USER AGREEMENT

1. This User Agreement is entered into between **AGENCY** “Contracting Agency” and **VENDOR B “**Contractor.” This User Agreement expressly incorporates the California Master Service Agreement (MSA) No. #‐##‐##‐##-## which is incorporated herein. This User Agreement contract form serves as an appropriate equivalent to the STD 213 as required by the MSA.

**Contracting Agency: AGENCY**

**Contractor Name: VENDOR B**

1. The Term of this Agreement is:

**Start Date: DATE TO BE EXECUTED**

**Through End Date: 02/28/2030**

1. The maximum amount of this Agreement is:

*See Exhibit B for pricing.*

1. **Exhibits.** The parties agree to comply with the terms and conditions of the following exhibits, which are by this reference made a part of this agreement.

|  |  |  |
| --- | --- | --- |
| Exhibits | Title | Pages |
| Exhibit A | Scope of Work | # |
| Exhibit B | Payment and Budget Provisions | # |
| MSA #‐##‐##‐##-## | MSA #‐##‐##‐##-##is hereby incorporated by reference. The MSA is available at:  (insert link) |  |

In Witness Whereof, This Agreement has been executed by the parties hereto.

Contractor:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**VENDOR B**

[CONTRACTOR ADDRESS]

[CONTRACTOR AUTHORIZED SIGNER NAME/TITLE]

Contracting Agency Name:

\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_ Date:\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_\_

**AGENCY**

[CONTRACTING AGENCY ADDRESS]

[CONTRACTING AGENCY AUTHORIZED SIGNER NAME/TITLE]

**EXHIBIT A**

**User Agreement Scope of Work**

1. **Incorporate MSA by Reference**

MSA # ##-##-##-## and its amendments are hereby incorporated by reference as if attached hereto.

1. **Description**

Insert agency description (service area, service types, annual fare revenue, project funding information, goals, etc.)

**Implementation Planning: Project Charter**

A formal Project Charter will be developed by AGENCY in coordination with all key stakeholders, including VENDOR B. This Charter will identify and document roles, responsibilities, deliverables, timelines, and key resource commitments for each participating operator supporting the regional open-loop payments launch.

The Charter shall serve as a project coordination tool intended to foster effective implementation, promote accountability, and support alignment among all project participants. However, the Charter shall not be interpreted as modifying, superseding, or introducing any new obligations, legal responsibilities, performance requirements, additional product development, or financial commitments beyond those expressly stated in this Agreement.

VENDOR B shall collaborate in good faith in the development of the Charter and shall make reasonable efforts to align its project planning and execution with the responsibilities attributed to it therein**.**

1. **Summary of VENDOR B Services**

VENDOR B shall perform the following services in accordance with the pricing outlined in Exhibit B pursuant to this User Agreement:

[LIST SERVICES]

1. **Key Contact(s)**

**AGENCY**

***CONTACT NAME***

CONTACT ROLE

CONTACT EMAIL/ADDRESS

1. **Fare Structure and Business Rules**

**Overview of base fares and caps**

VENDOR A shall configure the PADs to support the following recommended products: [LIST AGENCY AND/OR REGIONAL CAPS HERE]. VENDOR shall configure the base fare calculation (the one-way fares), to be transmitted to VENDOR B. Fares very by service and are calculated as [CHOOSE ALL THAT APPLY: FLAT, ZONE, BASED, DISTANCE-BASED]. The PADs shall support the proposed fare structure below. AGENCY may adjust the price points for the fare products in preparation for launch.

|  |  |  |
| --- | --- | --- |
|  | **SERVICE A** | **SERVICE B** |
|
| **One Way** | $ | $ |
| **Daily Cap** | $ | $ |
| **Monthly Cap** | $ | $ |

**Transfers**

VENDOR A shall prepare a data definition and transmit data to VENDOR B to support the transfer rules specified below. Any custom development work required by VENDOR B may be subject to additional costs.

* **Intra-agency transfers (within each service):** DESCRIBE HERE
* **Inter-agency transfers (across AGENCY and other operators):** DESCRIBE HERE.

