

STATE PROCUREMENT OFFICE  
 NOTICE & REQUEST FOR SOLE SOURCE

15 JUN -9 AIO:37

ADMINISTRATION  
 STATE PROCUREMENT OFFICE  
 STATE OF HAWAII

TO: Chief Procurement Officer

FROM: TRANSPORTATION/Hwys/Motor Vehicle Safety Office  
*Name of Requesting Department*

Pursuant to HRS §103D-306 and HAR chapter 3-122, Subchapter 9, the Department requests sole source approval to purchase the following:

1. Describe the goods, services, or construction to be procured.  
 To provide access to telecommunication services for the following network applications: a. Driver services - Commercial Driver License Information System (CDLIS), the Problem Driver Pointer System (PDPS), and Social Security On-Line Verification (SSOLV); and b. Vehicle services: Electronic Lien and Title (ELT) System.

2. Vendor/Contractor/Service Provider Name: American Association of Motor Vehicle Administrators	3. Amount of Request: \$100,000.00
4. Term of contract (shall not exceed 12 months), if applicable:  From: 7/1/2015 To: 6/30/2016	5. Prior SPO-001, Sole Source (SS) No.: SS <del>55140685</del> <i>OK C-10-15</i>

6. Describe in detail the following:

a. The unique features, characteristics, or capabilities of the goods, service or construction.  
 AAMVA was contracted by the federal government to develop the information system for states to carry out the requirements under the Commercial Motor Vehicle Safety Act (CMVSA) of 1986 and the National Driver Register Act. AAMVA was contracted by the federal government to upgrade and enhance CDLIS and PDPS. AAMVA's telecommunication network provides the sole means for the the Hawaii Driver License System to carry out the requirements of the Commercial Driver's License and the National Driver Register programs. Note: The contractor is to be paid on a purchase order basis as noted in S.S. #01-49-J. Previous sole source reference numbers include 98-116-J, 99-83-R, 00-51-R, 03-14-R, 04-47-M, 06-049-C/V, 09-034B, 11-001-D, 11-073-B, 12-058 B, 13-055 S and 55140685.

b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department  
 AAMVA services provide the response times and interconnectivity with other states as mandated by the CMVSA of 1986.

7. Describe the efforts and results in determining that this is the only vendor/contractor/service provider who can provide the goods, services or construction.

HDOT staff has communicated directly with the Hawaii FMCSA (Federal Motor Carrier Safety Administrator) State Director to ensure that AAMVA is the sole provider of this telecommunication service since the development of CDLIS.

8. Alternate source. Describe the other possible sources for the goods, services, or construction that were investigated but did not meet the department's needs.

No other source for the service is available. All 51 jurisdictions use the AAMVA service.

9. Identify the primary responsible staff person(s) conducting and managing this procurement. (Appropriate delegated procurement authority and completion of mandatory training required.)

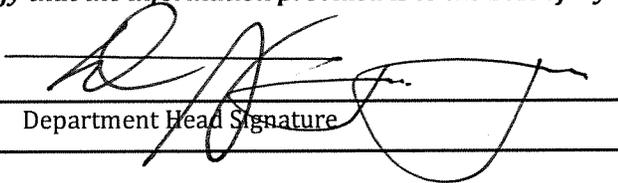
\*Point of contact (Place asterisk after name of person to contact for additional information).

Name	Division/Agency	Phone Number	E-mail Address
John Lovstedt*	HWYS/MVSO	692-7655	john.lovstedt@hawaii.gov

Department shall ensure adherence to applicable administrative and statutory requirements, including HAR chapter 3-122, Subchapter 15, Cost or Pricing Data if required.

**All requirements/approvals and internal controls for this expenditure is the responsibility of the department.**

**I certify that the information provided is to the best of my knowledge, true and correct.**

  
\_\_\_\_\_  
Department Head Signature

**MAY 29 2015**  
\_\_\_\_\_  
Date

**For Chief Procurement Officer Use Only**

Date Notice Posted: 6-10-15

Submit written objection to this notice to issue a sole source contract within seven calendar days or as otherwise allowed from date notice posted to:

state.procurement.office@hawaii.gov

Chief Procurement Officer (CPO) Comments:

This approval is for the period 7/1/15 to 6/30/16 and is based on DOT's representation that AAMVA is the sole provider for access to telecommunication services to the nation-wide data base that is in compliance with the CMV Safety Act of 1986 and the National Driver Register Act. Sole source contracts in excess of \$100,000 require cost or pricing data pursuant to HAR chapter 3-122, subchapter 15. This approval is for the solicitation process only, HRS section 103D-310(c) and HAR section 3-122-112 shall apply (i.e. vendor is required to provide proof of compliance and may use the Hawaii Compliance Express), and the award is required to be posted on the Awards Reporting system. Copies of the compliance and the award posting are required to be documented in the procurement/contract file.

If there are any questions, please contact Donn Tsuruda-Kashiwabara at 586-0565 or donna.tsuruda-kashiwabara@hawaii.gov.

