



State of Rhode Island
Department of Administration / Division of Purchases
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ADDENDUM # 1

May 26, 2017

Solicitation #7551631

Title: Motor Vehicle Inspection and Maintenance (I/M) Program

Submission Deadline: Note Change

From: June 7, 2017 @ 11:00 AM

To: June 15, 2017 @ 11:00 AM

Per the issuance of ADDENDUM #1 the following are noted:

Submitted Questions & Responses
Current Contract Document

No Further Questions will be entertained.

Interested Parties should monitor this website on a regular basis, for any additional information that may be posted.

Gary P. Mosca
Chief Buyer

Rhode Island RFP 7551631 -
Responses to questions submitted

Q#	Page	RFP Section	Question	Response
1	3	Introduction	Please explain the contracting differences in Rhode Island between a "RFP" an "Invitation to Bid"?	<p>There are no contracting differences, in Rhode Island they are commonly uses terms for the solicitation. "RFP" - Request for Proposal; Document used in sealed-bid procurement procedures through which a purchaser advises the potential suppliers of (1) statement and scope of work, (2) specifications, (3) schedules or timelines, (4) contract type, (5) data requirements, (6) terms and conditions, (7) description of goods and/or services to be procured, (8) general criteria used in evaluation procedure, (9) special contractual requirements, (10) technical goals, (11) instructions for preparation of technical, management, and/or cost proposals. RFPs are publicly advertised and suppliers respond with a detailed proposal, not with only a price quotation.</p> <p>"Invitation to Bid"; written invitation to prospective suppliers to submit a bid on materials or services.</p>
2	7	1.2.7	The DAD device is only mentioned once in RFP. It also mentions a BAR-certified scan tool. Will the state accept a BAR-certified scan tool that is not a DAD device? If not, are the full capabilities of the DAD device expected to be included in the Workstation and VID Communication?	A BAR-certified scan tool that is not a DAD device will not be acceptable. The full capabilities of the DAD will be expected to be included in the Workstation and VID Communication if deemed necessary.
3	7	1.2.7	How many test interruptions does the state expect to handle in a year?	Assuming the process to identify true fraudulent tests is built properly, we would expect less than 1 percent of the testing.
4	7	1.2.7	What are the hours of operations for the call center? Is it open on weekends?	We would expect a minimum of weekdays from 8:30 AM - 4:00PM EST.
5	7	1.2.7	What happens outside of call center hours when a real-time alert is triggered? Does the real-time auditor need to contact the station in the morning? Should the analyzer be locked out? Should the vehicle be prevented from being tested?	This has yet to be determined, this will be worked out when developing the scope of work with the successful bidder.
6	7	1.2.7	Does the Call Center need to be housed in state?	No, but we would expect a toll free number to the call center.
7	7	1.2.7	For the In-bay cameras: What is the quality (resolution, frames per second, file size, duration) of the images/video?	This has yet to be determined, this will be worked out when developing the scope of work with the successful bidder.
8	7	1.2.7	For the In-bay cameras: How long do the videos/images need to be retained?	No more than 2 years but at least 6 months. This can be determined after we determine video resolution (file size)
9	7	1.2.7	For the In-bay cameras: How many images per test?	A minimum of 2 pictures and one video will be required.

Rhode Island RFP 7551631 -
Responses to questions submitted

Q#	Page	RFP Section	Question	Response
10	7	1.2.7	How many in-bay cameras are expected to be required?	We would require a minimum of 2 cameras
11	7	1.2.7	Who is responsible for installing the cameras?	The vendor will be responsible for installing and maintaining the cameras
12	7	1.2.7	Who is responsible for installing the power and network connectivity for the in-bay cameras?	The vendor.
13	8	1.2.10	How many canned reports will be required for the program?	We currently have approximately 110 canned reports, although this number will vary as new reports are requested. All reports needed to meet EPA requirements will be expected.
14	8	1.2.10	Does the state expect the vendor to provide a COTS Business Intelligence tool or can they provide their own custom-built ad hoc reporting application?	Custom built ad hoc with the canned reports would be acceptable.
15	8	1.2.11	Is the cost of initial and biennial training included in the per test fee or can the inspectors be charged for training?	They can be charged.
16	8	1.2.14	Can the state require the vendors to provide a mandatory budget for PE&I expenditures for the life of the program? In order to properly address costs for a continued PE&I campaign can the state be more specific on the services the vendor needs to provide? Can the State provide an annual budget for expenditures for PI&E to be in our business models?	After further review the state is striking the requirement set forth in section 1.2.14
17	8	1.2.8	Is a Gas Cap test required in the new program?	Only a visual inspection of the gas cap will be required, testing equipment will NOT be required.
18	9	1.2.15	Would the state consider conducting telephone audits vs onsite visits?	A detailed description of a "Telephone Audit" would need to be received before we could answer this, however it would be considered.
19	10	1.5	How does the state anticipate testing pre-1996 vehicles?	This would be accomplished through a visual inspection of the MIL and emission components and then receiving the required information through the software. The test result would then be determined taking into consideration the model year of the vehicle and the Safety/Emission test results.
20	10	1.5	How many MAC facilities are required in the new program?	At least 1
21	18	3.2.3	Would the state accept an open-source database system such as MySQL or does it require a more stable database such as Oracle?	No Open Source software is allowed
22	18	3.2.3	Does the state require the vendor to provide a disaster recover site within the state of Rhode Island?	No

