



## RESEARCH & DEVELOPMENT

# North Carolina License Plate Production

Final Report

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16. Abstract The purpose of this study was to gather information related to the current North Carolina license plate production process. North Carolina employs the emboss-and-paint method, with the use of labor from the NC Correctional Institution for Women (NCCIW), which is owned and operated by Correction Enterprises. To compare associated costs and other criteria between North Carolina and states using an alternative process, digital printing for the production of all license plates (rather than using digital printing for only specialty and sometimes personalized license plates, like in North Carolina). To gather information related to the current NC license plate process, several tours, meetings and interviews between the research team and the DMV/DOT officials took place. To gather information about the digital printing process, three peer states were selected for their transition to a digital printing system for the production of all license plates – Indiana, Georgia, and South Carolina. In-person and/or telephone interviews took place with representatives of all three peer states, and tours of the license plate facilities were arranged, except in the case of Indiana, which was the furthest from us geographically. Additionally, a survey was disseminated through AAMVA (American Association of Motor Vehicle Administrators) to state DMV representatives; out of 50 states that were solicited, 28 responded to the survey, the results of which are included in the report. Although digital printing can produce high quality graphics, the current North Carolina license plate production process is cost-effective.			
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## **DISCLAIMER**

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## **Executive Summary**

As more DMVs transition to a digital printing method of license production, NCDOT has funded the current study to document current production practices at the NCDMV and to investigate an alternate process for license plate issuance and distribution. The goal of the current study is to evaluate the efficiency and cost-effectiveness of license plate production practices in North Carolina.

First, relevant background information was gathered, including current research and industry resources on the topic. To obtain data regarding the current license plate production process in North Carolina, the research team completed tours at four NCDMV locations. These locations included: (1) RTP (Renewal-Title-Plate) and the Personalized Plate sections of the NCDMV (located in the same building in Raleigh), (2) Correction Enterprises license plate production facility located at the NC Correctional Institution for Women (NCCIW) located in Raleigh. Also the team visited two warehouses that were located in (3) Apex and (4) Raleigh.

After gathering information regarding North Carolina's production methods, the research team then proceeded to gather information regarding the practices of other states. The research team administered an online survey through AAMVA (the American Association of Motor Vehicle Administrators), which was sent to representatives of all 50 state motor vehicle administrations. With 28 responding states (response rate of 56%), the survey inquired about state license plate production practices and associated cost information.

Last, the research team conducted telephone interviews with three peer states that have made the transition to the digital printing method for license plate production. These peer states included the following: (1) Georgia, (2) Indiana, and (3) South Carolina. Along with the interviews, two peer state tours were completed - one at the Georgia Correctional Institute (GCI) and the other at the South Carolina Department of Corrections (SCDC).

Finally, an analysis was completed which compared the emboss-and-paint license plate production method versus the digital printing approach. The current North Carolina license plate production process proves to be cost-effective using the emboss-and-paint method together with inmate labor. At the time of this report, 12 states reported using the digital printing method for license plate production, and 16 employ the emboss-and-paint method, including North Carolina.

The NCDMV production costs of license plates are as follows:

- \$1.62 for each standard-issue license plate
- \$2.16 for personalized standard
- \$4.25 for each non-personalized specialty license plate
- \$4.68 for personalized specialty

The current NCDMV license plate production process proves to be very cost effective particularly as compared to peer states. There is little financial incentive to transition to on demand production and digital printing in the short term. Considerable capital investment would be required to convert to a digital printing and production process. Over a long-term horizon, however, several factors could hasten the need for a digital printing process in North Carolina – increasing consumer expectations of graphic quality, as

well as evolving technological law enforcement systems, evolution in printing and production technologies – could make digital printing and on demand production more viable in North Carolina.

## **1.0 Background**

### **1.1 Introduction**

Presently, systems and processes within the North Carolina Division of Motor Vehicles (NCDMV) for issuance and distribution of license plates follow a disaggregated and decentralized organizational structure, resulting in high inventory costs due to the need to maintain sufficient inventory at the various LPA offices. It is with these concerns in mind that DMVs in other states such as Indiana, Georgia and South Carolina have already moved to an on demand, centralized issuance and distribution system. In interviews with the research team for a prior NCDMV project in 2014, the Bureau of Motor Vehicles of Indiana projected a savings of \$10 million over five years with a centralized issuance and distribution system for registration plates with a few dedicated vendors.

Clearly there is the need to study an alternate process for the issuance and printing of registration plates in North Carolina where (i) the process of production of these plates follows a just-in-time model, meaning the plates are produced as and when demanded by individual customers per their preferences (Monden, 2011), and (ii) the issuance of these plates as well as the distribution follows a well-structured and centralized process that is coordinated and administered at NCDMV headquarters. Based on the findings from NCDMV as well as peer states such as Indiana, Georgia, and South Carolina, the goal of this research is to investigate and report about alternate systems for issuing and distributing registration plates.

This project's primary goal was to evaluate current processes and structures in place for the issuance and distribution of license plates by the NCDMV and the costs thereof, as well as to provide recommendations to improve the license plate production system.

### **1.2 Literature Review**

As stated above, the current study reviewed and summarized current practices at the NCDMV and developed an alternate process for license plate issuance and distribution. The alternate process could follow a just-in-time paradigm with regards to the production of plates and ensure that their issuance and distribution follows a well-structured and centralized process that is coordinated and administered at NCDMV headquarters. Finally, to function properly, the alternate system must partner with a reliable and high quality supplier of license plates that is able to adapt to the needs of the new system. All of these objectives are predicated upon best practices in supply chain management that have been validated in the literature.

The most significant problem addressed by the research relates to centralization of inventory. Currently, demand for license plates in North Carolina, much like elsewhere, occurs independently in different parts of the state and is serviced by NCDMV in a disaggregated manner. Requests for these plates occur across the state at the various LPA offices and are then satisfied by the various LPA offices on the basis of the pre-supplied inventory by NCDMV. In the supply chain management literature, this is referred to as a decentralized inventory management system (Lee & Billington, 1993). As is also well known from the supply chain management literature (Zinn et al., 1989), such systems suffer from two serious problems: excessive inventory storage and slower response times. In fact, excess inventory grows as per the "square root law" when demand is met from inventory that is dispersed across multiple locations. As a result, most businesses have moved towards centralized inventory management systems (see Gross, 1963 for foundational definitions of such a system) and developed strategies to counter both of these two problems noted above (Zheng & Zipkin, 1990). As has also been learned from practice and research in supply chain management (see Lee & Zhang, 1999), one of the key success factors of a centralized inventory management system is an accurate and well managed information system for its governance.

Concurrent with this movement towards centralization of inventory, another key best practice in supply chain management has been the move towards Just-in-Time inventory management systems (Monden, 2011), and Lean Manufacturing, which is defined as "*producing exactly what the customer wants, exactly*

when (with no delay), at fair price and minimum waste” (Pampanelli, 2016, p. 7) and as has now been documented over two decades, this practice leads to greater responsiveness to demand and changes in demand patterns while reducing inventory levels throughout the supply chain. Finally, another best practice in supply chain management that is also key to the success of a centralized inventory system is the move towards few but certified and high quality suppliers (Blanchard, 2010). The underlying philosophy of this practice is to view suppliers as partners and stakeholders that ensure success rather than as external entities from whom maximum cost savings must be extracted.

Lean Manufacturing is a necessary process as it strives towards creating a more sustainable environment. This helps to create processes that support (1) profit, (2) people, and (3) the planet (Pampanelli, 2016). It has four main dimensions, which are described below:

1. Safety
2. Quality
3. Delivery
4. Cost

The first dimension of lean manufacturing is safety. If the business environment is not safe, it will be difficult to get the best out of the workers and if the environment is disorganized then it will be difficult to see the value of waste and dangers in the workplace. The second dimension is quality. Improving quality will also improve production and ensure customer value. The third dimension is delivery, if quality has been ensured and is made to be consistent then the product will flow better, resulting in batch sizes and inventories being reduced. This will allow the quality products to be delivered on time. The last dimension of lean manufacturing is cost. Once a high level of quality and delivery performance is implemented, waste and costs become more visible and can be reduced, allowing for a competitive advantage (Pampanelli, 2016).