- Approved       Disapproved       No Action Required

  
\_\_\_\_\_  
Chief Procurement Officer Signature      Date 9/24/15



Neil D. Schuster  
President and CEO

Michael D. Robertson, Chair of the Board  
Commissioner  
North Carolina Division of Motor Vehicles

## AAMVA SOLE SOURCE JUSTIFICATION

### 1. PURPOSE

The purpose of this document is to present the justification for a State government to enter into a sole source contract for the network services provided by the American Association of Motor Vehicle Administrators network (AAMVAnet).

### 2. BACKGROUND ANALYSIS

The Commercial Motor Vehicle Safety Act (CMVSA) of 1986, Public Law 99-570, required the establishment of a Clearinghouse of truck and bus driver license information to be shared among the 50 States' motor vehicle systems to improve highway safety. In Section 12007, the CMVSA authorized the Secretary of the U.S. Department of Transportation (DOT) to enter into an agreement of the operation of an information system to be called the Commercial Driver License Information System (CDLIS). The Federal Highway Administration (FHWA), acting for the Secretary, worked with the American Association of Motor Vehicle Administrators (AAMVA) to develop the CDLIS specifications. Based on these CDLIS specifications, the FHWA made a grant to the State of New York to acquire and initially operate the CDLIS on behalf of the DOT and the participating 50 States. The CDLIS (Clearinghouse) began operation on January 2, 1989.

The CDLIS specifications developed by the AAMVA and FHWA included the requirement for a CDLIS-supporting communications network to connect the 50 States' information processing systems to the CDLIS. To fund the acquisition and initial operation of the CDLIS supporting communications network (AAMVAnet), the FHWA made a grant to the State of Nebraska. Both the CDLIS contract and the AAMVAnet contract were awarded by the grantee States through open and fully competitive acquisitions.

In late 1988, the AAMVA formed AAMVAnet, Inc., a non-profit subsidiary chartered to manage AAMVAnet. Subsequent to its formation, AAMVAnet, Inc. was designated the "Operator" of CDLIS pursuant to a Designation Agreement with the FHWA. During the start-up phase, AAMVAnet, Inc. shared the management responsibilities for CDLIS and AAMVAnet with the States of New York and Nebraska, respectively. Upon the expiration of the New York and Nebraska commitments under their respective Federal grants, AAMVAnet, Inc. assumed full management and financial responsibility for the operations of both CDLIS and AAMVAnet. AAMVAnet, Inc. was merged into AAMVA as of August

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12, 2002 and all AAMVANet operations and responsibilities were assumed by AAMVA following that date. AAMVA, as Operator of CDLIS, entered into a Cooperative Agreement with the Federal Motor Carrier Safety Administration effective as of June 9, 2008 that superseded the previous agreement between AAMVA and FHWA pursuant to which AAMVA was designated as the Operator of CDLIS.

### 3. WHY A STATE MUST CONNECT TO AAMVANET

In Section 12009, the CMVSA describes specific State notifications requirements under which the States must communicate with CDLIS and the National Driver Register (NDR) prior to the issuance of a CDL. The implementation of CDLIS as an automated, nationwide, computer based clearinghouse required that the mode of communications between the States, CDLIS, and NDR be in electronic form. To standardize the mode of communications among all the CDLIS users and maintain a secure access to driver data which was consistent with Federal and State privacy statutes, the FHWA designated AAMVANet as the access method for CDLIS.

**To access the CDLIS environment as required by law, a State must utilize AAMVANet.**

### 4. WHY A STATE MUST PAY FOR AAMVANET SERVICES

By definition of the CDLIS specifications developed by AAMVA and FHWA on behalf of the Secretary, the CDLIS supporting communications network (AAMVANet) became a required and fundamental element of the CDLIS. Through the expenditure of Federal funds, Section 12007(g) of the CMVSA provided the financial means for the Secretary to establish the CDLIS, and therefore AAMVANet. These funding provisions took the form of Federal grants made to the States of New York and Nebraska as described in Section 2 above.

Section 12007(g) further States that those funds would remain available until expended, thereby limiting the extent of the Federal government's financial responsibility for the on-going operations of CDLIS and AAMVANet. Given that a finite sum of Federal funds was designated to "establish" CDLIS, but not to "operate" it, the burden of financing the operations of CDLIS and AAMVANet becomes the responsibility of the users of these systems, principally the States.

**The States must pay for the use of CDLIS and AAMVANet services with the State funds.**

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4301 Wilson Blvd, Suite 400 • Arlington, VA 22203 • Tel 703.522.4200 • Fax 703.522.1553  
[www.aamva.org](http://www.aamva.org)

3615-085D

## State Compliance with Commercial Driver's License Program, 39 CFR 384

### Subpart A – General

§ 384.107 Matter incorporated by reference.