Rhode Island RFP 7551631 -
Responses to questions submitted

Q#	Page	RFP Section	Question	Response
23	18	3.2.3	Is there a requirement for a primary and secondary data center to ensure the high availability needs of the program? Do these sites need to be set up as Active-Active so that either site can handle the connections from the stations to the VID? Or can the vendor use an Active-Passive setup which would require a failover to the secondary site?	Primary and secondary centers are required but an active-passive setup would be acceptable as long as it minimizes any risk for down time.
24	18	3.2.3 Host Computer and VID Management System	Please explain the rationale for the mandatory requirement of the VID being located within the State of Rhode Island. Can a cloud-based solution be used to house the entire VID if the cloud vendor's data center is not housed in the State of Rhode Island?	Yes, if a local copy of the data contained the VID is maintained in the State of Rhode Island.
25	18	3.2.3 Host Computer and VID Management System	What are the minimum requirements for data center (e.g. minimum Tier 2 using Uptime Institutes Tier Classification system)?	System should be fully redundant
26	19	3.2.7 Registration Denial	Please explain the rationale for requiring registration denial application when the state is continuing sticker issuance.	The stickers will still be issued to aid in identifying vehicles out of compliance by law enforcement, repair facilities and vehicle owners
27	22	3.2.12 Inspection stickers	Can the state provide additional detail on the requirements for inspection stickers in the program so that vendors may price their proposed solution for the program? i.e., fading, color, holograms, etc.	The coloring of the stickers will be determined by the expiration year of the sticker per DMV. The stickers coloring and ink must be resistant to fading when exposed to sunlight. The adhesive must perform under all conditions and temperatures. A unique numbering system is required to identify the inspection and avoid fraud. The current Safety and Emission stickers are have an overall size of 2.3125 inches by 3.75 inches. The detailed characteristics of the stickers will be dependent on the system proposed by the vendor and will be finalized and approved by the agencies during program implementation.
28	22	3.2.13 DMV Inspection Manuals	Is the requirement to provide 2,500 Inspection manuals on a biennial basis correct, especially when considering the manuals will be available to the AIRS community on the work stations?	Yes
29	23	3.3.1	Will the state consider using a tablet device instead of the PC for the AIRS workstation?	Only if it were to meet all of the program requirements (security, equipment interfacing, etc.)
30	23	3.3.1	With a possible 13 year contract would the state expect the vendor to replace the AIRS equipment during the life of the contract?	Yes the state expects the vendor to continuously provide fully supported equipment that is up to industry standards.
31	23	3.3.1	With a possible 13 year contract would the state expect the vendor to replace the VID/network equipment during the life of the contract?	Yes the state expects the vendor to continuously provide fully supported equipment that is up to industry standards.
32	23	3.3.1	Due to system end of life (EOL) by systems vendors, is the winning vendor required to have maintenance/support contracts on VID equipment for full contract duration?	Yes the state expects the vendor to continuously provide fully supported equipment that is up to industry standards.

Rhode Island RFP 7551631 -
Responses to questions submitted

Q#	Page	RFP Section	Question	Response
33	23	3.3.1	Is there a minimum ruggedness rating (e.g. Ingress Protection rating, Military Standard 810G rating, temperature requirements) for the tablets?	No, but we would expect the equipment to be suitable for the automotive environment which
34	23	3.3.1 General Hardware requirements	Please explain the rationale of requiring a CA-BAR OBD-II device vs. OBD-II electronics including CAN software protocols. What is the State's proposed remedy to vendors if CA-BAR eliminates or discontinues their function of certifying equipment for a non CA inspection program? Can vendors propose a solution that is currently more advanced and feature rich than is currently required by CA-BAR for this program?	The certification must be current and valid at the time that the equipment is implemented/installed. If CA-BAR eliminates or discontinues their function of certifying equipment for a non CA inspection program the devices will be expected to meet or exceed the specifications for the existing equipment. A CA-BAR certified DAD device will be expected to be proposed.
35	23	3.3.1 General Hardware requirements	What is the vendors responsibility if CA-BAR decertifies the vendors BAR-certified OBD device?	The certification must be current and valid at the time that the equipment is implemented/installed.
36	23	3.3.1 General Hardware Requirements	Can we provide one printer that can handle all the workstation needs instead of the separate printers requested in the RFP?	Yes
37	23	3.3.1	What are OBD DLC Lead Printers?	This was a misprint and should have read: - OBD DLC Leads - Printers
38	23	3.3.1	Are the initial fingerprints expected to be captured centrally or on the workstations? Is there a set of prints already captured? If so, what format are they in and how will they be migrated?	They can not be migrated, the can be captured on the workstation with the proper security measures.
39	28	3.3.5	Is the cost of the internet service at the AIRS to be provided by the vendor? Is this cost to be included in the per test fee?	No this will be required to be provided by the AIRS.
40	28	3.3.5 Telecommunications	Please explain the rationale for the vendors being responsible for providing Telco access for this program. Rhode Island is requiring vendors to provide a firm fixed price for tests over a 7, 10 and 13 year duration when Telco contracts can not guarantee the same existing term. Would the state consider moving on their position of having the vendor be responsible for TELCO costs in the program?.	After further review the state is removing the requirement for TELCO access set forth in section 3.3.5 as high speed internet data connections will be required at all stations.
41	28	3.3.5 Telecommunications	Who is responsible for the internet installation costs at the AIRS facilities?	The AIRS will be expected to have high speed internet access.
42	28	3.3.5 Telecommunications	Is the internet service provided by the vendor, only to be used for the Rhode Island Inspection & Maintenance (IM) program?	The AIRS will be expected to have high speed internet access, the vendor will be responsible for data transmission (telecommunications) from the AIRS to the VID.
43	28	3.3.5 Telecommunications	Please provide the formula for determination of system availability.	24x7x365
44	34	3.6.1	Will the vendor need to provide a heavy-duty mobile workstation?	This has yet to be determined, this will be worked out when developing the scope of work with the successful bidder.

