



**November 12, 2013**

**Addendum 1**

**RFP 7528369**

**Uninsured Motorist Information Database Program**

**Closing Date and Time: November 21, 2013, 2:00 PM ET**

**Answers to Questions submitted by the deadline are included below as Attachment 1 .**

**The following revisions are made to the Guidance and Specifications and should be recognized by all Offerors in composing their submissions:**

**Chapter 1.5.C Starting Date-** delete: “ to be in compliance with the statutory go-live date of July 1, 2014” and substitute: “and demonstrate test operability for a period of two months prior to the July 1, 2014 implementation date.”

**Chapter 1.6 Operational Specifications-** delete “After issuance of the contract, the system must be operational for six (6) months, and then be” and substitute: “Six (6) months after the beginning of program operations, the system will be”.

## Vendor Questions for RFI # 7528369

**Question 1.** p.1: Indicates no Bond requirement. Page 8 indicates a requirement. Please clarify.

**Answer 1.** There are no surety or performance bonds associated with the solicitation process from all **prospective** vendors. The **successful** bidder will be required to provide a bond guaranteeing performance pursuant to the project agreement.

**Question 2.** p.8/ 1.6: Indicates the system must be operational for six (6) months after the contract is awarded. When is the contract expected to be awarded?

**Answer 2.** This was an error. The system must demonstrate test operability for a period of two months prior to the July 1, 2014 implementation date. The state expects to issue an award on or about December 27, 2013.

**Question 3.** p.7/ 1.5 c: The statutory go live date is July 1, 2014. How can the system be operational for six (6) months prior to July 1, 2014?

**Answer 3.** This was an error. The system must demonstrate test operability for a period of two months prior to the July 1, 2014 implementation date.

**Question 4.** p 13: Task 3 mentions the state domain name. Who will host the website?

**Answer 4.** The vendor will host the website.

**Question 5.** p.15/3.5 c: Requests a certificate of insurance. What exact insurance policies and coverage are you requesting?

**Answer 5.** In addition to the performance bond (question 1 and section 1.5 e) all state vendors are required to certify coverage described in State General Conditions, # 31:

All construction contractors, independent tradesmen, or firms providing any type of maintenance, repair, or other type of service to be performed on state premises, buildings, or grounds are required to purchase and maintain coverage with a company or companies licensed to do business in the state as follows:

- **a. Comprehensive General Liability Insurance -**
  - 1) Bodily Injury \$1,000,000 each occurrence
    - \$1,000,000 annual aggregate
  - 2) Property Damage \$500,000 each occurrence
- \$500,000 annual aggregate
  - Independent Contractors
  - Contractual - including construction hold harmless and other types of contracts or agreements in effect for insured operations
  - Completed Operations
  - Personal Injury (with employee exclusion deleted)
- **b. Automobile Liability Insurance -**
- Combined Single Limit \$1,000,000 each occurrence
  - Bodily Injury
  - Property Damage, and in addition non-owned and/or hired vehicles and equipment
- **c. Workers' Compensation Insurance -**
- Coverage B \$100,000

**Question 6.** p 15/3.1 e: Are the past references indicated the same references as provided in 3.1 a?

**Answer 6.** Yes.

**Question 7.** p.15: What constitutes a performance record?

**Answer 7.** Performance evaluations, audits or other similar records demonstrating the functionality of your system.

**Question 8.** p.16/3.3 c: Discusses the notifications. Are there specific requirements for return envelopes, pages, etc?

**Answer 8.** Notifications will consist of a standard one page single side form letter which will be drafted by DMV enclosed in a standard business size envelope. Although the language on the notice will be standard, the vendor will be expected to print personalized information on the letter including vehicle and owner information.

**Question 9.** p. 16/3.3 c: What is the frequency of the 100,000? Is that the annual volume?

**Answer 9.** This is the estimated annual volume. Based on data provided to the Rhode Island Department of Revenue's Office of Revenue Analysis (ORA), there were 771,802 motor vehicle

registrations that would be submitted to the Uninsured Motorist Identification database (this is basically all passenger, commercial, combination and suburban registrations). Based on information provided to ORA by the Rhode Island Department of Business Regulation it was estimated that 18% of all motor vehicle registrations lack insurance or 138,924 of the 771,802.

**Question 10.** p.17/3.4 e: Includes a list of information that is not all part of the current standards for reporting by the insurance companies. Will the companies be required to report this information (e.g. , The insurance agent's name and telephone number)?

**Answer 10.** Yes.

**Question 11.** p.17/ 3.4 j: Discusses a Crash Report. Can you provide samples or give more information?

**Answer 11.** Crash Report refers to the State of Rhode Island Uniform Crash Report. A redacted sample is attached to the end of these questions and answers.

