

## APPENDIX A.1 Pricing for TXShare Cooperative Purchase Program Participants

### Pricing and Catalog Information

#### A. Compensation Model Description

Digital Direction offers a flexible pricing model under **Discount Pricing** structure per Section 5.12.1:

- **Primary Option – Contingency-Based Audit Fee:** A percentage of funds successfully recovered for the agency; no fees are due until savings are realized
- **Alternate Option – Fixed or Hybrid Fee:** Available for agencies preferring a predictable budgeted engagement based on scope and volume

Both options can be tailored within Supplemental Agreements executed under the Master Contract.

#### B. Cost-Effectiveness and ROI Justification

Digital Direction's contingency-based model ensures measurable financial value for every TXShare participant. Clients typically realize verified savings or recoveries equal to 8–25% of audited spend, translating to a 5:1 to 10:1 return on investment. Because fees are tied directly to confirmed recoveries, participating agencies incur no risk – costs are only paid after funds are secured. This approach guarantees cost-effectiveness, while ensuring that all recoveries exceed the total engagement fee.

#### C. Additional Fees or Charges

Digital Direction's pricing model is performance-based – no fees are billed unless verified recoveries are realized. Accordingly, standard engagement fees do not include travel expenses, as most services are delivered remotely and electronically through our secure NextGen TEM platform.

If in-person meetings, onsite data collection or training sessions are specifically requested by a participating entity, reasonable travel expenses (transportation, lodging, per diem) will be billed at cost in accordance with the entity's travel reimbursement policy and pre-approved in writing prior to travel.

No other administrative, technology or platform fees apply. All costs are transparent, auditable and agreed upon in advance, through the participating agency's Supplemental Agreement.

#### Catalog

Digital Direction submits this catalog of services in accordance with Section 5.8 of RFP #2025- 118. The catalog represents all offerings available under Service Category #1: 9-1-1 Telecommunications Fee Audit and Compliance and Service Category #2: Other Ancillary Goods or Services.

Only the services listed below are eligible for purchase under the awarded TXShare contract.

All pricing is offered under a flexible hybrid model that allows participating entities to choose the structure that best fits their budgeting and procurement preferences:

- **Contingency-Based Fee –** A percentage of verified recoveries; no fees are invoiced until recoveries are realized.
- **Fixed or Hybrid Fee –** A fixed base fee per agency or project plus a reduced contingency percentage on verified recoveries.

Pricing is fixed for the first 24 months of the Master Agreement and may thereafter be adjusted annually in accordance with the most recent 12-month CPI-U index, per Section 5.12.5. **All pricing listed below reflects Digital Direction's cooperative rate schedule, discounted and scaled appropriately based on each participating agency's annual telecom spend.** This structure ensures that every TXShare member receives fair, volume-based pricing consistent with our standard commercial rate schedule.

Exhibit 1 – Digital Direction Discounted Pricing/Service Catalog Service Line	Description	Pricing Model	Category
Fee Remittance Audit - Contingency	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	45% Contingency of 18 months future savings and credits *Based on \$1 of annual carrier billing up to \$360,000 annual carrier billing	#1
Fee Remittance Audit - Contingency	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	35% Contingency of 18 months future savings and credits *Based on \$360,001 of annual carrier billing up to \$1,000,000 annual carrier billing	#1
Fee Remittance Audit - Contingency	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	25% Contingency of 18 months future savings and credits *Based on \$1,000,001 of annual carrier billing up to \$5,000,000 annual carrier billing	#1
Fee Remittance Audit - Contingency	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	20% Contingency of 18 months future savings and credits *Based on \$5,000,001 of annual carrier billing up to \$10,000,000 annual carrier billing	#1
Fee Remittance Audit - Fixed Fee	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	\$62,581 Fixed Fee *Based on \$1 of annual carrier billing up to \$360,000 annual carrier billing	#1
Fee Remittance Audit - Fixed Fee	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	\$74,263 Fixed Fee *Based on \$360,001 of annual carrier billing up to \$1,000,000 annual carrier billing	#1
Fee Remittance Audit - Fixed Fee	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	\$178,365 Fixed Fee *Based on \$1,000,001 of annual carrier billing up to \$5,000,000 annual carrier billing	#
Fee Remittance Audit - Fixed Fee	Comprehensive analysis of 9-1-1 fee collections and carrier remittances; identification of under-remittance, misallocations, errors and resolution	\$296,003 Fixed Fee *Based on \$5,000,001 of annual carrier billing up to \$10,000,000 annual carrier billing	#1
Managed TEM Services	Comprehensive, fully managed Telecom Expense Management (TEM) solution delivered through Digital Direction’s proprietary SaaS-based platform. Includes inventory management, invoice processing, bill pay-consolidated billing, contract governance, rate optimization, trouble ticket and MACD support under one unified service model.	Fixed monthly fee per client environment. Pricing based on annual spend, invoice count and location count. Ranges from 1-3% of monthly spend.	#2

**Catalog Notes:**

- **No Additional Fees:** All services – including but not limited to: onboarding, dispute and recovery management, quarterly compliance reporting, post-audit 90-day support warranty, etc. – are included in the pricing catalog; no additional fees would apply. No exceptions taken.
- **Geographic Availability:** Digital Direction will service the entire State of Texas and all 50 states under TXShare, as designated in Exhibit 3
- **Price Protection:** No price increases for the first 24 months; subsequent changes limited to CPI-U or less
- **Administrative Compliance:** Digital Direction will remit the required 2.5 % TXShare administrative fee and provide quarterly sales reports per Sections 2.4 and 2.5
- **Catalog Updates:** New or improved services within the awarded scope may be added during the contract term by mutual written amendment with NCTCOG
- **Warranty:** All services include the 90-day post-audit warranty described in Section 5.7

**Catalog Pricing:**

**Exhibit 1 – Digital Direction Service Catalog and Pricing Structure**

All pricing is presented as either contingency-based or fixed-fee options, scaled by the participating agency’s annual 9-1-1 carrier billing volume. This structure ensures fairness and proportionality – larger agencies benefit from lower percentage rates, while smaller agencies maintain affordable entry points.

Under the contingency model, fees are calculated as a percentage of 18 months of projected future savings and credits identified during the audit. No fees are billed until verified findings are documented.

Discount pricing is available for multi-agency cooperative audits and annual retainer agreements executed through TXShare. All rates are fixed for the first 24 months of the master agreement and may thereafter be adjusted only in accordance with the Consumer Price Index for All Urban Consumers (CPI-U), as specified in Section 5.12.5 of the RFP.

Digital Direction agrees that:

- The minimum discount percentage will remain fixed for the first 24 months of the contract term
- Any future price adjustments will comply with the CPI-U cap as described in Section 5.12.5 and will require written amendment approval from NCTCOG
- Price decreases or greater discounts may be offered at any time without prior approval
- The catalog may be updated to include new or improved services that remain within the awarded scope, subject to NCTCOG review and written approval
- All catalog pricing, discounts and changes will be fully auditable and transparent to NCTCOG and TXShare members

Digital Direction’s pricing methodology ensures that agencies pay only for verified results or clearly defined services, with no markups or hidden fees. This flexible model provides both cost-effectiveness and long-term price protection while maintaining compliance with all cooperative purchasing requirements.