

# **APPENDIX C**

## **LIQUIDATED DAMAGES**

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## 1. PERFORMANCE MEASURES

PennDOT has developed a set of minimum performance standards, defined below, which the selected Offeror is expected to meet, or exceed, in order to be in good standing on the Contract and to ensure that the processes are completed on time and without error.

In the event of a conflict between Appendix B, IT Terms and Conditions, and this Appendix C, Liquidated Damages, this Appendix C shall take precedence.

<b>Central Issuance Time Exceeding 2 days</b>	
	<p>For central issuance Picture License/ID Cards, the Contractor shall produce the Picture License/ID Cards, do a quality inspection, prepare duplicates for mailing, and mail them to the customer within two (2) work days of receiving information from PennDOT. The Contractor shall for no reason exceed the two (2) work day standard. Liquidated damages in the amount of \$500 per workday per card for each workday the standard is exceeded will be assessed by PennDOT.</p>
<b>Card Quality Issues</b>	
	<p>The Contractor will not be paid for any Picture License/ID Card that is replaced because it does not meet the durability specifications of this RFP. In addition, the Contractor will not be paid for any Picture License/ID Card that is replaced due to defects in production quality, including any printing faults, incorrect data (including encoded data, i.e. barcode or magnetic stripe information) when the Contractor was supplied with the correct data by PennDOT, or issues with security features. The Contractor will not be paid for any postage involved in the reissuance process for the faulty Picture License/ID Card. If the quantity of these reissued Picture License/ID Cards goes above 100 in any one month, PennDOT will assess, as liquidated damages, the sum of \$4.00 per replaced Picture License/ID Card, starting with the 101st card.</p>
<b>DL/ID Card Materials</b>	
	<p>The Contractor shall pay as liquidated damages to the Commonwealth the sum of \$1,000 per</p>

	<p>each work day or part thereof that a Center is out of any material needed to produce a Picture License/ID Card. In case of strike, or other circumstances beyond the control of the Contractor including force majeure, a priority on the existing stock of the Contractor is required. The Contractor shall notify PennDOT in writing within seven (7) calendar days of its receipt of knowledge of such circumstance, an assessment of the effect(s) of the circumstance on the Contractor's contractual obligation to PennDOT, a proposal of options, and recommendations to ensure the stability of the licensing program within the terms of the Contract.</p>
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	<p>Failure of the Contractor to dispose of secured materials or maintain required records will result in the Commonwealth's assessing liquidated damages in the amount of \$500 per incident and \$500 per day until secured materials are properly disposed of.</p>
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<b>Training</b>	
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	<p>The Contractor shall guarantee that all initial training of Center staff will be completed within one week of implementation completion, except in cases where circumstances are beyond the control of the Contractor, including force majeure. Training cannot be conducted prior to two weeks before the start of system implementation. The Contractor shall pay as liquidated damages, and not as a penalty, to the Commonwealth the sum of \$5,000 per day for each day of initial training not completed by target date.</p>
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<b>Deployment</b>	
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	<p>The Contractor shall be charged liquidated damages of \$1000 per full or partial day in which software or hardware is deployed that does not function as designed.</p>
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<b>Support</b>	
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	<p>In the event that the Help Desk toll free number is unavailable or inaccessible by PennDOT, the Contractor may be assessed liquidated damages of \$1000 per incident.</p> <p>Failure of a service person to be on site within two hours of the initial call which requires on-</p>
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site intervention shall result in the Contractor's being assessed liquidated damages in the amount of \$250 per incident. The liquidated damages will only apply to those Centers where a Workstation is unable to produce a Picture License/ID Card. Workstations that have multiple printers where one printer is not functioning do not have to be serviced within two hours of the original call; Contractor shall have 24 hours to respond in this situation. Failure of the Contractor to respond within 24 hours shall result in liquidated damages being assessed in the amount of \$100 per incident.

**Workstations**

Any workstation equipment found not to be producing Picture License/ID Cards of a quality consistent with other workstations across the Commonwealth shall be replaced within one work day. The Contractor shall replace, free of charge, substandard Picture License/ID Cards produced by the equipment. If the Contractor does not replace the equipment within one (1) work day, liquidated damages in the amount of \$500 per work day will be assessed for each work day the dysfunctional equipment is in place.

No Center shall be down for more than 2% of its total operating hours for any month. Operating hours are determined by the number of hours a Center is open for business times the number of Workstations at the Center. If 2% of any Center's operating hours is less than three (3) hours, then the maximum downtime for that particular Center shall be three (3) hours. In the event that downtime exceeds the maximum 2% of total operating hours or three (3) hours, whichever is greater, liquidated damages at the rate of \$100 per downtime hour or portion thereof in excess of the maximum shall be assessed. Downtime commences from the time the PT or PennDOT employee contacts the Contractor until the time that the Workstation regains full operational capabilities. Downtime is defined as the time in which a Workstation does not produce a Picture License/ID Card as a result of the Contractor's dysfunctional equipment and/or software.

**Implementation**

All systems must be installed, functional and brought on-line no later than July 27, 2016. For each work day, or fraction of a work day, that the Contractor goes beyond the implementation date, the Contractor will be assessed \$5,000 as liquidated damages.

<b>Central Image Server</b>	
	<p>In the event that the Central Image Server is down and cannot be accessed by the Retrieval Workstations or any of the Duplicate Workstations, PennDOT will assess liquidated damages in the amount of \$1,000 per work day or portion of a work day. This will be in addition to any other liquidated damages assessed for workstation downtime.</p>
<b>Motor Voter</b>	
	<p>The failure to forward Voter Registration Applications to the counties three times each week shall result in liquidated damages of \$250 per day per county.</p> <p>The failure to ensure the Voter Registration Applications are received at the appropriate county within two (2) business days of the Voter Registration Applications being received at the Photo License Center on the registration deadline date preceding any election will result in liquidated damages of \$250 per day per county.</p> <p>The failure to provide, at the request of the DOS, the transmittal of duplicate replacement Voter Registration Applications within two (2) business days to the county requiring the duplicate application shall result in liquidated damages of \$250 per day per county.</p> <p>In the event of any system failure resulting in the inability to collect and transmit Voter Registration Applications, the failure of the Contractor to notify the DOS verbally within twenty four (24) hours of such system failure and in writing within two (2) business days, the Contractor shall pay as liquidated damages \$5,000 per day until the failure has been rectified.</p>