a copy of which is attached, and PBMS shall provide such maintenance in accordance with the software to provide the requirements in revised Appendix C, also attached.

IN WITNESS WHEREOF, **Pitney Bowes Management Services, Inc.** and the **Department of Highway Safety and Motor Vehicles** have caused this amendment to be executed by their respective authorized officials effective this 29th day of February, 2012.

Pitney Bowes Management Services, Inc

Department of Highway Safety and Motor Vehicles

BY: 
Signature

BY: 
Signature

Timothy C. Healy, Vice President & Public Sector Leader
Name

Kevin Bailey, Chief of Purchasing and Contracts

02/15/2012
Date

2/29/12
Date

Julie L. Jones
Executive Director

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**APPENDIX C – STATEMENT OF WORK AND PERFORMANCE STANDARDS
MAIL SERVICE ACTIVITIES – BANK OF AMERICA IMAGE CASH LETTER SERVICE/CHECK CLEARING FOR THE 21ST CENTURY ACT**

SERVICE PRODUCT	ACTIVITY	PERFORMANCE STANDARD
SUMMARY CASH LETTER	<p>Create a batch summary report and a final page summarizing all batches and forward to the Department.</p> <p>Batch report must contain name and address on the check, check/money order number, check/money order amount, and a total for deposit activity.</p>	<p>Deliver to Department by 8:00 am following the date of transmission of electronic deposit</p> <p>Report must be in sufficient detail and format as prescribed by the Department that is currently being supplied by PBMS except for Total Daily Cash Letter Listing Report.</p> <p>Any new report requested by Department shall be mutually agreed upon and any additional cost shall be invoiced to Department</p>
IMAGE CASH LETTER SERVICE FILE SPECIFICATIONS	Create Image Cash Letter Service file(s)	<p>Frequency: Business Day</p> <p>File must be in compliance with the Bank of America Image Cash Letter Service file specifications for X-9 files.</p> <p>File must contain all eligible checks/money orders received on same day as file transmission.</p>
IMAGE AND MICR INFORMATION	Create an image in compliance with X-9 files requirements.	<p>Frequency: Business Day</p> <p>Images and micr information must be in compliance with the Bank of America Image Cash Letter Service IRD specifications.</p>
FILE TRANSMISSION (X-9 FILE)	Submit Image Cash Letter file(s) to Bank of America.	<p>Frequency: Business Day</p> <p>Electronic file must be transmitted to bank by 7:30 pm nightly.</p>

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SERVICE PRODUCT	ACTIVITY	PERFORMANCE STANDARD
	Electronically deposit U.S. denominated checks drawn on U.S. banks	<p>The electronic file must contain all eligible checks/money orders received on same day as file transmission.</p> <p>Frequency: Business Day</p>

<p>DEPOSIT NOTIFICATION</p>	<p>Notify Department of electronic file submission and status of transmission, i.e., accepted, rejected, etc. Notify Department of any image replacement documents (IRDs) rejects and returns.</p>	<p>Notify Department by 9:00 am following the date of transmission Frequency: Business Day</p>
<p>IMAGE REPLACEMENT DOCUMENT (IRD) REJECTS</p>	<p>For each IRD reject, pull the original check/money order and determine reason for reject, notify designated Department member of reject reason and solution.</p>	<p>Research and notify designated Department member by 10:00 am following the date of transmission to Bank of America Frequency: Business Day</p>
<p>IMAGE REPLACEMENT DOCUMENT (IRD) RETURNS</p>	<p>For each IRD return, pull the original check/money order and provide check to the designated Department member.</p>	<p>Deliver to designated Department member by 10:00 am following the date of transmission to Bank of America Frequency: Business Day</p>
<p>ORIGINAL CHECK/MONEY ORDER – RETENTION AND DISPOSAL</p>	<p>Retain all checks and money orders submitted on the file transmission (X-9 File) by date of deposit and batch number Disposal of checks and money orders</p>	<p>Retention period is 30 days from the date of deposit. Checks shall be stored in the department's designated secure space Disposal of checks and money orders must be in accordance with the Department's record retention and disposal policy. Frequency: Business Day</p>