Figure 1 describes the stages with which businesses advance over time to reach a competitive advantage through cost reduction. The first stage is to ensure a safe environment, and once safety is ensured, quality can be improved, resulting in a good flow of business and cost reduction. Having a good flow of business will allow for on-time delivery and cost flexibility. As shown below, this results in a competitive edge.

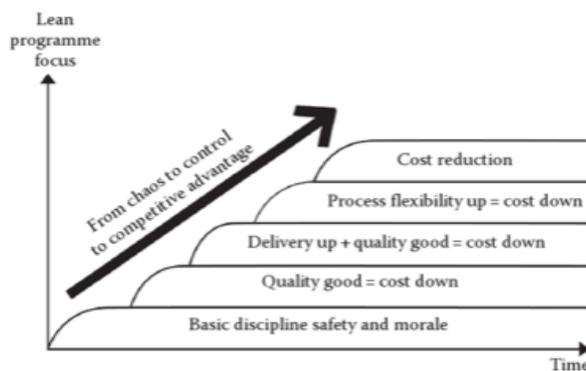


Figure 1. Lean improvement stages. Reprinted from *The Green Factory: Creating Lean and Sustainable Manufacturing* (9), by A. Pampanelli, N. Trivedi, & P. Found, 2015. Copyright 2015 by Productivity Press.

These dimensions follow in line with what is desired in our system, and these goals are not being optimized with the current production system in place (Pampanelli, 2016). Based on findings that have been obtained from lean manufacturing, 2-8% of the total cost is reduced when production is optimized efficiently (Pampanelli, 2016).

The switch to a just-in-time production system will be crucial to enforce a more productive and efficient production system. A complex issue that is being seen right now when it comes to managing supply changes is scheduling each of the production facilities and making sure that the transport vehicles are routed properly (Naso, Surico, Turchiano & Kaymak, 2004). Our system right now is desynchronized based on the lack of centralization. Once this problem is fixed, it has been analyzed that there can be a reduction in costs and product lead time when a company follows the methodology of just-in-time production and has a more organized, synchronized system (Naso et al., 2004).

Thus it is the above three industry based best practices- namely, centralized inventory management, just-in-time, and few-but-certified suppliers- that form the basis of the current study and the alternative system to be developed.

There is a shortage of scholarly and independent prior research specifically focusing on the transition from analog metal license plate stamping to digital, on-demand license plate printing. The available information on this topic is largely proprietary, with companies 3M and the John R. Wald Company providing case studies on the topic. Both of these companies work with state DMVs to provide license plate production services, including digital license plate printing (3M, 2016; John R. Wald Company, n.d.). 3M has also worked with correctional industries to supply equipment for the license plate printing process (3M, 2016). As such, much of the background information needed will come from interviews with contacts involved in the license plate printing and distribution process within North Carolina.

Many state DMVs are assessing the feasibility of updating their traditional license plate production systems, hastened by legislation that reduces funding although increased efficiency and convenience are still expected (3M Registration Fulfillment Services, n.d.). In response to this challenge, state DMVs are increasingly turning to automation to reduce costs while meeting increased demand (3M Registration Fulfillment Services, n.d.). Three problematic features of existing systems used by state DMVs include (1) the relatively high cost of in-person transactions as compared to online ones, (2) high fixed costs associated with stockpiling license plate inventory, and (3) traditional production models, many of which were established decades to a century ago (3M Registration Fulfillment Services, n.d.). In addition, many state DMVs currently work with correctional facilities, a relationship often codified by law, to produce license plates; to increase savings, there is a shift in which DMVs are either looking to move away from such relationships or to reduce their reliance on correctional industries in favor of contracting out some of the more complex features involved in license plate production (3M Registration Fulfillment Services, n.d.). According to 3M (n.d.), “many jurisdictions are experimenting with using in-state correctional facilities for low value-added content labor, such as die-cut and lamination processes, while contracting with outside agencies for the more complex order fulfillment or confidential business processes” (p. 6).

Kentucky released a study they performed when they were analyzing whether or not to change their current license plate system. There were three main processes that they were considering transferring to: “a flat-plate production system, a hybrid system which produces embossed standard issue plates and flat specialty plates; and an enhanced embossed plate production system with in-house printed sheeting” (Keathley, Martin, Kissick, Forlines, & Walton 2016, p. 1). In addition to this they also analyzed inmate labor and whether or not it should stay in the license plate production system or if the job should be transferred to a third-party vendor. To make the transition, all new equipment would need to be purchased and was estimated to cost between \$175,000 and \$500,000 (Keathley et al., 2016). The first year of production costs per license plates were estimated to be hybrid, and \$1.98 for embossed (Keathley et al., 2016). These prices start lowering to \$1.79 for the current system, \$1.96 for flat, \$1.72 for hybrid, and \$1.74 for embossed (Keathley et al., 2016). From this data they showed that the switch would be an investment rather than an initial cost pay out. Kentucky determined that the simplest change to their system would be to purchase a digital printer for embossed plates and to have distribution occur within the county clerk offices, keeping it more centralized (Keathley et al., 2016). In addition, they want to keep

inmates able to work as it has shown that it helps building skills and instills good work habits (Keathley et al., 2016).

Many different states have been seen transitioning their license plate systems to digital printing since the late 1990s. Increasing popularity has been seen based on the improvements in versatility and speed (Leeward Pro, 2011). The technology for digital plates has constantly been improving as more states begin to use it. Certain states have been able to modify the standard 3M designs that have been given and improve them even further to be easier to read and more aesthetically pleasing (Leeward Pro, 2011). In addition, digital printing is more environmentally friendly due to the fact that regular printing uses solvent based inks; a lot of these inks require hazardous waste techniques. In addition, skipping the oven drying step saves energy. This could push the lean manufacturing that is desired (Leeward Pro, 2011).

The John R. Wald Company has worked with the state of New York to mass produce license plates and to implement a license plate reader system (John R. Wald Company, n.d.). Out of available digital printing processes, the John R. Wald Company recommends thermal transfer printing, which composes high quality images that are durable in a timely fashion (John R. Wald Company, n.d.). Additionally, 3M has worked with the Georgia Department of Drivers Services, the South Carolina Department of Motor Vehicles, and the Indiana Bureau of Motor Vehicles to switch over their license plate manufacturing process from analog metal stamping to digital printing (3M, 2012). One challenge associated with existing license plate production in North Carolina that is similar to Georgia prior to the implementation of digital printing is the costs associated with storing inventory; in addition, maintaining an adequate supply of license plate inventory is difficult, with some locations running out of particular items and others storing more license plates than needed (3M, 2012). Following Georgia's transition to an on-demand license plate printing approach, the delivery time of license plates directly to customers was reduced (3M, 2012). Another benefit is that costs associated with management and inventory were reduced as well (3M, 2012). The license plate orders are submitted electronically and produced on demand, and the digital printing process allows for increased customization of license plates (3M, 2012).

Along with updating license plate production equipment, research shows that encouraging transactions to be completed online may result in cost savings. An analysis of state transaction costs by type was completed by the California Legislative Analyst's Office (2013), and it was found that in-person transactions were the most costly, around \$15 per transaction. In comparison, transactions completed over the telephone averaged \$8, and those completed online were less than \$6 per transaction (Legislative Analyst's Office, 2013). This illustrates the cost-effectiveness of online transactions, particularly in comparison to in-person visits.

In license plate manufacturing, substrate, or the "primary structural component of a license plate" (p. 4), is typically aluminum, although steel used to be the most common (Arnold, 2007). The type of recycled aluminum alloy used at the North Carolina Corrections Enterprises Metal Tag plant is 3105-H21, which is commonplace in the industry. 3M and Avery Dennison are the top suppliers of reflective sheeting in the US (Arnold, 2007).

Arnold (2007) described the graphics and printing process for short-run graphics which is completed with the aid of computer graphics software. Plates may be printed digitally through a printer controlled by a computer or they may be engraved manually. However, when printed digitally, the computer must create that separates multi-colored graphics into its individual colored constituents (p. 6). Short run graphics refer to logos and specialty background images (Arnold, 2007). In contrast to the short run graphics process, long run graphics are mass produced and are commonly on standard license plates; for long run graphics, the image is buried in the reflective sheeting layers for protection (Arnold, 2007).