Rhode Island RFP 7551631 -
Responses to questions submitted

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45	34	3.6.1	Will the heavy-duty mobile workstation work online at all times? If so, who provides the telecommunications for the mobile workstations and who pays for this internet access?	This has yet to be determined, this will be worked out when developing the scope of work with the successful bidder.
46	34	3.6.2 All Inspections	Can the state provide the additional information on the requirement for cameras? Number, Size, pixel quality etc.,?	This has yet to be determined, this will be worked out when developing the scope of work with the successful bidder.
47	39	4.3.1 Cost Response	Can State disclose the current amount charged for initial certification training CITs and DCITs and Inspector recertification training for CITs and DCITs?	50
48	39	4.3.1 Cost Response	It is our belief that proposed monthly fees being charged by vendors be disclosed in their offerings. Would the state consider requiring that all vendors disclose this cost and the proposed services included in the monthly fee to determine a fair comparison to those services being provided in the monthly fee?	As part of their response to the RFP, vendors are required to disclose proposed monthly fees that will be charged to the stations and the proposed services which are included in the monthly fee.
49	42	4.3.7 Standard Inspection Station Agreements	Please provide additional clarity on what services the vendor can include in the inspection fee and what services can the vendor charge the AIRS on a monthly basis.	This should be specified by the vendor and will be taken into consideration when evaluating the submission.
50		General	Re: Liquidated damages. Can the state provide a copy of the current liquidated damages contained in the current contract and the amount of dollars that has historically been assessed to the current vendor to date?	The current contract is attached. There have been no claims to date
51		General	Is the uptime service level based on 24x7x365?	Yes, if the system requires periodic scheduled maintenance, it should be coordinated and pre-approved.
52		General	Is there a requirement to have a primary and secondary VID location? If so, do both locations need to be located within the State of RI?	Primary and secondary centers are required but do not both need to be in RI
53	8	1.2.8	Pertaining to "If the vehicle is older than MY 1996, a Gas Cap Test must be conducted. (Including gas and diesel).", gas cap testing adapters are not listed in the General Hardware Requirements in section 3.3.1, nor referenced as an inspection type in Appendix A. Should they be included in the offer's response?	Only a visual inspection of the gas cap will be required, testing equipment will NOT be required.
54	10	1.5	If bidding vendors are to provide an implementation schedule that includes Motorist Assistance Centers, hotline, and repairers, will the State provide more detail on the specifications for each item listed in this bullet point, please?	The Motorist Assistance Center(s) and hotline for the customers and repairers will be expected to provide technical assistance and advice to the AIRS and inspectors as well as the motorists. An implementation schedule for a center to provide these services must be submitted.
55	18	3.2.3	Will the State consider VID host locations outside of the State of Rhode Island?	Yes, if a local copy of the data contained the VID is maintained in the State of Rhode Island.

Rhode Island RFP 7551631 -
Responses to questions submitted

Q#	Page	RFP Section	Question	Response
56	20	3.2.8	The State requests a biennial roadside evaluation, yet requests records and a report for a minimum of 35,000 vehicles each year. Can the state clarify the requirement to be a biennial study and report or an annual study and report? The requirement for 35,000 vehicle record per year also far exceeds the federal EPA minimum requirement (0.05% or 20K, whichever is less). Can the State confirm the number of records to be collected by the roadside study?	This requirement should have been listed as a minimum of 35,000 biennially.
57	23	3.3.1	Will the State clarify what "OBD DLC Lead Printers" are and provide further explanation on the usage?	This was a misprint and should have read: OBD DLC Leads & Printers
58	23	3.3.1	Are the tablets in the list of equipment on page 23, the same as the three (3) tablets referenced on page 40? Please describe all purposes for tablet usage, e.g. field investigation purposes, Heavy-Duty Workstations mobile inspection operation (RE: 3.6.1), etc. Are there MIL and IP rating requirements for the tablets? If yes, what are they?	No, the tablets referenced on page 23 are to be used by the inspectors in the inspection facilities. The purposes and exact usage of tablets would be dependent on the services offered by the vendor. The tablets referenced on page 40 are for DMV field auditors to access any data necessary to oversee the proper operations of the AIRS.
59	23	3.3.1	Does the State want all inspection equipment to be replaced with new equipment at the onset of the new program?	Yes
60	23/39	3.3.1 & 4.3	How many diesel opacity meters will the contractor have to provide as a part of its base bid? Will the State confirm whether RPM acquisition is required as a part of the diesel opacity testing?	We expect approximately 150 diesel opacity meters will be needed.
61	31	3.3.12	Will the State provide a list of the makes and models of diesel testing equipment that are in use in the current program?	We are not currently using diesel testing equipment other than OBD.
62	32	3.4	Will the State confirm that the Heavy Duty Diesel Testing Project Plan it is seeking is a schedule? If not, will the State provide detail with what the Project Plan encompasses?	This Heavy Duty Diesel Testing Project Plan should encompass a plan to implement a new heavy duty diesel emission testing program. This plan should include the method of testing as well as the equipment to be used and the testing process. The vendor should also describe the proposed schedule for the implementation as this may be on a different schedule from the light duty program.
63	38	4.2.5	Are the cost and maintenance fees for alternative equipment configurations to be provided as separate items in the Cost Response of the proposal?	Yes
64	44	5.1	Will the State further clarify how the bidder's prices set forth in 4.3 will be totaled in determining the Bidder's Cost?	Purchasing
65	38	4.2.4	The RFP requires a set of financial documents be submitted in a separate envelope marked "Confidential-Financial Information". Does the State want eight (8) copies of the financial information, or just one set?	One (1) copy, Sealed.

Rhode Island RFP 7551631 -
Responses to questions submitted

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66		3.3.1	In the required list of equipment, can the Agencies explain what is meant by "OBD DLC Lead Printer"?	This was a misprint and should have read: - OBD DLC Leads - Printers
67		3.3.2	Section 3.3.2 (page 18): Section 3.2.3 suggests the VID must be on premise, but also mentions the vendor may use cloud storage. Cloud services have many advantages over on premise servers including redundancy, continuous hardware refresh, backup, and disaster recovery. May we propose that the VID be in the cloud, using a world-class cloud services vendor?	Yes, if a local copy of the data contained the VID is maintained in the State of Rhode Island.
68		1.2.8	Section 1.2.8 "If the vehicle is older than MY 1996, a Gas Cap Test must be conducted. (including Gas and Diesel)" A Gas Cap Tester is not required as part of the Workstation Equipment, however, it is stated that Gas Cap test is conducted on all MY 1995 and older vehicles. Is a gas cap tester required as part of the new workstation?	Only a visual inspection of the gas cap will be required, testing equipment will NOT be required.
69		1.5	Section 1.5 Contract Term "...with the goal of having a fully functional OBD testing (including having proper equipment and services which complete drive cycles necessary to set OBD readiness monitors) and safety inspection reporting System implemented statewide by January 1, 2018. What equipment/services is the State referring to for the completion of necessary drive cycles?	This was an error and should read "...with the goal of having a fully functional OBD testing (including having proper equipment and services) and safety inspection reporting system implemented statewide by January 1, 2018. "
70		3.3.1	Section 3.3.1 General Hardware Requirements: The RFP states "specifications for the wireless network access the Vendor will be providing, including connection speed and unlimited data plan." Is the State requiring the vendor to provide and pay for internet access to the stations as part of the solution?	The AIRS will be expected to have high speed internet access.
71		3.3.1	Section 3.3.1 General Hardware Requirements: On page 23, the RFP provides a list of Required workstation equipment. The next paragraph asks the vendor to propose a ruggedized tablet option. Is the State looking for the vendors to propose either a stand-alone cabinet option or a ruggedized tablet option? Or is the State requiring the vendor to provide both options?	The state will consider a stand alone tablet option only if it were to meet all of the program requirements (security, equipment interfacing, etc.)
72		3.6.2	Section 3.6.2 All Inspections: The RFP is requiring vendors to provide signage that cameras are in use. Does the State have specific requirements for signage or will it be left to the vendor to decide?	It will be left to the vendor to decide.
73		3.2.8	Section 3.2.8 Roadside Evaluation of Program Effectiveness: The RFP states that the vendor must provide remote sensing services on a biennial basis. Would the State be willing to consider remote OBDII testing instead of remote sensing to fulfill this requirement?	Yes, as long as this meets EPA requirements