**Question 12.** p.19/4.2 d: How many motor vehicles were subject to the registration reinstatement fees and what were the total dollars collected for the past three years?

**Answer 12.** The Division of Motor Vehicles suspends a person's registration privilege which would impact any and all registrations held by that individual. Once the person reinstates their privilege, the registration of any vehicle owned by that person is reinstated. The reinstatement is per person, not per vehicle. It should be noted that a registration privilege may be suspended for any number of reasons including motor vehicle violations, outstanding child support or failure to pay fines, just to name a few.

For FY 2012, Office of Revenue Analysis estimated that 3,375 registrations were suspended and subsequently reinstated after paying the \$250 registration reinstatement fee. It appears that the comparable numbers for FY 2010 and FY 2011 are 3,259 and 3,221 respectively.

With respect to reinstatements for suspensions based on insurance violations, the numbers were 2,207 in 2010, 2,365 in 2011 and 2,289 in 2012.

**Question 13.** p.19/4.2 d: What are your projections for motor vehicles that will be subject to the registration reinstatement fees for the years covered under this RFP and

**Answer 13.** The Office of Revenue Analysis has very specific projections that are being used to forecast revenues. In FY 2014, based on information provided by DMV, 2,418 registrations are estimated to be reinstated after being suspended due to lack of insurance. ORA assumed that 5 times this amount or 12,090 registrations would be suspended for lack of insurance *even after being warned twice that such a suspension was imminent*. This figure was used for FY 2015. For

FY 2016 an increase to 18,135 was used. For FY 2017, the 12,090 figure was used again. For FY 2018, a figure of 9,672 was used. For FY 2019, FY 2020 and FY 2021, the following figures were used 7,254, 4,836, and 2,418 respectively. The sum of these figures is less than one-half of the initial 138,924 estimated registrations without insurance.

**Question 14.** p.19/4.2 d: Is the \$250 fee the only amount that should be applied to the projected vehicles to determine the proceeds used to calculate the percentage fee proposed by the Offeror?

**Answer 14.** Yes. The enabling legislation states – “The program will be funded by a percentage of the reinstatement fees collected pursuant to this chapter.” R.I.G.L. § 31-47.4-2(c). Regardless of any subsequent changes to reinstatement fees during the course of the contract, the vendor will receive only the agreed percentage of the \$250.00 fee currently in statute.

**Question 15.** p.19/4.2 d: Will the State consider revising the Cost Proposal section of the RFP so that offerors must provide fixed prices instead of percentage (contingency) pricing?

In making your decision, please consider these facts and concerns:

- The enabling legislation stated that the program would be funded by a percentage of the reinstatement fees. However, there is no requirement that the offeror’s payments be based on percentage/contingency pricing. Under a fixed pricing plan, the offeror would indeed receive a percentage of the reinstatement fees, as required under the law.
- Since there is no track record on which to rely as to the level that State, county, and local entities in Rhode Island will actually enforce the law and mandate that reinstatement fees are indeed collected, and since in some other jurisdictions the commitment level to enforcement has been suspect (judges waiving requirements/fees, county officials ignoring system results, etc.), a percentage/contingency pricing model is not feasible.
- Since the amount of reinstatement fees to be produced by the program is an unknown and cannot be accurately predicted, it is impossible for the offeror to determine and propose a reasonable percentage.
- Since the amount of reinstatement fees to be produced by the program will decline as time goes on and the uninsured rate reduces, it is impossible for the offeror to propose a single percentage that could apply in all contract years.
- Given the preceding points, it is not in the State’s best interest to require percentage/contingency pricing, since the offerors that choose to participate in the procurement would have to propose a high percentage to assure that all costs and margins are covered in a worst case scenario. Other offerors, such as our company, would by necessity have to give serious consideration to not participating at all. This will certainly not result in the State ensuring that it receives the lowest possible cost for the best possible product.

**Answer 15.** No. The enabling legislation states – “The program will be funded by a percentage of the reinstatement fees collected pursuant to this chapter.” R.I.G.L. § 31-47.4-2(c). Furthermore, “The contract may not obligate the department to pay the third party more money than is available in the account.” R.I.G.L. § 31-47.4-2(d)(2).

**Question 16.** p.8, p. 13-14/ 1.6, 2.3: Is the audit referenced in Section 1.6 and 2.3 the same audit?

**Answer 16.** Yes.

**Question 17.** p. 13/ 2.3: Does “any audit will be at the expense of the contractor...” mean that the contractor will be responsible for both contractor and state expenses for the audit?