The license plate manufacturing process typically consists of four main steps (Arnold, 2007):

1. **Blanking** - Blanking refers to the process of aluminum rolls being converted into license plate sized blanks (p. 10).
2. **Embossing** - Embossing refers to the application of an identification number by either raising or depressing letters/symbols, and is typically accomplished using “hydraulic presses with tonnage capacities of 30-200 tons” (p. 10). Manual embossing, in which operators are needed to complete the embossing process, is still the most common in the industry. An important component of the system is a safety feeder to prevent injury. In contrast to manual embossing, automated stamping systems are available in the market, a process in which the identification numbers are digitally delivered to the machine.
3. **Finishing** - Finishing is a step in the process that only applies to license plates that are not digitally printed. Methods traditionally involved in this step include: Liquid Numeral Coating, Curing Systems, Flatbed Curing Ovens, and Hot Foil Stamping, which is used for low levels of production. Pre-cleared reflective sheeting may also be used. A Fume Exhaust System may or may not be a part of this stage in the process. Additionally, plate distributors may be utilized at the end of coating machines so that operators do not have to handle hot license plates. A new feature that can aid in the finishing process is Optical Scanning Systems, which automate the quality check part of the process. Painting and drying would be included in this step.
4. **Packaging and Distribution** - Currently, it is commonplace within the industry for license plate packaging and distribution to be a manual process, in which “plates may be plastic wrapped, bagged, boxed or packaged in envelopes” (p. 22). A new development to aid in this stage of the process are license plate digitizers, which consist of a camera and custom optical character recognition for computer-assisted tracking, distribution and reporting. License plate digitizers assist in bulk mailing and customized reports, including companion documents, with an optional barcoding feature. Computerized Optical Verification is another feature which is associated with a smaller error rate than human operators. Computer-based tracking and ordering systems track orders at every stage of the process and can increase the efficiency and ease of tracking the progress and stages of license plate orders.

However, the ways in which each of these steps are completed can differ based upon whether digital or emboss-and-paint methods are used. Blanking largely remains the same between the old and new systems, but the remaining three steps exhibit some differences. For flat license plates, embossing is not a necessary step, as identification numbers may simply be printed on reflective sheeting which is then applied to blanks.

Digital printing is increasingly being used in the industry, and is usually accomplished through a process called Thermal Transfer Printing. In license plate systems that are fully digitized, the graphic background, identification number, and variable data are all printed digitally. According to 3M Vehicle Registration Solutions (2003), which is the current contracting company for South Carolina license plate production, the following steps reflect the digital printing license plate manufacturing process:

1. **Graphic design** - The graphic design step involves a station that uses computer software and hardware to design the background images.
2. **Plate making** - Orders are obtained from the Information Management Database, the orders contain information regarding the size, font and color of the text on the plate. This information, along with the graphic design are then sent to the Digital License Plate Print Station.
3. **Printing** - This station uses a high speed thermal printer and roll handling unit to produce the plate with the information obtained in the previous step. The plates are printed on reflective sheeting and is laminated to provide a protective film for the plate.
4. **Blanking line** - Aluminum is applied to the rolls from the printing station (i.e. reflective sheeting), and then individual plates are cut from the aluminum rolls.

There are certain design specifications that are put in place for digital license plates. These plates need to be printed on “reflective sheeting that has reflective encapsulated glass beads embedded into the composition of the sheeting” (3M, 2015). This sheeting is then placed onto the aluminum that is going

to be used for the base of the license plate (3M, 2015). This provides a reflective afterlook for the license plate due to the area of the sheeting that is not directly printed on (3M, 2015). When it comes to the colorants that are used for digital license plate printing, resin ribbons are found to be the best because of the transparency and long lasting results that they yield. These resin ribbons are UV fade resistant which assists keeping the color bright and vibrant (3M, 2015). Colors are separated using the Pantone color match system into Cyan, Magenta, Yellow and Black (CMYK) (3M, 2015).

As has been demonstrated in the literature review, there are new methods that can either be integrated with current license plate manufacturing systems to improve the process, and there are also methods that can completely replace the operator-driven approach to license plate manufacturing. The processes used by NCDMV will be discussed in comparison with these practices, and areas of improvement will be identified.

## 2.0 Methodology

First, a literature review was completed, which included a review of academic, governmental, and vendor sources. While governmental and vendor sources were found to be in ample supply, academic sources were limited. After the literature review was completed, the research team toured four NCDMV locations to obtain data regarding the current NC license plate production process. These locations included:

- RTP (Renewal-Title-Plate) and the Personalized Plate Section at NCDMV
- Correction Enterprises Production Facility at NC Women's prison
- Apex Warehouse
- Raleigh Warehouse

During the guided tours, the research team was able to ask questions and informally interview individuals knowledgeable about the NC license plate production process. From these sources of data, the research team completed a summary of the current NC license plate production process, which utilizes the emboss-and-paint method for standard and personalized license plates, but uses the digital printing method for specialty license plates.

Next, information was needed regarding the practices of other states. With the assistance of Sgt. Robert Sawyer, a survey was administered through AAMVA (the American Association of Motor Vehicle Administrators), which was sent to representatives of all 50 state motor vehicle administrations. The survey inquired about the license plate production process and associated practices. Of all 50 states, 28 states responded (response rate of 56%). Last, a cost analysis based on data obtained from NCDMV and peer states was completed.

To obtain in-depth information on practices used by peer states that utilize the digital printing process, three peer state telephone interviews with four participants were conducted to provide a comparison for the NC license plate production process. The first peer state interview was Indiana, which was completed on 7/05/2017 with the Chief Operating Officer of the Indiana Bureau of Motor Vehicles. Georgia was the second peer state interview, which was completed on 7/12/2017 with the Assistant Director of the Motor Vehicle Division at the Georgia Department of Revenue. South Carolina was the third peer state interview, completed jointly on 10/16/2017 with the SC DMV Plate Officer, as well as another SC DMV representative who specializes in ordering and billing.

Additionally, two peer state tours were completed - one at Georgia Correctional Industries (GCI) in Telfaire on Feb. 7, 2018, and the other at the SC Department of Corrections in Columbia on Feb. 21, 2018. From the information obtained regarding peer state license plate production practices, a summary of other states' practices and insights was completed. Finally, a cost analysis was completed which compared the emboss-and-paint license plate production method versus the digital printing approach.

Several limitations of this research must be addressed. First, there is a shortage of scholarly and independent prior research specifically focusing on the transition from the emboss-and-paint method to digital, on-demand license plate printing. Much of the existing material is authored either by license plate production vendors or by state transportation/revenue agencies. Additionally, the current research focuses on costs associated with the type of license plate production process as a whole, so NC law enforcement concerns associated with the safety and reflectivity of different types of license plates, as well as how to best link temporary tag identification numbers with regular license plates, were not included in the current study, as these topics were outside of the scope of the research project.

### **3.0 North Carolina License Plate Production Process**

#### **Background**

From 1946 through 2001, the license plate production process took place at the Central Prison. North Carolina was the first state to utilize female inmate labor to manufacture license plates, beginning in 2001. While approximately 16,000 standard license plates are manufactured daily (i.e. 4,000 per machine), specialty plates take longer to produce (e.g. at most 1,000 completed per day). Similar to specialty plates, personalized license plates take longer to complete, with approximately 1,000 personalized plates produced weekly using two machines. There are currently 426 different types of license plates that are manufactured by Correction Enterprises. The embossing machines are from the 1980s, heavy duty and are not expected to be replaced in the near future. Minor maintenance is required periodically due to normal wear and tear. However, the heavy duty hydraulic press continues to function properly. License plates are kept in sequential order throughout the manufacturing process. Most motorcycle plates are embossed, although two types are not (e.g. one that is not embossed is the Blue Ridge Parkway motorcycle plate). It takes one day to copy the order.

#### **Cost Information from Correction Enterprises**

The following are from the cost report for the month of August 2016, which is typical since variation from month to month is minimal:

- \$155,000/month operating expenses (includes everything- except the building)
  - Includes staff, insurance, building maintenance, inmate labor
- \$469,384/month total revenue
- \$2,366.50/month – labor cost estimates for inmates

Approximately 2.5 to 3 million First in Flight license plates are produced annually. In contrast, an estimated 0.5 million First in Freedom license plates are produced annually. The four departments at Correction Enterprises include the following: (1) blanking line, (2) embossing, (3) paint, and (4) shipping. Together, the blanking line and embossing sections have 30 employees; for each embossing machine, three employees run the machine, and one person stacks the plates. The paint section contains 11 employees, and the shipping section utilizes 21 employees.