Rhode Island RFP 7551631 -
Responses to questions submitted

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74		1.2.5	Section 1.2.5: New Station Hardware in Section 1.2.5 is significantly less than Hardware outlined for the same station type in Section 3.3.1 (Page 23). Additionally, Section 1.2.8 requires a gas cap test, but Section 3.3.1 does not mention gas cap equipment. Can the State please provide the definitive set of Hardware required for the AIRS?	Only a visual inspection of the gas cap will be required, therefore fuel cap testing equipment will NOT be required. Pertaining to a definitive set of hardware, this will be dependent on the program proposed by the vendor so it can not be determined with absolute certainty.
75		1.2.7	DAD is mentioned in Section 1.2.7 (Heavy Duty Diesel Vehicles). All other sections reference OBD, see section 3.3.1 (Page 23). Is the DAD Requirement for Heavy Duty Diesel Vehicles only?	No
76		1.2.20	Section 1.2.20 and 3.2.2 require a full time data analyst, to assist the agencies "as needed". Is this analyst expected to be 100% allocated to the Agencies, or may this position also perform other Rhode Island program-related reporting and analysis tasks? Approximately what %FTE are the Agencies expecting the analyst to be needed for Agency-specific tasks?	We would estimate that the analyst would need to dedicate 25-50% of their time to agency services, but would be expect the services to be available as needed.
77			Section 1.3 states "In an effort to conserve resources double sided printing a. should be utilized to the extent possible." Section 4.2 states "The Technical Proposal shall be submitted on 150 single-sided pages or less". Can the State please clarify?	Please make the Technical Proposal no more than 150 single sided pages.
78		1.5	Section 1.5 states: "Bidders shall propose an implementation schedule for each of the following major Program elements as may be necessary for the Agencies to gauge Vendor progress and ensure timely implementation." Bullet #4 states "Motorist Assistance Centers, hotline and repairers". Can the state provide more information on the requirement for Motorist Assistance Centers?	The Motorist Assistance Center(s) and hotline for the customers and repairers will be expected to provide technical assistance and advice to the AIRS and inspectors as well as the motorists. An implementation schedule for a center to provide these services must be submitted.
79		3.26	14. Section 3.2.6: Approximately how many Agency users (not including the contractor's required FT data analyst) will require access to the reporting system? How many of these users will require ad hoc reporting access?	Approximately 12 users with ad hoc reporting capabilities by at least 4 of the 12.
80		3.3	Section 3.3 Inspection Software, states, "All inspections must be performed with the Workstation connected to the Database; no offline inspections shall be allowed. Section 4.2.5 states " "Explain How the System will allow offline inspections and the Vendor's plan for preventing abuse of this ability." Can the State please advise/clarify?	The state would prefer that all test be done with connection to the VID, however we would also like to have a contingency plan (a limited number of tests) only for when the VID is unavailable.

Rhode Island RFP 7551631 -
Responses to questions submitted

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81		3.3.1	<p>Section 3.3.1 – Equipment Requirements & Sec 3.3.9</p> <p>a. There is no mention in this section that the vendor is to supply the headsets needed for the Inspection Interrupts as stated in Section 3.3.9 Fraud Reduction. Section 3.3.9 states, “The test interruption process shall include, at a minimum, the following basic components: Ability for the Vendor to take any of the following actions: 1) begin a live video conference with the Inspector using the Workstation, PC monitor mounted camera, and headset. Are headsets required, or may Bidders propose their own alternative methods?</p> <p>b. Are the workstation tablets specified in Section 3.3.1 the same as those referenced in Section 4.3.2. If not, what is the intended purpose of the tablets specified in Section 3.3.1?</p>	<p>A) An alternative to a headset would be acceptable.</p> <p>B) No, the tablets referenced on page 23 are to be used by the inspectors in the inspection facilities. The purposes and exact usage of tablets would be dependent on the services offered by the vendor.</p> <p>The tablets referenced on page 40 are for DMV field auditors to access any data necessary to oversee the proper operations of the AIRS.</p>
82		3.3.1	<p>Section 3.3.1 lists “OBD DLC Lead Printers” as an equipment requirement. Can the State confirm that the extraneous “Printers” on this line is a typo?</p>	<p>This was a misprint and should have read:</p> <ul style="list-style-type: none"> - OBD DLC Leads -Printers
83		3.3.3	<p>18. Section 3.3.3 mentions help desk software. Can the State provide details regarding help desk support requirements?</p>	<p>Help desk support Services for the customers and repairers will be expected to provide technical assistance and advice to the AIRS and inspectors as well as the motorists.</p>
84		3.3.3	<p>Section 3.3.3: Is the help desk contact number to be transferred over from the current vendor or State to the new vendor? Is it required to be a toll-free number?</p>	<p>It is not required to be transferred but must be a toll free number.</p>
85		3.3.6	<p>Section 3.3.6 states: “The Vendor shall, at all times, keep in inventory sufficient equipment to ensure that, in the event of an emergency or failing of the equipment, the Inspection Stations will have replacement units so that they may continue operation. The number of Inspection Stations that the Vendor must be able to cover in the event of an emergency shall be determined by the DMV.” For purposes of sizing the required inventory, can the State provide the estimated number of stations that the Vendor must be able to cover in the event of an emergency?</p>	<p>The vendor should have sufficient equipment in inventory to cover at least 2-3% of the licensed stations in the event of an emergency.</p>
86		4.3.1	<p>Section 4.3.1 lists three methods by which the Vendor will be compensated, none of which includes equipment purchase, while the final bullet in Section 4.3.7 states “any additional requirements necessary to ensure proper Inspections at Inspection Stations which purchase or lease their Workstations.” Can the State please clarify what arrangements stations can make for procuring equipment (purchase versus lease)?</p>	<p>The equipment shall be rented or leased from the vendor.</p>

