

Massachusetts Department of Transportation Registry of Motor Vehicles Division

Inspection and Maintenance Program
Contract

September 12, 2016

Massachusetts Inspection and Maintenance Program - Safety and Emissions Inspections for Vehicles

MassDOT/RMV and the MassDEP administer Inspection and Maintenance (I&M) Program which is a key part of the Commonwealth's plan to achieve and maintain clean air and to promote motor vehicle safety by conducting annual safety and emissions testing

MassDEP has environmental oversight of the program

MassDOT/RMV has administrative oversight of the program

- Licensing, oversight and enforcement of inspection stations and program inspectors

The Commonwealth utilizes a vendor to implement and manage the inspection program at stations across the state

- The current contract with Parsons Technologies has been in place for eight years will expire on September 30, 2017

Massachusetts' Inspection Maintenance Program (I&M)

The Inspection Maintenance contract, jointly administered by the Registry of Motor Vehicles and the Department of Environmental Protection, awards a vendor to manage the network of inspection stations across the Commonwealth. The awarded vendor manages and implements the I&M Program in accordance with an approved and written schedule.

Program vendor responsibilities:

- Develop and manage the Inspection Station network and inspection protocols
- Acquire, provide, and maintain Inspection Stations, Workstations, and data systems
- Train repairers and provide communications to the public, inspectors, and repairers
- Promote effective repairs by providing assistance to Stations and motorists for Vehicles that fail the emissions test under the Program
- Conduct covert Vehicle and visual audits of Inspection Stations performing emissions and safety tests
- Train Inspectors to correctly and efficiently perform Inspections;
- Collect and manage Network Fees

Improvements to the IM Program

The program is significantly enhanced utilizing the latest technologies, state of the art equipment and best industry practices including:

- Five-cameras in each inspection bay
 - 1 video wall mounted, 2 still wall mounted, 1 workstation mounted, 1 handheld
- Wireless Testing Equipment
- Robust workstations that include 2 printers
- Improved sticker technology to prevent fraud
- Tablets for field staff

Procurement Summary

RFP seeking an inspection program vendor was posted to COMMBUYS on December 15, 2016. (BD-16-1030-OR100-OR001-00000006553)

1/7/16	First round of vendor questions received
1/21/16	Responses posted
1/27/16	Bidders Conference held
2/11/16	Second round of vendor questions received
2/25/16	Responses posted 2/25/16
3/9/16	Final RFP with amendments posted
4/7/16	Bid opening

4 Vendors responded: Applus, Opus, Parsons and SGS

Procurement Criteria

Bid Evaluation Criteria:

- Overall Management Capability, Accountability, and Experience with similar Programs: 25%
- Data Management: 25%
- Provide Equipment, Equipment Maintenance, and Inspection Station Service: 15%
- Program Support Elements (including Motorist Assistance Centers, Vehicle Maintenance Initiative, Communications, and Inspector Training): 15%
- Cost and Financial Plan: 10%
- Supplier Diversity Plan: 10%

Procurement Summary

Vendor interviews with Applus, Parsons and SGS were conducted week of June 19, 2016

On June 24, 2016 Applus Technologies, Inc. was named the apparent successful bidder for after receiving the high score against the summarized evaluation criteria

On July 6, 2016 contract negotiations commenced

September 9, 2016 the Scope of Service and the fee schedule were finalized

Contract Summary

5 year contract with 3 three- year renewal options

Contract value

Initial 5-year award is \$29,084,000

Based on vehicles registered, the Commonwealth guarantees the contractor 4.4M inspections per year with a fee of \$1.322 per inspection

- For each test after 4.4M inspections, the contractor is paid \$.43.

Other cost features:

Cost of new workstations to be paid by inspection stations is \$5,710

- Includes cost for new fraud deterrent and detection features with 5 cameras per inspection bay, an enhanced sticker technology as well as rugged wireless equipment, robust cabinet and an additional printer

Contract payments made from revenue received from inspection fees deposited into Motor Vehicle Safety Inspection Trust Fund

Distribution of Funds

Inspection Station collects:	<u>\$35 for the test</u>
Inspection Station keeps:	\$23.50
Commonwealth pays Applus:	\$1.322*
Commonwealth retains:	\$10.178

After 4.4M inspections conducted, vendor fee is reduced to .43 per inspection.

* A decrease in vendor fee of \$.578 over previous contract

Summary and Recommendation

The RMV is recommending Board approval and authorization for the Secretary to execute the contract with Applus Technologies

- This contract will be paid out of the Motor Vehicle Safety Inspection Trust Fund:
 - That includes revenue generated from the \$35 fee collected for each vehicle inspected
 - The balance is sufficient each year to pay for the vendor contract.
- Contract will be co-signed with DEP Commissioner
- The Scope of Services is complete and with the Board approval, the contract will be provided to the vendor with a letter to proceed
- The vendor will come on board on October 1, 2016 and is allowed one year to implement
- The new program will begin on October 1, 2017