There are currently 61 inmates assigned to work, and the number who are available range daily from 45 to 61. Some inmates may be suspended for bad behavior and others are excused for medical appointments (e.g. five to ten out per shift). The shift is 7:30am-2:30pm/3:30pm with a 10:40-11:30 lunch break. Correction Enterprises is a receipt-supported enterprise. Employment opportunities for inmates all over the state are supported by Correction Enterprises.

A \$60,000 new blanking line was recently purchased and will be installed in January; a new console to clean electronic components was also ordered. The advantage to this new machine is software compatibility; specifically, software and controls for the digital printer used for specialty plates are advantageous features of this new machine.

The license plate production costs were provided as follows:

- \$1.62 for each standard issued license plate
- \$2.16 for personalized standard
- \$4.25 for non-personalized specialty license plates
- \$4.68 for personalized specialty (printing and embossed)
  - These prices include aluminum and reflective sheeting, ribbons, UV over-laminate to keep from fading, and labor costs

The aluminum alloy used at the metal tag plant is 3105-H21, and the gauge used is 032. Some states use 027 gauge; however, license plates are easier to paint if they are embossed more deeply. Thinner aluminum can cause problems with punching, embossing, and painting. 022-gauge aluminum is used for flat plates. In 2013, the cost per plate was under \$1, but aluminum prices have increased significantly.

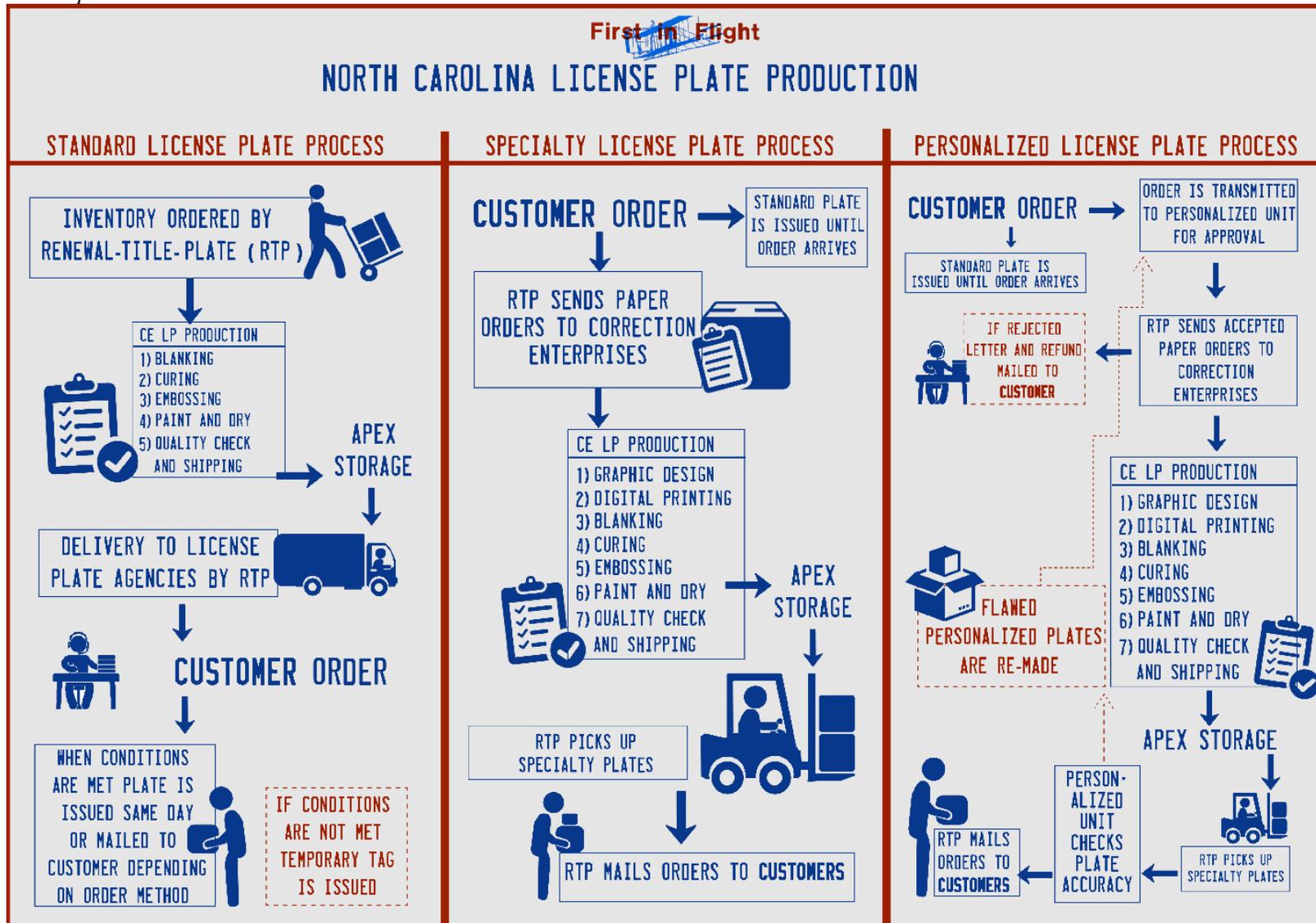
### **Process Overview**

To outline the current license plate production process within North Carolina, the research team completed four site visits as well as four interviews with NCDMV professionals who were identified based on their titles as well as level of knowledge on the NC license plate production process. Tours were completed at the following locations: (1) DMV headquarters where license plates are handled (i.e. RTP/Renewal-Title-Plate), (2) Correction Enterprises, (3) the Apex warehouse where license plates are stored, and (4) the Raleigh warehouse. During this process, the research team ascertained the main steps of the license plate production process as follows below (please refer to p. 6 for definitions of each step in the process). Following an overview of the process, each of these steps will be described in greater detail.

1. Blanking
2. Curing
3. Embossing
4. Paint & Dry
5. Quality Check & Shipping

These steps are reflected in Figure 2, which depicts the license plate production process. Both specialty and personalized license plates have two additional steps prior to the blanking process: (1) graphic design and (2) digital printing. Personalized lettering is also reviewed and either approved or rejected prior to license plate production.

Figure 2. License plate production process diagrams depicting the current NC production process for (1) standard, (2) specialty and (3) personalized license plates.



The standard license plate process is comprised of five steps: (1) blanking, (2) curing, (3) embossing, (4) painting and drying, and (5) quality check and shipping. There are two additional steps for specialty and personalized license plates, which will be discussed at the end of this section. Figure 2 depicts a flow chart for the license plate production process. The first two steps outlined with a dotted line – graphic design and digital printer – only apply to personalized and specialty license plates.

*Standard NC license plate manufacturing process flow chart:* As seen in Figure 2, the standard license plate process in NC starts with the order being placed by the RTP Section. Once the order has been received, the plate is then produced in the following five steps: (1) blanking, (2) curing, (3) embossing, (4) painting and drying, and (5) quality check and shipping. Afterwards, it is sent to Apex Storage where it is kept in inventory until it is delivered to a license plate agency. Finally, a customer orders a plate, where it is then issued on the same day or mailed depending on the order method.

*License plate production process diagrams depicting the current NC production process for (1) specialty & (2) personalized license plates -* The specialty and personalized license plates follow the same process as the standard license plate with a few additions to the process, as can be seen in Figure 2. Following a customer order for personalized or specialty plates, a standard license plate is issued until the ordered plates arrive. For personalized plates, there is an approval process to ensure the personalized lettering and numbering is appropriate. If the plate is rejected, then a letter and refund is mailed to the customer. If approved, personalized plates go through graphic design and digital printing prior to completing the standard five-step production process. Specialized license plates also go through the graphic design and printing process prior to blanking. Last, RTP picks up the plates and mails them to the customer. Prior to being shipped, personalized plates go through an additional inspection to ensure accuracy.

### **Order Placement**

The first step involved in license plate production is an order submission. Individuals can place a license plate order online, through the mail, or at a License Plate Agency (LPA). If a standard license plate is ordered at an LPA (e.g. First in Flight or First in Freedom), the standard plate is issued from the LPA's inventory the same day, given that all requirements are met. The requirements that need to be met before a license plate can be issued generally include the following required information (NC DMV website):

- Vehicle title and registration
- Vehicle identification number
- Vehicle description
- Proof of liability insurance
- Emissions and safety inspection

If these requirements are not met, a temporary tag is typically issued until the required requirements are met, at which time a standard license plate is issued the same day.