**Answer 17.** Yes.

**Question 18.** p. 13/ 2.3: If state expenses are included in question 17, can the state provide any data available regarding expenses associated with audits of this nature?

**Answer 18.** Expenses related to an audit are generally: the cost to produce documentation needed to perform the audit; system programming corrections required to resolve audit findings; vendor time required to meet and discuss issues of concern with auditors.

**Question 19.** p. 16/3.3c: Is the reference to 100,000 letters a yearly amount, or is it for the entire contract term?

**Answer 19.** See Answer 9

**Question 20.** p. 16/3.3c: Is 100,000 the state’s actual estimate for the number of mailings for that period?

**Answer 20.** See Answer 9

**Question 21.** p. 16/3.3c: Does the 100,000 estimate include 2<sup>nd</sup> notices?

**Answer 21.** See Answer 9

**Question 22.** p. 16/3.4b: Does the state have a methodology in mind for real-time updates? If so, please provide details.

**Answer 22.** No.

**Question 23.** Attachment D: Regarding the 908,000 Registrations total, does this figure represent all vehicles registered in Rhode Island, or only the non-commercial vehicles that would actually be a part of the program?

**Answer 23.** This represents all vehicles registered in Rhode Island. It is estimated that of that total, 771,802 motor vehicle registrations would be submitted to the UMI database.