Q#	Page	RFP Section	Question	Response
87		4.3.1	<p>Section 4.3.1 Cost Response Content, pages 39 and 40 of the RFP, states the following cost elements required by the State: Per Inspection Fee base Field Investigator Equipment Inspection Station Cost Response Any Additional Program Costs (Per Hour Rates, as need) Bidders Financial Qualifications</p> <p>a. The above are then listed with respectively sub-element cost categories as applicable.</p> <p>We request clarification on the desired cost element structure. For example, Inspector Training Costs is listed as a cost element of the Inspection Station Cost Response but also appears implied as a separate cost element category in section RFP section 4.3.3 page 40, but Inspection Station Cost Response is implied in the above list as a cost bucket that includes Inspector Training Costs. Please advise.</p>	<p>The inspector training costs (initial/recertification) should be listed in the Cost Response described in section 4.3.1</p>
88			<p>Does the State foresee requirements for motorist support? If so, can the State provide details regarding support requirements?</p>	<p>Yes, there will need to be a Motorist Assistance Center that motorists may go to or call into. They should have assistance available with information regarding program requirements, waivers or compliance issues such as difficulty setting readiness monitors.</p>

MOTOR VEHICLE INSPECTION AND MAINTENANCE PROGRAM SERVICES AGREEMENT

Between

State of Rhode Island
Department of Administration

and

SYSTECH INTERNATIONAL, LLC

This Motor Vehicle and Inspection Program Services Agreement (hereinafter "Agreement") is made and entered into this 7th day of June, 2006, by and between the State of Rhode Island and Providence Plantations acting by and through the Department of Administration (hereinafter "State") on behalf of the Department of Revenue, Division of Motor Vehicles (hereinafter "DMV") and the Department of Environmental Management (hereinafter "DEM"), and SysTech International, LLC, a limited liability company organized and existing under the laws of the State of Florida, and registered to do business in the State of Rhode Island, with a primary office at 6681 South Cottonwood Street, Murray, Utah 84107 (hereinafter "SysTech").

State and SysTech are sometimes jointly referred to hereinafter as the "Parties".

WITNESSETH

WHEREAS, the State requires specialized services related to the State's Emissions and Safety Testing (I/M) Program (hereinafter the "Program"); and

WHEREAS, in order to obtain such services, the State issued RFQ #7002092 entitled "Motor Vehicle Inspection and Maintenance (I/M) Program," a Response to Bidders' Questions related to RFQ #7002092, Addendum #1 to RFQ #7002092 and a request for a Best and Final Offer for the Cost Proposal (collectively hereinafter the "RFQ"), a copy of which is attached hereto, incorporated herein by reference and made a part hereof as Exhibit 1; and

WHEREAS, SysTech in response to said RFQ submitted a Technical Proposal, Cost Proposal and Cost Proposal Best and Final Offer (collectively hereinafter the "Proposal"), a copy of which is attached hereto, incorporated herein by reference and made a part hereof as Exhibit 2; and,

WHEREAS, the Parties desire to establish an agreement for SysTech to furnish the services.

NOW THEREFORE, for good and valuable consideration exchanged by and between the Parties, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

1. Precatory Clauses

The precatory "whereas" clauses are incorporated herein and made a part of this Agreement.

2. Definitions

- A. AIRS shall mean the authorized inspection repair stations.
- B. RI 2000 or Equipment shall mean the dynamometer, the VMAS, and the parts and equipment as listed on Exhibit 3, attached hereto and made a part hereof.
- C. Workstation shall mean the RI 2000 without the dynamometer and without the VMAS.

3. Services

SysTech hereby agrees to perform the services ("Services") as detailed in the RFQ, the Proposal and this Agreement.

4. Time is of the Essence

Due to the limited time frame for initial implementation on or before January 1, 2007, and the importance of providing Services for the Program, SysTech acknowledges and agrees that time is of the essence in performance of this Agreement.

5. Implementation Schedule and Operational Penalties

SysTech agrees to the Implementation Schedule attached hereto and made a part hereof as Exhibit 4. The failure of SysTech to make these deadlines and for certain breaches under this Agreement will result in penalties as detailed in Exhibit 5, attached hereto and made a part hereof. The State shall review any submitted documents and provide a written response within five (5) business days from document submittal. Should the State not timely respond SysTech shall not be deemed to be responsible for the delay.

6. Workstation

On or before March 31, 2007 SysTech shall replace all of the components listed in RFQ section 2.1, including workstation computers, VIN scanners, printers, and gas benches, plus any other components identified by SysTech to be inadequate in individual workstations.

7. Maintenance and Warranty

SysTech shall provide a warranty on parts, service and maintenance of Equipment, provided however, that each AIRS unit and each DMV unit shall, as of the commencement date of this agreement, make available to SysTech a fully operational dynamometer and VMAS. Such warranty is incorporated into the terms and conditions of the AIRS maintenance and warranty obligations (including the DMV inspection station) as set forth and attached hereto as Exhibit 6.

8. Incorporation by Reference and Interpretation

The State Purchasing Act, the State Purchasing Regulations and the State of Rhode Island Office of Purchases General Conditions of Purchase are incorporated herein by reference, hereinafter collectively referred to as the State's General Conditions of Purchase. This Agreement consists of the following contract documents: (1) this Agreement, (2) the RFQ and Purchase Order, (3) the Proposal; and, (4) the

State's General Conditions of Purchase, all of which may be collectively referred to throughout this Agreement as the "contract documents." In the event of any conflict shall arise among the provisions of the foregoing documents, said conflict shall be resolved by giving priority to the documents in the order set forth above.