### **Renewal-Title-Plate (RTP) Section**

Other than the correctional facility responsible for manufacturing license plates, the RTP section at the NCDMV is the primary department responsible for ordering license plates for inventory as well as assisting with license plate delivery. Based on information from the Renewal-Title-Plate (RTP) Section, internet and mail-in orders have increased, as well as the use of temporary license plate markers. Handicap placards and temporary tags are also stored at the RTP Section. The RTP Section has two trucks for delivery to LPAs; currently there are three drivers, with four total needed to complete the deliveries. RTP typically completes three-to-four runs per week to LPAs. Per delivery, three months of standard permanent plates are delivered, along with four months of other types of license plates. The

drivers also deliver to driver license offices (e.g. office supplies, etc.). The Plate Section Supervisor orders the LPA inventory based on information in STARS. Typically, there are three-to-six LPAs included as a part of a single delivery. When the DMV merged with driver license offices, delivery became integrated, so the RTP Section delivers to fewer LPAs per delivery than they had in the past.

### **Standard**

If standard license plates are ordered online or by mail, the RTP section sends a standard plate from their inventory via the mail to the customer. At most, it takes 1 week for online orders to begin production. Occasionally, license plates have been received the next day, although it typically takes 3-4 business days.



Figure 3. *Standard NC license plates – First in Flight and First in Freedom.*

### **Specialty**

If specialty license plates are ordered at an LPA, provided the requirements are met, a standard license plate is issued the same day until the specialty plate is mailed to the customer. The specialty license plate orders (without personalized characters) are received by the Renewal-Title-Plate (RTP) Section, and then the order is transferred to Correction Enterprises (CE) for production. RTP also keeps an inventory of some of the specialty license plates. Online- or mail-ordered specialty plates are handled by the RTP section and then submitted to Correction Enterprises for production. Figure 2 shows the specialty license plate process.

For new specialty license plates, the Personalized Unit handles the first 300 specialty plates, and then the RTP Section handles subsequent specialty license plates after the first 300. For specialty license plates that are also personalized, the process would most closely resemble that of personalized license plates, following the establishment and printing of the specialty license plate background.



Figure 4. A sample of specialty license plates produced in NC.

### Personalized

If personalized license plates are ordered at an LPA, provided the requirements are met, a standard license plate is issued the same day until the personalized plate is mailed to the customer. Personalized license plate orders are received by the Personalized Unit, where the personalized lettering is either approved or rejected. If the license plate orders are approved by the Personalized Unit and then a hard copy of the order is printed and delivered by the RTP Section to Correction Enterprises for production. The Personalized Unit's approval of personalized license plates involves reviewing the proposed license plate text for appropriateness and to make sure that it does not contain vulgar language or meaning. If a personalized license plate is not approved, then a letter and a refund are issued to the customer informing them of the reasons for rejection.

After proofing, the order is marked in STARS, which is a comprehensive automation of all vehicle titling and registration (NCDOT, 2016). Next, two copies of approved orders for personalized license plates are digitally sent to Correction Enterprises, and one copy is kept by the Personalized Unit; most, but not all of the personalized license plates, are embossed. Currently, the entire process for producing personalized license plates takes 4-to-6 weeks to complete.

The RTP Section picks up completed personalized orders, which are then reviewed a final time by the Personalized Unit before being mailed to LPAs through USPS. If any of the license plates are made incorrectly, the Personalized Unit takes note, and these incorrectly made personalized license plates are re-made. An estimated 900-1,500 personalized license plates are ordered on a weekly basis. The number of errors on such orders are estimated to be a 40 to 100 out of 1,500 total; this reflects an error rate of 2.7% to 6.7%.

While personalized license plates are under production, a regular permanent license plate is issued until the personalized one arrives to the customer. Customers are notified that it takes 6-8 weeks to make personalized license plates, but it typically only takes 3 to 4 weeks. RTP mails all license plate orders to customers using USPS First Class.



Figure 5. Image of the aluminum straightening and reflective sheeting application process.

### Step One: Blanking

Blanking is where rolls of aluminum with reflective sheeting is cut into blanks for individual license plates (Arnold, 2007). The rolls of reflective sheeting used in this stage are sourced from 3M, a license plate manufacturing equipment supplier. The aluminum rolls are produced by Alaris, and each roll of aluminum weighs 1,300 to 1,400 lb. These aluminum rolls have a powder coating on them to facilitate bonding with the reflective sheeting. The aluminum sheeting is used as the basis for the license plate blanks. First, a hot water bath is completed to remove the powder coating. Next, the 32-gauge aluminum sheets are dried and the straightener applies pressure to the metal to straighten the aluminum. Next is the applicator – reflective sheeting is applied to the blanks. Holograms are a part of the reflective sheeting. Next, a machine cuts the edges and corners of the license plates and punches four holes in them. Finally, the scraps of aluminum that are not used are collected and sent for recycling at the aluminum recycling plant/sign reclaiming plant in Carthage. The aluminum recycling plant is staffed by male inmates and is a part of Correction Enterprises.

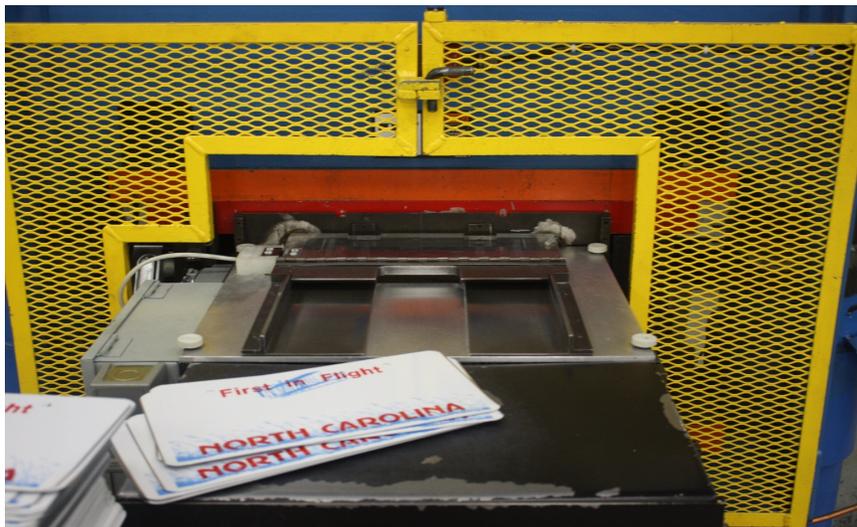


Figure 6. Image depicting the curing process.

### Step Two: Curing

Curing is a process by which coatings applied to license plate blanks are cooled and dried. Following the blanking process, the license plates are cured for 48 hours in drying racks. The racks hold

approximately 3,800 tags each. To identify errors and track efficiency throughout the process, drum and roll numbers are tracked with each license plate.



*Figure 7. License plate embossing dies.*

### **Step Three: Embossing**

Embossing refers to the process where a machine controlled by manual labor stamps raised or imprinted letters, numbers, a border, and/or symbols into license plate blanks (Arnold, 2007). Using embossing machines purchased during the 1980s with two built-in safety measures (e.g. pedal and glass window) to prevent worker injury, four inmates are assigned to each machine, although three inmates actively run each embosser for standard plates. Seven inmates on one machine are needed to emboss specialty tags. There are five embossing machines, four that produce automotive license plates, and one that produces plates for motorcycles. During the embossing process, there are four sets of dies in each machine, and plates are embossed.



*Figure 8. Stacked license plates in preparation for the paint and dry phase.*

#### **Step Four: Painting and Drying**

Following the embossing process, embossed/raised letters are painted and are then run on conveyor through a heated oven for 7 to 9 minutes at 235 degrees Fahrenheit to dry the paint. There is a cooling chamber at the end of the machine to prevent burns to inmates while handling the plates.



Figure 9. Painted license plates passing through the oven for drying.

Some plates are dried in a shorter amount of time. For example, drying fire department tags takes a shorter amount of time to prevent the color white from yellowing; this is not necessary for other types of license plates because the lettering is typically not white.