# STATE OF RHODE ISLAND UNIFORM CRASH REPORT - DMV Summary

Reporting Agency Name <b>Providence</b>			Report Number <b>2013-00062749</b>			Crash Date <b>07/08/2013</b>		Crash Time <b>11:51</b>		Type Of Collision <b>Vehicle - Vehicle</b>											
City or Town Name <b>Providence</b>			Street or Highway <b>53 PONAGANSETT AVENUE</b>			<input type="checkbox"/> On Ramp <input type="checkbox"/> Off Ramp		Exit # <b>2</b>		# of Lanes <b>2</b>											
Nearest Intersection Street <b>BARBARA STREET</b>			Direction From Nearest Intersection to Crash Site <input checked="" type="checkbox"/> At Inter. <input type="checkbox"/> North <input type="checkbox"/> South <input type="checkbox"/> East <input type="checkbox"/> West			Distance From Nearest Intersection <input type="checkbox"/> Feet <input type="checkbox"/> Miles			Total Vehicles Involved <b>2</b>												
Unit ID <b>1</b>	Driver's Last Name [REDACTED]	First Name [REDACTED]	M.I. [REDACTED]	DOB [REDACTED]	Unit ID <b>2</b>	Driver's Last Name [REDACTED]	First Name [REDACTED]	M.I. [REDACTED]	DOB [REDACTED]												
Address [REDACTED]			City <b>PROVIDENCE</b>			Address [REDACTED]			City <b>PROVIDENCE</b>												
State <b>RI</b>	Zip <b>02909</b>	Home Phone	Cell Phone [REDACTED]	Work Phone	State <b>RI</b>	Zip <b>02909</b>	Home Phone	Cell Phone	Work Phone												
Driver's License # [REDACTED]			<input type="checkbox"/> CDL			Lic. State <b>UL</b>			Driver's License # [REDACTED]												
<input type="checkbox"/> CDL			Lic. State <b>UL</b>			Driver's License # [REDACTED]			<input type="checkbox"/> CDL												
M/V Violation			M/V Violation			M/V Violation			M/V Violation												
M/V Violation			M/V Violation			M/V Violation <b>409-107265 31-4</b>			M/V Violation												
Driver & Owner are Same <input type="checkbox"/>			Owner's Last Name [REDACTED]			First Name [REDACTED]			M.I. [REDACTED]												
Driver & Owner are Same <input type="checkbox"/>			Owner's Last Name [REDACTED]			First Name [REDACTED]			M.I. [REDACTED]												
Address [REDACTED]			City [REDACTED]			Address [REDACTED]			City [REDACTED]												
State [REDACTED]	Zip [REDACTED]	Home Phone	Cell Phone [REDACTED]	Work Phone	State <b>RI</b>	Zip <b>02909</b>	Home Phone	Cell Phone	Work Phone												
Insurance Company Name <b>COMMERCE</b>			<input type="checkbox"/> No Ins.			Insurance Company Name			Insurance Policy Number <input checked="" type="checkbox"/> No Ins.												
Hit And Run <input type="checkbox"/> Yes, M/V & Driver left Scene <input type="checkbox"/> Yes, Driver left Scene <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk			Hit And Run <input type="checkbox"/> Yes, M/V & Driver left Scene <input type="checkbox"/> Yes, Driver left Scene <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk			Hit And Run <input type="checkbox"/> Yes, M/V & Driver left Scene <input type="checkbox"/> Yes, Driver left Scene <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk			Hit And Run <input type="checkbox"/> Yes, M/V & Driver left Scene <input type="checkbox"/> Yes, Driver left Scene <input checked="" type="checkbox"/> No <input type="checkbox"/> Unk												
Registration # [REDACTED]	<input type="checkbox"/> Not Reg.	State [REDACTED]	Yr Reg. [REDACTED]	VIN [REDACTED]	Registration # [REDACTED]	<input type="checkbox"/> Not Reg.	State <b>RI</b>	Yr Reg. [REDACTED]	VIN [REDACTED]												
Veh Yr. <b>2005</b>	Make <b>TOYOTA</b>	Model <b>SIENNA</b>	Color <b>GREY</b>	Plate Type <b>PASSENGER</b>	Veh Yr. <b>1998</b>	Make <b>DODGE</b>	Model <b>CARAVAN</b>	Color <b>RED</b>	Plate Type <b>PASSENGER</b>												
Extent Of Damage <b>Functional Damage (Greater than \$1000)</b>						Extent Of Damage <b>Functional Damage (Greater than \$1000)</b>															
Vehicle Towed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Towing Company Name		Haz Mat Placard? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Vehicle Towed? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No		Towing Company Name		Haz Mat Placard? <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No											
<b>Person Type</b>																					
1 Driver		4 Bicyclist		7 Other Ped. (Wheelchair, Person in Building, Skater, Ped. conveyance, etc.)				9 Occupant of a Non-Motor Veh Transportation Device													
2 Passenger		5 Other Cyclist		8 Occupant of Motor Veh. Not in Transport (Parked, etc.)				10 Unknown Type of Non-Motorist													
3 Pedestrian		6 Witness		11 Unknown																	
Unit ID	Sex	Seat Position			Other Location			Air Bag Deployed		Ejected		Protection System		Injury							
1 Unit 1	M Male	13 Other Row (Bus)			17 N/A			1 N/A		1 No		1 N/A		1 Complains of Pain							
2 Unit 2	F Female	14 Unk Row			18 Sleeper			2 No		2 Partially		2 None Used		2 Non-Incapacitating							
3 (etc.)	U Unk	15 Other Seat			19 Other Enclosed Area			2 No		3 Totally		3 Shoulder & Lap		3 Incapacitating							
or N/A		16 Unk Seat			20 Other Unenclosed Area			3 Front		4 N/A		4 Shoulder Only		4 Fatal							
					21 Towed Unit			4 Side		5 Unk		5 Lap Only		5 No Injury							
					22 Unk					6 Type Unk		6 Type Unk		6 Unk							
										13 Unk		7 Child - Forw Facing									
												8 Child - Rear Facing									
												9 Booster Seat									
												10 Child - Unk									
												11 Helmet Used									
												12 Other									
Name: Occupants - Witnesses - Pedestrians - Bicyclists												Person Type	Unit ID	Sex	DOB	Seat Pos.	Air Bag Deployed	Ejected	Prot. System	Injury	Trans by Rescue
[REDACTED]												1	1	1	[REDACTED]	1	2	1	3	5	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N
[REDACTED]												1	2	1	[REDACTED]	1	2	1	3	5	<input type="checkbox"/> Y <input checked="" type="checkbox"/> N
[REDACTED]																					<input type="checkbox"/> Y <input type="checkbox"/> N
Non-Vehicle Property Damage												<input type="checkbox"/> State Property		<input type="checkbox"/> City/Town Property		<input type="checkbox"/> Private Property					
Owner												Address									
Home Phone			Cell Phone			Work Phone			Damage Description												
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STATE OF RHODE ISLAND UNIFORM CRASH REPORT  
Narrative/Diagram Supplemental

On Monday, July 08, 2013 at approximately 11:51 hrs., Vehicle #1 was operated in a easterly direction on Barbara Street when, at the intersection of Ponagansett Street made a right turn, and the Front Driver Side(11) of the vehicle came into collision with the Rear Driver Side(7) of Vehicle #2, which was traveling north on Ponagansett Street and was Turning Left.

There were no other injuries reported and no disinterested witnesses approached police.

Vehicle #1 sustained damage to the Front Driver Side(11) and was driven from the scene by the operator.

Vehicle #2 sustained damage to the Rear Driver Side(7) and was driven from the scene by the operator.

Operator # 2 [REDACTED] was issued summons # 409-107265 for operating without insurance 31-47-9 with a RITT Court hearing for Tuesday August 20, 2013.

At the time of this investigation the weather was Clear, the road surface was Dry and the light condition was Daylight.

This crash report was created on 7/8/2013 by Joseph Madeira badge #552.

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