9. Changes to Services

State, through the Director of the Department of Administration, may at any time, request changes to Services required under this Agreement. The Parties shall negotiate a commercially reasonable a price adjustment and this Agreement shall thereafter be modified by a written contract amendment

10. Compensation

SysTech shall receive payment and charge such fees and costs as detailed in the RFQ and Proposal. SysTech shall remit, electronically, within fifteen (15) calendar days from the first and sixteenth (16th) day of each month of the term to such bank account as directed by the State any funds SysTech has collected during any calendar month that the State is owed under the Program. The State shall receive from SysTech monthly reports of any such funds. SysTech shall provide an annual report of the Program funds accompanied by a certified auditor's opinion following procedures not inconsistent with generally accepted accounting principles by a locally recognized Certified Public Accounting firm. Such audit for the preceding year shall be provided to the State before April 30th of each year of the Term.

11. Period of Performance

SysTech shall commence Services under this Agreement immediately upon execution of this Agreement by both Parties, the issuance of a Purchase Order, and shall complete its Services strictly within the time requirements set forth herein. Although the Period of Performance begins on execution of this Agreement and the issuance of a Purchase Order by the Parties, the three-year Agreement term shall begin January 1, 2007, and expire on December 31, 2009, unless terminated earlier pursuant to the provisions of this Agreement. The Agreement may be extended by two (two) additional one (1) year periods at the sole option of the State upon written notice to SysTech not less than ninety (90) days prior to the expiration of the initial term or any renewal period. Term in this Agreement shall mean the initial term together with any renewal period(s) that are approved.

12. Assignment

This Agreement shall not be assigned, transferred or subcontracted by SysTech without prior written approval of State which said approval shall not be unreasonably withheld. Such approval shall not be effective unless the new party agrees to all of the terms and conditions of the Agreement. Approval by State of SysTech's request to subcontract, or acceptance of or payment for subcontracted Services by State, shall relieve SysTech of responsibility for the material professional and technical accuracy and adequacy of the Services. SysTech may assign its rights to payments under this Agreement, provided, however, that such assignment must be made with a reservation of State's right to assert any defense or claim it may have against SysTech as a claim or defense against SysTech's assignee upon said assignee's demand upon State for payments under this contract.

13. Testing and Acceptance of Software Programs

As set forth in the RFQ, the State will monitor acceptance testing performed by SysTech. Consistent with the Implementation Schedule, SysTech shall notify DOA in writing when it determines that a software program required by this Agreement is ready for testing and acceptance. Upon receipt of said notice, DOA shall have seven (7) calendar days to monitor the acceptance testing performed by SysTech. Such testing shall be conducted on sites selected by the State during normal business hours. The State will accept SysTech's testing results within five (5) days after receiving a written certification from SysTech that:

- (a) the software and any installed equipment required for the proper function of the software meet the specifications and perform the functions required by this Agreement;
- (b) the software and any installed equipment is capable of running on a repetitive basis while performing the work without unreasonable failure; and
- (c) the documentation and support meet the requirements of this Agreement, including but not limited to, ensuring that there will be a seamless and uninterrupted transition from the existing contract expiring on December 31, 2006 to SysTech's program under this Agreement, unless SysTech is prevented therefrom, due to circumstances beyond its reasonable control, including without limiting the generality thereof, the failure of cooperation by the prior vendor.

14. Representations and Warranties

- A. SysTech represents and warrants that the hardware, software and any installed equipment provided shall substantially conform to the requirements of, and perform as specified by this Agreement.
- B. SysTech represents and warrants that the product provided under the contract documents will be free from defects in design, materials and workmanship for the period of performance as specified under Section 11 of this Agreement following acceptance set forth in Section 13 of this Agreement and agrees to make prompt correction of defects without additional charge for parts or labor during said period.
- C. SysTech represents and warrants to the State that the necessary licenses have been secured by SysTech for the Services covered by this Agreement. SysTech further warrants that the Services performed hereunder will be performed in a manner and in accord with any and all applicable federal, state or local statutes, regulations, ordinances, policies and procedures or contracts applicable to the Services covered hereunder including, but not limited to, Rhode Island Motor Safety and Emissions Control Regulation No. 1 and Air Pollution Control Regulation No. 34, as amended.

15. DOA Personnel Training

In addition to the training described in the RFQ and Proposal, SysTech shall, train throughout the term of this Agreement the appropriately designated State's personnel in the operation of the product and systems being trained under this Agreement. Training shall be provided to key personnel as designated by the State with the goal such key personnel shall become qualified to train other State personnel. SysTech shall conduct a training program that will accomplish said goal. SysTech shall present a program sufficient to teach each student the use of the product and systems provided under the Agreement and enable them to use each component. Such training shall be at no expense to the State.

16. Copyright and Patent Protection

A. SysTech represents and warrants that it has legal title to any proprietary software used or incorporated into the system provided to State under this Agreement, or has the right from the legal owner(s) thereof to use, and to license use, to State. SysTech agrees to defend State and hold State harmless from any claims, legal actions or proceedings asserted or brought against State based on alleged infringement of any patent, copyright, trade secret or any other proprietary right of any third party, by the equipment or any part thereof, any operating or service manuals, any documentation or any software program; and SysTech agrees to pay all settlement costs and all damages and costs awarded against State (including royalties assessed against State) arising out of such claims or legal actions. State shall promptly notify SysTech in writing of any such claim of legal action brought or threatened and SysTech shall be permitted to assume control of the defense and settle any negotiations. DOA shall have the right to be represented by counsel of its choosing, at DOA's own expense. At the request of SysTech, State shall actively cooperate and assist SysTech in the defense of any such claim or legal action At the expense of SysTech In the event SysTech should fail to defend any such claim or legal action, State may, in addition to any other legal remedy which State may have, at its election, defend such claim or legal action and be reimbursed by SysTech for its reasonable expenses and attorney's fees incurred in said defense.

B. In the event an injunction shall be obtained effective against the use of any equipment hardware, software, or parts thereof by reason of the infringement of any patent, copyright, trade secret or other propriety right, SysTech may, at its option and expense, either:

1. If obtainable at a reasonable price, procure for State, the right to use the equipment hardware, software, part, manual, etc;
2. Replace or modify the same in a manner that does not degrade the performance of the products and systems so that they/it become non-infringing; or
3. Repurchase any infringing hardware, software, equipment, part, manual, etc., at the price at which it was sold to State under this Agreement.
4. SysTech shall not have any liability to State under any provision of this clause if any infringement claim is based upon the use of any program or equipment or part thereof, in combination with any program or equipment or part thereof not furnished or approved by SysTech, or if the equipment or software is used in a manner for which they were not designed. SysTech hereby approves of any and all equipment and software currently in use by the State or the AIRS at the time this Agreement is executed.