Figure 10. License plates organized in preparation for shipment.

#### **Step Five: Quality Control Check and Shipping**

After the paint has dried on the embossed lettering, license plates are closely inspected for any imperfections. Although standard license plates may be touched up if there are imperfections in the paint, the protocol for personalized plates is for them to be remade in this circumstance. Following the quality inspection process, a list of the license plates that need to be remade is compiled. Since the tags are produced with sequential numbering, flawed license plates are remade the next day prior to beginning the planned work for the day. The license plates that have passed inspection are sorted by hand in order and put in the boxes by hand, with 100 tags per box.



Figure 11. *Numbered boxes in preparation for license plate shipment.*

Following the quality inspection process, completed license plates are stored at an on-site warehouse until they are picked up by Correction Enterprises. In preparation for shipping, the boxes containing completed license plates are placed on pallets. When the license plates are picked up by Correction Enterprises, 18 pallets per truck load are typically sent to the Apex warehouse at a time. Raw materials needed for the license plate manufacturing process are also stored at this location. There are two warehouses where materials for license plate production are stored. The Apex warehouse stores the license plates and the majority of the materials. The Blount St. Raleigh warehouse stores office supplies, such as paper, as well as temporary license plate markers and registration stickers. Regarding the warehouse in Raleigh, supplies are picked up from this location three or more times per week. Office supplies are noted in STARS, and the Plate Section Supervisor determines when offices need more office supplies. Most temporary license plate markers are kept at RTP, although overflow is stored in the Raleigh warehouse.



Figure 12. *Inventory of license plates stored at a warehouse.*

The RTP Section periodically checks the license plate inventory through STARS. To order more inventory, the RTP Section supervisor manually inputs an order into STARS for the whole state on a monthly basis. When it is determined that inventory must be replenished, RTP picks up the boxes of license plates from the Apex warehouse. The inventory process is depicted in . Not only does RTP deliver license plates to LPAs, but some of them are taken to the NCDMV for additional quality checks and inspection. Personalized plates are delivered to the Personalized Unit, in the same building as the RTP Section, for an additional quality/accuracy check. This is then marked in the NCDOT scheduling tool, the Schedule Tracking and Reporting System (STARS). In contrast, specialty license plates are picked up and brought to the RTP Section. Personalized and specialty plates are mailed directly to the customer by RTP.

When the RTP Office picks up license plates from the Apex warehouse, they are loaded in a specific and planned order. To improve the ease of delivery, license plates to be delivered to LPAs are loaded into the truck first, including many First-in-Freedom and First-in-Flight standard license plates. License plates to be taken to the RTP Section, as well as less common license plates, are loaded into the truck last. License plates are ordered within the delivery trucks from low to high numbers. Examples of less common license plates include commercial, trailer, and farm plates.

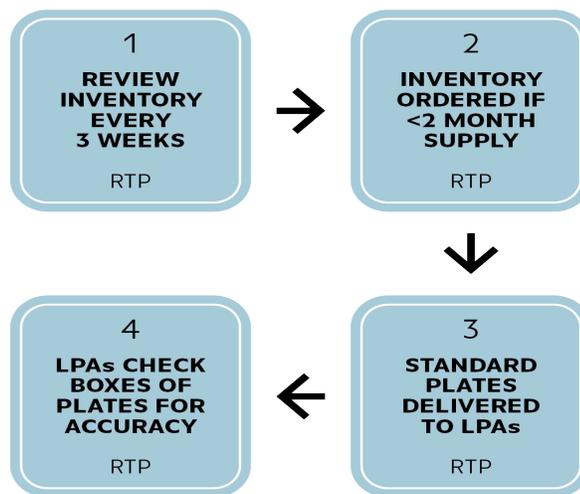


Figure 13. License plate inventory and delivery process flow chart.

When Correction Enterprises drops off license plates at Apex, a delivery ticket is brought to Apex with the delivery. When RTP picks up the license plates from the Apex warehouse for delivery, the RTP Plate Section Supervisor takes the delivery ticket and manually enters it into the computer. Pallets are loaded into a truck, then sorted by office branch. At the same time, the RTP Section drops defective license plates off at the Apex warehouse from LPAs that have returned them. These defective license plates are stored at the Apex warehouse on a pallet until they are taken to a facility in Carthage to be destroyed.

Every three months, truck drivers deliver license plates to LPAs from one of two warehouses (Apex and Raleigh). The busiest LPAs receive inventory the same number of times as the least busy LPAs, but the quantity of plates delivered is based on need. The manager checks off items as they are called off; the boxes are not opened, but box labels are used for identification. LPA managers do not send in inventory reports; instead, they contact inventory when running low on an item. The D090 form includes what LPAs need, including office supplies. LPAs fill out the D090 form and send it to RTP. The RTP Section used to supply LPAs only, then about one year ago, driver license agencies were integrated into the operations of the RTP section. Following delivery, RTP truck drivers present the delivery ticket to LPA

managers, who then sign off on the receipt of inventory. Comparatively, the First-in-Flight standard license plates are ordered at a rate of 2:1 when compared to the First-in-Freedom standard license plates.



#### **4.0 AAMVA Survey on State License Plate Production Practices**

This survey was administered through the American Association of Motor Vehicle Administrators (AAMVA) by Sgt. Robert Sawyer, a member of AAMVA who works at the NCDOT. The 17-question survey was administered from 5/15/2017 to 6/14/2017. In total, there were 29 survey respondents, including 28 US states and one district of Canada – British Columbia (BC); NC was not a survey participant, although comparable information was gathered. For the purposes of the survey, the representative's responses from BC were reported separately.

The questions asked of AAMVA survey respondents include the following:

1. What type of license plate manufacturing process does your state use to create standard license plates?
2. If your state uses painting to produce license plates, what are the reasons for using the painting method instead of digital printing?
3. If your state uses digital printing to produce license plates, when did the transition from traditional to digital license plate manufacturing take place? What were the reasons for transitioning to digital printing?
4. How many standard issue license plates are manufactured annually in your state?
5. How many specialty license plates (i.e. plates with customized logos) are manufactured annually in your state?
6. How many personalized license plates (i.e. plates with personalized numbers and lettering) are manufactured annually in your state?
7. What is the cost to manufacture a standard issue license plate? If there are multiple, please provide the one with the lowest cost.
8. What is the cost to manufacture a typical specialty license plate? (i.e. plates with customized logos)
9. What is the cost to manufacture a typical personalized license plate? (i.e. plates with personalized numbers and lettering)
10. Please indicate which of the following is responsible for license plate production in your state (you can select multiple responses)
  - a. A private business
  - b. A correctional facility
  - c. Your agency
  - d. Other/combination
11. Does your state issue temporary tags? If yes, what is the length of time for which the temporary tags are valid?
12. What are the materials used for temporary tags in your state?
13. How many temporary tags are issued annually in your state?
14. Are temporary tags linked to permanent license plates for law enforcement purposes?
15. Is there anything else you would like to add regarding the license plate production and distribution process implemented in your state?
16. Who could we contact in your organization that would be the most knowledgeable about license plate production and distribution? Please provide their name(s) and contact information.
17. If you have a document that summarizes the license plate manufacturing process specific to your state, we would appreciate the ability to review your efforts. Please attach the document to this survey or e-mail to Robert Sawyer at [rssawyer@ncdot.gov](mailto:rssawyer@ncdot.gov).

#### **4.1 Number of License Plates Required by State**

North Carolina requires only a single license plate to be displayed on motor vehicles, in the back. In contrast, many other states require automobiles to display license plates on both the front and back of

vehicles for. Since this is likely to impact the costs reported by survey respondents, the research team took special care to differentiate the states based on the number of license plates required, as well as to gather data in which the survey respondents were explicit about whether their reported costs include the production of a single or pair of plates, in the case of the 16 participating states that require a pair of license plates (see (Table 1). Table 1 below shows whether each participating state requires a single (i.e. back only) or pair (i.e. front and back) of license plates. While this information was not included in the survey, it is necessary to know when interpreting the cost information as well as the quantity of license plates reportedly produced. Out of the 28 survey respondents, 16 states require a pair of license plates (57%), and 12 require only a single plate (43%). BC requires a pair of license plates.

