



STATE PROCUREMENT OFFICE
NOTICE & REQUEST FOR SOLE SOURCE

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STATE PROCUREMENT OFFICE
STATE OF HAWAII

TO: Chief Procurement Officer
FROM: Transportation/Highways/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.

Table with 2 columns and 2 rows. Row 1: Vendor/Contractor/Service Provider Name: American Association of Motor Vehicle Administrators; Amount of Request: \$100,000.00. Row 2: Term of contract (shall not exceed 12 months), if applicable: From: 7/1/2012 To: 6/30/2013; Prior SPO-001, Sole Source (SS) No.: 11-073-B

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 and maintain 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, and 11-073-B.
b. How the unique features, characteristics or capabilities of the goods, service or construction are essential for the department to accomplish its work.
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 individual(s) who is knowledgeable about this request, who will conduct and manage this process, and has 1) appropriate written delegated procurement authority; 2) completed mandatory training; and 3) who SPO may contact for follow up inquiry, if any.
 (Type over "example" and delete cells not used.)

Name of Department Personnel	Division/Agency	Phone Number	E-mail Address
Jamie Ho	HWY/DOT	587-2185	jamie.ho@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

APR 10 2012

 Date

For Chief Procurement Officer Use Only

Date Notice Posted: 4/12/2012

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:

Approval is granted based on the department's representation that AAMVA is the only company that can provide access 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 be compliant on the Hawaii Compliance Express) and award is required to be posted on the Awards Reporting System.

If there are any questions, please contact Bonnie Kahakui at 587-4702, or bonnie.a.kahakui@hawaii.gov.

Approved

Disapproved

No Action Required

Clara J. J...
Chief Procurement Officer Signature

4/24/2012
Date



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 ongoing 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.