17. State Ownership of Copyright and Patents

A. SysTech will promptly disclose to State any and all work products which it may conceive, make, develop or work on, in whole or in part, solely or jointly with others, whether or not during regular working hours, which relate to the actual or anticipated performance of systems, plans, or programs which SysTech develops and/or implements through its work under this contract and/or through the utilization of funds supplied by State under this Agreement.

B. Except for the computer software code and associated documentation, all matters subject to disclosure under the immediately preceding paragraph, together with all related rights, such as patents, copyrights, trademarks, designs, and trade secrets shall be the exclusive property of SysTech.

C. Computer software codes developed by SysTech for use under this contract shall remain the exclusive property of SysTech.

18. Software

SysTech agrees to provide the State with all requested programming set forth in this Agreement during the Term at no cost to the State. SysTech also agrees it will provide all required and reasonable software updates at no cost to the State.

19. Independent Contractor

The Parties stipulate that SysTech is an independent contractor. The State has no authority to supervise or direct the means or methods whereby SysTech performs hereunder, except as provided in Paragraph 20 hereof, and State is interested only in the product to be produced and services to be rendered by SysTech. SysTech shall provide customer service training for its employees and shall provide quality customer service with a high level of customer satisfaction particularly to I/M program station personnel. Further, SysTech's agents or employees shall not be considered as agents of State, and shall have no right or interest in the rights and benefits of Rhode Island employees. SysTech shall assume full responsibility for the actions of such personnel while performing Services under this Agreement.

20. Program Team

SysTech agrees that during the Term, SysTech's management services shall comply with the requirements as set forth in the RFQ and Proposal. SysTech shall hire a qualified and experienced on-site Program Manager, which Program Manager must have the prior written approval of State, which will not be unreasonably withheld. In the event an approved Program Manager must be changed or replaced, SysTech must obtain the prior written approval of State of the subsequent Program Manager which will not be unreasonably withheld.

21. Continuity of Services

SysTech realizes that the Services under this Agreement are very important to the State and must be continued without interruption and that upon the Agreement's expiration or termination, a successor may continue them. SysTech covenants in good faith to make an orderly transition of the Services and to perform any and all tasks in good faith that are necessary to preserve the integrity of the Program and operations. SysTech shall make every reasonable effort to ensure that the transition will be performed in a professional and businesslike manner, and shall comply with the reasonable request and requirements of the State and any successor to accomplish a successful, seamless and unhindered transfer.

22. Confidentiality

SysTech shall take security measures to protect against the improper use and disclosure of any confidential information it may receive under this Agreement, incorporating both security and privacy protection software. In the event of an unauthorized disclosure of any such information, SysTech will immediately notify State of such a breach, but in no event later than twenty-four (24) hours after SysTech's knowledge of the unauthorized disclosure.

23. Severability

If any provision hereof is found to be illegal, invalid, or unenforceable for any reason, such finding shall not affect the other provisions hereof.

24. Waiver

No term of this Agreement shall be considered waived and no breach excused by either party unless made in writing. No consent, waiver, or excuse by either party, express or implied shall constitute a subsequent consent, waiver or excuse.

25. Notices

Any notices required, or to be given in connection with the Agreement shall be sent by certified mail or facsimile, proof of transmission retained, to the following:

To State:
Director, RI Department of Administration
One Capitol Hill
Providence, RI 02908, Fax number (401) 222-2280

To SysTech:
Mr. Lothar Geilen, President
SysTech International, LLC
6681 S. Cottonwood, Suite 1
Murray, Utah 84107, Fax Number (801) 265-1199

Copy to:
Gelfuso & Lachut, Incorporated
1193 Reservoir Avenue
Cranston, RI 02920
Attn: Alan P. Gelfuso

26. Designated Representatives

The persons named below are hereby designated as each party's representative for communication in matters pertaining to this Agreement. Any change in such designation shall be in writing, sent to the address set forth above. Notice of change in any designation shall be accomplished in the same manner.

For State:
Director of Administration or designee
RI Department of Administration
One Capitol Hill
Providence, RI 02908, Fax number (401) _____

For SysTech:
Mr. Lothar Geilen, President
SysTech International, LLC
6681 S. Cottonwood, Suite 1
Murray, Utah 84107, Fax Number (801) 265-1199

27. Termination

Termination Without Cause

- a. SysTech shall not terminate the Agreement without cause.
- b. Neither SysTech, nor its consultants, subcontractors or suppliers shall be entitled to lost profits on work not performed or services not provided due to termination. Notwithstanding anything to the contrary, the State shall not be responsible or liable to SysTech for any claims brought by its consultants, subcontractors or suppliers arising out of termination.
- c. The State may terminate SysTech for cause upon sixty (60) days prior written notice, if SysTech:
 - i. Files for, is adjudged bankrupt, is subject to an involuntary bankruptcy filing, or makes a general assignment for the benefit of its creditors;
 - ii. Appoints a receiver or a trustee to administer the SysTech's property;
 - iii. Abandons all or a part of the Services under the Agreement;
 - iv. Assigns the Agreement or claims hereunder, other than as allowed under the Agreement, without the prior written consent of the State;
 - v. Is indicted and convicted of criminal charges that jeopardize SysTech's performance of the Agreement;
 - vi. Participates in fraudulent activities that jeopardize performance of the Agreement; or,
 - vii. Fails or refuses to perform one or more of its obligations under the Agreement, provided, however, SysTech shall have the right to cure the breach, upon sixty (60) day written notice therefrom from the State
- d. SysTech may terminate the Agreement for cause upon sixty (60) day written notice if the State fails or refuses to perform one or more of its material obligations under the Agreement; provided, however, that the State shall have the right to cure all breaches or defaults set forth in this Paragraph 27.

Upon the effective date of the termination for cause, the State may:

- a. Require SysTech to discontinue all Services, or any part thereof, and the SysTech shall discontinue all Services, or any part thereof;

- b. Complete the Services, or any part thereof, and charge the State's costs of completing the Services, or any part thereof, to SysTech; and/or
- c. Replace SysTech; and/or
- d. Opt to acquire all or a portion of the Equipment owned by SysTech and all other assets and software required to operate the Program (hereinafter the ("Assets")). In the event that the State does not acquire the Equipment, the AIRS shall have the right to acquire all or a part of the Equipment within forty-five (45) days from receiving notice the State has not opted to acquire the Equipment.