*Table 1. State requirements regarding the number of license plates mandated by law (n=28).*

Response	No.	Percentage	Specify states
Pair	16	57%	CA, IA, ID, IL, MD, ME, MO, MT, ND, NE, NH, NJ, OR, UT, VA, WA
Single	12	43%	AL, AR, AZ, DE, FL, GA, IN, KY, MI, NM, OH, SC

#### 4.2 License Plate Manufacturing Process

North Carolina utilizes an emboss and painting method in the production of its license plates, which takes place in a correctional facility; for specialty license plates, digital printing is used on a limited basis. Out of the 28 states that provided responses, 16 employ predominantly the emboss-and-paint method, which includes states that reported “combination,” referring to the common practices of using digital printing on a limited basis for specialty license plate production, even in states that utilize the emboss-and-paint method for standard license plate production (57%). Twelve states use predominantly digital methods in the production of license plates (Table 2). As explained by Arizona’s representative, “Arizona uses digital and painting for production of license plates. A very small portion of plates are embossed and painted.” The survey respondent from Oregon also provided the following explanation: “Both painting and digital printing. Some plates are a combination of painting (embossed) and digital. Some plates are digital only.” BC also utilizes digital printing.

*Table 2. Method used to manufacture license plates by state (n=28).*

Method	No.	Percentage	Specify states
Emboss-and-Paint	16	57%	AR, AZ, CA, FL, IL, KY, MD, ME, MI, MO, NH, OH, OR, UT, VA, WA
Digital Printing	12	43%	AL, DE, GA, IA, ID, IN, MT, ND, NE, NJ, NM, SC

#### 4.3 Reasons for Utilizing Emboss-and-paint Method

Table 3 shows the reasons cited by states for utilizing the emboss-and-paint method. Out of the 14 traditional states, 5 states cited that law enforcement/other prefers the emboss-and-paint method (36%). Four states cited cost as the reason (29%) and 2 states had it required by statute (14%). Lastly, 4 states had “Other” as their reason (29%). Based on NC’s low labor costs (inmate labor) needed to produce license plates, it can be inferred that cost is also a reason for NC using the emboss-and-paint method.

*Table 3. Reasons cited in the survey for utilizing the emboss-and-paint method (n=14).*

Reason	No.	Percentages	Specify states
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Preferred by law enforcement/others	5	36%	FL, ME, MI, OR, VA
Cost	4	29%	AR, CA, MI, OH
Required by statute	2	14%	AZ, NH
Other	4	29%	KY, MD, MI, NH

For question # 2, 12 states responded. Since three states provided multiple responses, there were 17 total responses to this question (i.e. all states provided one response, except MI, which provided 4, and NH and VA each provided 2 responses). The most common reason for remaining with the emboss-and-paint method was that it is preferred by law enforcement or others in positions of authority (6 responses). The second most common response was “other” (i.e. non-categorized), with 5 responses. Cost was the next most common category (4 responses). The least prevalent reason was that it is required by law/statute to remain with the emboss-and-paint method of license plate production. The quotes for each of these categories are expanded upon in the tables below.

Preference by authority figures was the main reason listed by survey respondents for staying with the emboss-and-paint license plate production method. Table 4 shows the reasons for the 5 states that cited preference by authority figures as their reason for utilizing the emboss-and-paint method.

*Table 4. Reasons pertaining to preferences that were cited in the survey for utilizing the emboss-and-paint method (n=5).*

Quotes on Preference by Authority Figures	State
Embossed plate manufacturing has been the preferred technology to date	FL
Enforcement requires an embossed plate that is painted	ME
Police have a hard time reading digital plates	MI
Law enforcement prefers painted over digital	OR
Embossed plates are still preferred by law enforcement and the manufacturer of the plates	VA

Table 5 lists the 5 uncategorized reasons for utilizing the emboss-and-paint method, as reflected in the peer state survey. These responses could not be categorized into established themes.

*Table 5. Uncategorized reasons cited in the survey for utilizing the emboss-and-paint method (n=5).*

Uncategorized Quotes/Other	State
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The Commonwealth of Kentucky uses the resources of our correctional facilities to produce license plates. This includes utilizing the prison population throughout the entire plate production process of embossing, painting, sorting and packing. The Commonwealth of Kentucky is currently reviewing plate production policies and procedures and may eventually switch to digital printing in the future.	KY
Maryland uses Reflective Coded paint process, as there is No other method with an embossed plate process.	MD
We have in place a Just in Time plate order system along with Central Issue plates, so do not need quicker turnaround of digital plates.	MI
We have ample storage for the plates produced every year, so having thinner plates for less storage is not a factor.	MI
We have not looked into digital printing	NH

Cost was one of the main reasons listed by survey respondents for staying with the emboss-and-paint license plate production method, as described in Table 6.

*Table 6. Cost-related reasons cited in the survey for utilizing the emboss-and-painting method (n=4).*

Cost-related Quotes	State
The use of alphanumeric embossing with roller coat inking for Arkansas' standard issue plate is the most economical manufacturing combination in the industry while also offering the desired embossed alphanumeric identifying legend security feature at no cost to the State.	AR
Existing process and equipment would require replacement at significant cost to switch. It's not clear switching is necessary.	CA
"cost"	MI
We deboss the majority of our plates on pre-printed graphic sheeting and apply paint to the embossed characters. The main reason we use this process is because it is the most cost effective.	OH

Statute-level mandates were one of the main reasons listed by survey respondents for staying with the emboss-and-paint license plate production method. Table 7 shows the reasons cited by the 2 states that cited statute-related reasons.

*Table 7. Statute-related reasons cited in the survey for utilizing the traditional/painting method (n=2).*

Required by Statute Quotes	State
It is required by statute that we use copper for our Historic plates. Therefore, we emboss-and-paint those plates so the copper will show.	AZ
The legislature would have to approve the change	NH

#### 4.4 Time Frame of Transition to Digital Printing

All 12 states who had transitioned to digital printing provided information regarding the year that the transition took place. The most common year in which the transition from emboss-and-paint to digital

license plate manufacturing took place was in 2007 (n=3 responses), followed by 2003 (n=2 responses). The following states provided the following dates: Delaware (prior to 1997), Iowa (1997), Montana (2000), Indiana and Nebraska (2003), New Mexico (2006), Alabama, Idaho and South Carolina (2007), Georgia (2011), New Jersey (2013), and North Dakota (2015). BC responded that it had made the transition in the mid-1990s. Figure 15 illustrates the timing for the transition.

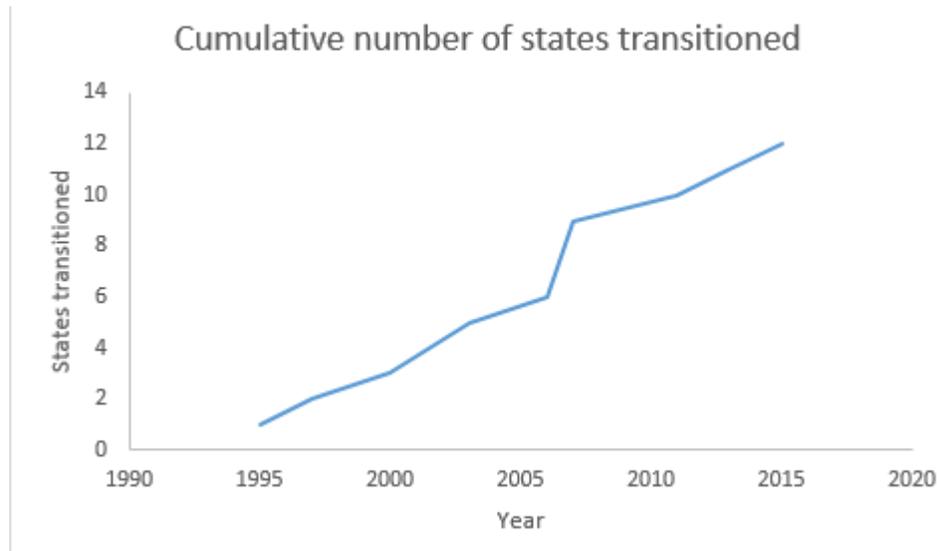


Figure 15. Cumulative numbers of US states that have transitioned to digital printing, by year.

Table 8. Years that states reported transitioning to the digital printing method.