(a) Incorporation by reference. This part includes references to certain matter or materials. The text of the materials is not included in the regulations contained in this part. The materials are hereby made a part of the regulations in this part. The Director of the Office of the Federal Register has approved the materials incorporated by reference in accordance with 5 U.S.C. 552(a) and 1 CFR part 51. For materials subject to change, only the specific version approved by the Director of the Office of the Federal Register and specified in the regulation are incorporated. Material is incorporated as it exists on the date of the approval and a notice of any change in these materials will be published in the Federal Register. (b) Materials incorporated. The AAMVA "Commercial Driver's License Information System (CDLIS) State Procedures Manual," Release 5.2.0, February 2011, incorporation by reference approved for §§ 384.225 and 384.231. (c) Addresses. (1) All of the materials incorporated by reference are available for inspection at: (i) The Department of Transportation Library, 1200 New Jersey Ave., SE., Washington, DC 20590-0001; telephone is (202) 366-0746. These documents are also available for inspection and copying as provided in 49 CFR part 7. (ii) The National Archives and Records Administration (NARA). For information on the availability of this material at NARA, call 202-741-6030, or go to: [http://www.archives.gov/federal\\_register/code\\_of\\_federal\\_regulations/ibr\\_locations.html](http://www.archives.gov/federal_register/code_of_federal_regulations/ibr_locations.html). (2) Information and copies of all of the materials incorporated by reference may be obtained by writing to: American Association of Motor Vehicle Administrators, Inc., 4301 Wilson Blvd, Suite 400, Arlington, VA 22203; Web site is <http://www.aamva.org>. [67 FR 49761, July 31, 2002, as amended at 72 FR 55700, Oct. 1, 2007; 73 FR 73125, Dec. 1, 2008; 76 FR 68332, Nov. 4, 2011]

5515-085D



# American Association of Motor Vehicle Administrators

Anne S. Ferro  
President and CEO

Mark D. Lowe, Chair of the Board  
Director, Motor Vehicle Division  
Iowa Department of Transportation

May 5, 2015

Annie Gututala  
Hawaii Department of Transportation  
601 Kamokila Boulevard, Room 511  
Kapolei, HI 96707

Dear Ms. Gututala,

The purpose of this letter is to provide a price quote for the subaccount HIMIST-HIDOT and HIELT for the period of July 1, 2015 through June 30, 2016. The contents of this price quote are solely a price estimate. These estimates are for budgeting purposes only and should not be considered "Actual" costs for the July 1, 2015 through June 30, 2016 period. Rates and costs are subject to change upon 30 days written notice from AAMVA.

## Account: HIMIST-HIDOT, Price Quote Estimate for 7/1/2015-6/30/2016

Service	Monthly	Annually	Catalog
Verizon 256 Backup Shadow Single Router	\$1,289.96	\$15,479.52	n/a
Verizon Inlet Dual 256k PIP Line	\$3,141.94	\$37,703.28	n/a
Verizon Inlet Cisco Router Lease	\$138.95	\$1,667.40	n/a
Verizon Inlet 256k CDLIS Reimbursement	(\$3,141.94)	(\$37,703.28)	n/a
Verizon Inlet Cisco Router Lease Reimbursement	(\$138.95)	(\$1,667.40)	n/a
CDLIS Fees (\$0.0533 per record)	\$2,505.36	\$30,064.30	p. 44
Programs and Technology Fees (\$0.0301 per record)	\$1,415.23	\$16,982.78	pp. 57-58
SSN Transactions (\$0.05 per transaction)	\$525.74	\$6,308.89	p. 47
Service Fee	\$40.00	\$480.00	p. 58
UNI Maintenance Fee	\$862.12	\$10,345.44	p. 56
UNI Windows Maintenance Fee	\$862.12	\$10,345.44	p. 56
IBM Messages Prime (\$0.29 per message)	\$5.00	\$60.00	p. 40
IBM Messages Non-prime (\$0.145 per message)	\$24.83	\$297.96	p. 40
IBM Characters Prime (\$0.068 per 1000 characters)	\$5.00	\$60.00	p. 40
IBM Characters Non-prime (\$0.034 per 1000 characters)	\$202.97	\$2,435.64	p. 40
IBM Expedite Base/MVS	\$178.00	\$2,136.00	p. 41
Tax	\$150.92	\$1,811.04	n/a
<b>Grand Total:</b>		<b>\$96,807.01</b>	

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4401 Wilson Blvd, Suite 700 • Arlington, VA 22203 • Tel 703.522.4200 • Fax 703.522.1553  
www.aamva.org

3315-085D

**Account: HIMST-HIELT, Price Quote Estimate for 7/1/2015-6/30/2016**

Service	Monthly	Annually	Catalog
ELT Standards Development Service	\$201.66	\$2,419.92	p. 51
<b>Total:</b>		<b>\$2,419.92</b>	
<b>GRAND TOTAL:</b>		<b>\$99,226.93</b>	

The total price quote estimate for sub-accounts HIDOT and HIELT is **\$99,226.93** for the period of July 1, 2015 through June 30, 2016. The fees will be billed on a monthly invoice. Every AAMVA invoice has a net term of 60 days from the date on the invoice. If you have any questions, please contact Lindsey Walker at your earliest convenience. She can be reached at (703) 908-5863 or via e-mail at [LWalker@aamva.org](mailto:LWalker@aamva.org).

Sincerely,



Lynn Wasylina  
Chief Financial Officer