Exercise of Option to Acquire Assets

Upon the State's decision to terminate SysTech, the State shall have the option to acquire any or all of the Assets.

The State may exercise their option by sending SysTech written notice along with its notice terminating the Agreement.

Valuation of Assets

The assets shall be acquired at their Fair Market Value as reflected in the SysTech's books and records, plus any costs of relocating the Assets as the State may direct. SysTech shall not be entitled to receive any payment for Assets upon termination or expiration of the Agreement if SysTech and the Succeeding Entity are the same or a closely-related business entity.

If the Parties disagree on the Fair Market Value of the Assets, the State may provide a final written determination to SysTech stating the amount the State deems to be the Fair Market Value of the Assets. The State shall pay SysTech, at a minimum, the amount the State determines to be the Fair Market Value of the Assets, as provided above. Such a payment shall not be deemed to be an accord and satisfaction as to the value of the Assets.

Transfer of Assets

SysTech shall transfer forthwith all Assets to the Succeeding Entity or the State within the time frame directed by the State and in the same condition as such Assets were in during the last three months preceding termination of the Agreement save for ordinary wear and tear.

Notwithstanding any dispute resolution or pending court proceeding or any disagreement regarding the valuation of the Assets, SysTech shall not cause any delay in the transfer of any of the Assets to the Succeeding Entity or the State. Furthermore, upon the Expiration Date of the Contract or upon the State's exercise of its Option to Acquire the Assets, SysTech shall transfer ownership of the Assets to the State.

28. Ethics

SysTech represents that it has not: (1) provided an illegal gift or payoff to any Rhode Island officer or employee, or former Rhode Island officer or employee, or to said Rhode Island officer's or employee's, or former Rhode Island officer's or employee's, relatives or business entity; (2) retained any person to solicit or secure this contract upon an agreement or understanding for a commission, percentage, brokerage or contingent fee, other than bona fide employees of bona fide commercial agencies established for the

purpose of securing business; (3) breached any of the ethical standards set forth in law or Rhode Island's Conflict of Interest ordinance; or (4) knowingly influenced; and (5) hereby promises that it will not knowingly influence a Rhode Island officer or employee or former Rhode Island officer or employee to breach any of the ethical standards set forth in law or Rhode Island's Conflict of Interest ordinance, cited above.

29. Performance Bond

SysTech will provide a two hundred fifty thousand (\$250,000) Dollar performance bond without surety for the duration of the Term in a form acceptable to the State.

30. Financial Statements

On or before July 30th of each year of the Term, SysTech shall provide the State access to financial statements certified by an independent public accounting firm, including a balance sheet, income statement and statement of cash flow and all applicable notes for the most recent calendar year, in accordance with generally accepted accounting principles. The parties agree that the right to access does not entitle the State to a copy of said report. The State agrees that this is a confidential report.

31. Insurance

Throughout the term of this Agreement, SysTech shall procure and maintain, at its own cost and expense, and provide annually to the State certificates of insurance evidencing the following:

- (i) Commercial general liability insurance policy in the amount of at least (a) \$1,000,000 annual aggregate bodily injury and property damage, and (b) automobile liability insurance, combined single limit \$1,000,000 each occurrence bodily injury and property damage for owned and leased vehicles. The State of Rhode Island shall be listed as an additional insured, as its interest may appear. Along with the certificate of insurance, SysTech shall submit to the State a copy of the policy endorsement evidencing the State as an additional insured
- (ii) Workers compensation insurance for SysTech as required by applicable federal and state law.
- (iii) Errors and Omission insurance policy in the amount of at least \$1,000,000 per occurrence and \$1,000,000 in the aggregate.
- (iv) Crime Insurance (Dishonesty, Disappearance and Destruction) with computer and funds transfer included in the amount of \$1,000,000 per occurrence and \$1,000,000 in the aggregate.

Notice of cancellation or alteration of any kind of insurance referenced above will be sent by the issuing company to State within thirty (30) days prior to cancellation. Failure of SysTech to so notify the State shall constitute an event of default under this Agreement.

The State may request higher limits or different coverages after examination of the SysTech's Services under this Agreement as mutually agreed by the Parties. SysTech agrees to supply such additional protection as the parties shall deem commercially reasonable.

32. Indemnity

SysTech shall be bound by the provisions of paragraph 35 of the General Terms and Conditions.

33. Covenant

SysTech covenants that it presently has no interest and that it will not acquire any interest, direct or indirect, which would conflict in any manner or degree with the performance of Services required under this contract. SysTech further covenants that, to the extent of its knowledge and ability, in the performance of Services under this Agreement, no person having any such conflict of interest shall be employed by SysTech.

34. Laws of Rhode Island and Venue:

It is understood and agreed that this Agreement shall be governed by the laws of the State of Rhode Island, both as to interpretation and performance.

Venue for any and all legal actions arising hereunder shall lie in the Superior Court in and for the County of Providence, State of Rhode Island.

35. Counterparts

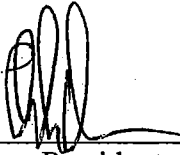
This Agreement may be executed in counterparts, each of which will be deemed an original, but all of which together will constitute one and the same instrument.

36. Entire Agreement


This Agreement contains the sole and entire agreement between the Parties, and supersedes and renders null and void any and all other agreements between them. The Parties acknowledge and agree that none of them has made any representation with respect to the subject matter of this Agreement or any representations inducing the execution and delivery hereof except such representations as are specifically set forth herein, and each party acknowledges that it has relied on its own judgment in entering into the Agreement. The Parties further acknowledge that any statements or representations that may have heretofore been made by either of them to the other are void and of no effect and that neither of them has relied thereon in connection with this Agreement or its dealings with the other. This Agreement may be amended or extended by mutual written consent provided that there is a fiscal appropriation for any extension.

IN WITNESS WHEREOF, the Parties execute this Agreement as of the date first set forth above.

SYSTECH INTERNATIONAL, LLC

By: 
Lothar Geilen, President

State of Rhode Island and Providence Plantations
Department of Administration

By: 
Brian P. Stern, Executive Director */Prochly Ag 201*