**Discounts**

The following information on discounts is for vendors’ reference only. AGENCY currently includes the following discount groups: [LIST ALL APPLICABLE CAL-ITP BENEFITS COMPATIBLE DISCOUNTS]. In the future, AGENCY may request to include other discount groups when pathways are available, which may be subject to additional costs.

The current fare structure for discounted fares is below. AGENCY reserves the right to adjust pricing for discounted fares in preparation for launch.

|  |  |  |
| --- | --- | --- |
|  | **SERVICE A** | **SERVICE B** |
|
| **One Way** | $ | $ |
| **Daily Cap** | $ | $ |
| **Monthly Cap** | $ | $ |

**Additional services not included in the Scope of Work**

At launch, only [TYPE] services shall be equipped with a contactless open loop payment system. Expansion to other services in the future will be at the discretion of AGENCY and its selected vendors.

1. **On-board Technologies**

The following information is for the vendors’ reference only. The vendors are not responsible for the quality or availability of the systems described below, and any subsequent impacts on the project implementation.

* **Fleets –** fleet size per vehicle type
* **CAD/AVL** – LIST PROVIDER
* **GTFS-RT** – LIST PROVIDER
* **Connectivity** – LIST PROVIDER AND SET-UP (ROUTER, SIM CARD, A MIX, ETC.)

1. **Items Specific to Category B (Transit Processor Services)**

Pursuant to this Agreement, VENDOR B shall process open loop transactions for AGENCY. Please refer to the sections above for applicable business rules and technologies. VENDOR B shall provide final charge management services to enable base fares, fare caps, and rider discounts through the Cal ITP Benefits tool for AGENCY service.

VENDOR B shall enable a Traveler Portal for AGENCY, allowing riders to manage travel histories.

VENDOR B shall configure a control portal for AGENCY service. AGENCY accepts VENDOR B standard reports as described in Exhibit A of the MSA (revenue, operations, KPI, customer metrics, bad debt/debt recovery, and dispute/chargeback reports). VENDOR B shall make available data reports in CSV format.

Within one month of launch, VENDOR B shall make available an API to relay ridership and transaction data for AGENCY service that will contribute to the Cal-ITP Metabase.

1. **Determining whether any changes are needed to default Category B service level agreements (SLAs) in the User Agreement**

AGENCY accepts the default SLAs as described in the Master Service Agreement.

**EXHIBIT B**

**Payment and Budget Provisions**

**Transit Agency:** AGENCY

**Contractor**: VENDOR B

1. **RATES**

The not-to-exceed pricing for MSA products and services to be provided to the Transit Agency are listed in Exhibit B.1 - Rate Sheet of the MSA. 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.

1. **Payment Acceptance Devices - Category A – (Not Offered)**
2. **Transit Processor Services - Category B –**
   1. Rates shall be based on revenue processed and services defined in this 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. Breakpoints are defined as follows:

[INSERT PRICING INFO]

* 1. 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 of the MSA), 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.
  2. 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 – $$$

1. Other fee terms include…
   * Implementation service fee – $$$
   * Integration fees with validator and payment processor: $$$
   * Eligibility verification fee – $$$
   * Custom development - $$$ per hour
2. **TRANSIT PROCESSING SERVICES RATE DETERMINATION AND PUBLICATION (Category B Only)**

Upon award of this 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](mailto:Masters@dgs.ca.gov) and [cal-itp@dot.ca.gov](mailto: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 31st | September 15th | October 1 – March 31 |
| July 1 – December 31 | January 31st | March 15th | 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.

1. **TRAVEL**

The Transit Agency 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. Reimbursements requests must include dates and receipts for all costs and expenses incurred.

1. **INVOICES**
2. **Submission of Invoices**
3. For rates related to revenue processed and free fare transaction:
   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:
4. DGS MSA Number
5. Transit Agency Contract Number
6. Transit Agency Order Number
7. Transit Agency Billing Code
8. Transit Agency Name
9. Transit Agency Address
10. Description of services ordered
11. Pricing information, specified by Tier or Breakpoint where applicable
    1. 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.
12. **PAYMENT**

Payment for services performed under this Contract will be made upon satisfactory completion of services rendered.  The Contractor shall invoice the Transit Agency 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.

1. **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.