State(s)	Year Transitioned	Cumulative Total
DE, IA	1997 or prior	2
MT	2000	3
IN, NE	2003	5
NM	2006	6
AL, ID, SC	2007	9
GA	2011	10
NJ	2013	11
ND	2015	12

#### 4.5 Reasons for Transition to Digital Printing

Table 9 shows the reasons for transitioning to digital printing. Out of the 21 survey respondents, 7 states cited cost reduction as the reason for transitioning (33%). Three states stated that transitioning allowed for faster production/print-on-demand (14%), 2 states stated less storage being needed after transitioning (10%), 2 states stated an improvement in efficiency after transitioning (10%) and 2 states stated an improved design as their reason (10%). Lastly, 5 states stated an uncategorized reason as their reason for transitioning (24%).

Table 9. Reasons for transitioning to digital printing that were cited in the survey (n=21).

Reasons	No. of responses	Percentage	Specify states
Cost reduction	7	33%	AL, DE, GA, ID, NJ, NM, SC

Print on demand/faster production	3	14%	ID, NJ, NM
Less inventory/storage needed	2	10%	ID, MT
Improved efficiency	2	10%	ID, NM
Improved design	2	10%	ID, NJ
Other	5	24%	ID, MT, ND, NE, NJ

Regarding cost reduction reasons for transitioning, the reasons provided are straightforward, so only the following quote is provided as an example: “The reasons included holding down cost increases for production, as we were facing a substantial increase in the sheeting material, and going to the digital process although increased costs, it was not as much as staying with embossed” (ID). The two responses provide for the design code include the following: (1) “provided better quality graphics” (ID) and (2) it increases the variety of design choices” (NJ). Quotes corresponding to each of the four remaining categories are shown in the tables below.

Inventory and storage-related was one of the common reasons listed by survey respondents for utilizing digital printing method (n=4 open-ended responses):

- “It allowed the removal of inventoried specialty plates of all types from our county motor vehicle offices... and lower levels of storage needed for stocking standard plates” (ID)
- “Eliminated the need to preorder sheeting rolls for new specialty plates which had a minimum quantity, for plates that may or may not sell” (ID)
- “[Reduced] the level of resources needed to produce plates” (ID)
- “Less material would be wasted” (MT)

Speed of production-related reasons was one of the main reasons listed by survey respondents for utilizing digital printing method. The three open-ended responses are shown below:

- “Going to digital plates allows for a print on order method, so specialty, personalized, and reissued plate numbers could be made when ordered” (ID)
- “Production speed” (NM)
- “Lowers production time” (NJ)

Efficiency-related reasons were one of the common reasons listed by survey respondents for utilizing digital printing method (n=3 open-ended responses):

- “It allows the counties to order more frequently” (ID)
- “Reduced the turnaround time for orders” (ID)
- “Efficiency” (NM)

Uncategorized reasons listed by survey respondents for utilizing digital printing method (n=7):

- “Lowered postage costs for mailing plates since the aluminum substrate is a lighter material” (ID)
- “The equipment we had was old and could not be repaired anymore” (MT)
- “Our business partners at the prison wanted to go digital” (MT)
- “The labor was easier” (MT)
- “We were mandated by our State legislative body to convert to a digital flat plate design” (ND)
- “The transition occurred as a precursor to expansion of specialty license plate availability (ease of production of specialty plates)” (NE)

- “The vendor also warrants the plates for a period of time” (NJ)

Additionally, five states that utilize a similar production method to NC provided information (shown in Table 10). These states utilize the emboss-and-paint method for standard plates using pre-printed sheeting, as well as digital printing for specialty plates.

*Table 10. Additional information provided by states that utilize a similar license plate production method to NC (emboss-and-paint method for standard and personalized plates, and digital printing for specialty plates) (n=5).*

Responses	States
Used for specialty plates because of graphic print quality; not used in standard because of costs	AR
The digital process provides a lot more flexibility than the embossed where we were waiting long periods of time for pre-printed sheeting. With digital, we can simply design in a matter of hours and get plates in production quickly.	AZ
We print our specialty plates using a digital printer. The digital printer enables us to provide wide variety of options to our registrants.	OH
Use digital to put letters on a colored background	OR
Personalized/Specialty License Plates	WA

#### 4.6 Number of License Plates Issued Annually

##### Standard License Plates

Twenty-seven states provided information regarding the number of standard license plates issued annually. IL was the only state that participated in the survey but did not provide a response to this question. Table 11 shows the responses provided by each state, sorted from smallest to largest. MD, WA and CA specified that the figure they provided refers to *pairs* of license plates. Additionally, three state representatives specified the types of vehicles included in the figures that they provided: (1) ID provided the below number for vehicles only, (2) MO included “passenger [vehicles], trucks, motorcycles and trailers,” and (3) NM excluded trailer and RV plates in the figure provided. The remaining respondents did not specify the types of vehicles included in the figures disclosed. BC responded with the number 700,000. As can be seen in the table, NC is in the medium-to-high end of annual numbers of license plates produced, with approximately 2.3 million license plates estimated to be produced annually.

Table 11. Number of license plates manufactured annually, by plate type and state. *Note:* This table is sorted by the number of standard license plates, from the lowest to greatest reported quantity.

State	Standard	Specialty	Personalized
ME	75,000	51,000	5,000-6,000
ND	130,000	1,500	14,000
DE <sup>1</sup>	165,000	135,000	5,000
NH	180,000-200,000	n/a	4,800-5,000
AL <sup>2</sup>	250,000	75,000	75,000
OR	400,000-500,000	50,400	6,368
ID <sup>3</sup>	500,000	20,000	40,000
NM	500,000	39,000	3,500
AR	550,000	90,000	9,200
SC	588,000	511,000	2,000
UT	629,918	44,430	15,750
IN <sup>4</sup>	1,100,000	71,000-77,000	16,000
MD <sup>5</sup>	1,118,978	12,313	5,230
IA	1,200,000	n/a	17,418
VA	1,263,700	276,626	96,712
NE	1,291,666	12,500	20,833
AZ	1,300,000	200,000	400,000
WA	1,410,130	49,700	10,000
MI	1,426,289	478,609	40,779
NJ	1,500,000	76,500	3,129
GA	1,935,870	190,085	19,835
MO	2,000,000	100,000	100,000
MT	2,000,000	400,000	80,000
<b>NC<sup>6</sup></b>	<b>2,372,837</b>	<b>64,612</b>	<b>50,818</b>
KY	2,788,522	393,105	33,937
FL	3,548,690	491,117	92,137
OH	3,600,000	300,000	270,000
CA	5,000,000	650,000	75,000

### Specialty License Plates (i.e. plates with specialty logos)

Twenty-five states provided information regarding the number of specialty license plates manufactured annually. IA, IL and NH did not provide responses, and NH is just starting to offer specialty plates

<sup>1</sup> DE: Technically, none are manufactured in Delaware. Waldale is our plate vendor.

<sup>2</sup> AL: In the year of a redesign, AL issues approximately 3 million license plates

<sup>3</sup> ID: Standard stock inventory - 500,000 Motorcycle, boat trailer, utility trailer - 60,000

<sup>4</sup> IN: Depends on the year as Indiana's license plate life cycle is currently set to 7 years. In 2015, over 1.1 million non-specialty plates were manufactured. In 2016, that number was again around 1.1 million.

<sup>5</sup> MD: 42,150 single standard tags 37,199 MC tags; 7.75 million over a 6-year period (6-year reissuance cycle)

<sup>6</sup> NC: Number includes standard license plates (PVAs) and truck tags

beginning in July of 2017. MD and WA specified that their figures refer to pairs of license plates. None of the other states specified whether their figures refer to singles or pairs of license plates. The MO representative also specified that the figure provided refers to “specialty and personalized.” BC responded with “85,000.”

**Personalized License Plates (i.e. plates with personalized numbers and lettering)**

Twenty-seven states provided information regarding the number of personalized license plates issued annually (all except for IL). MD specified that the number provided refers to pairs of license plates; none of the other states specifically stated this. ID disclosed that the number provided refers to personalized as well as personalized specialty. MO specified that the figure provided reflects personalized combined with specialty. None of the other states explicitly made this distinction. ID and IN provided additional information worth noting: (1) “260,000 standard plate reissue of same plate number. Idaho requires the reissue of physical license plates when they reach seven years after being issued. Standard practice is to reissue the same number to the customer, which requires remaking plates with the same number which are then mailed to the customer. This saves having to ask each time, and the customer can still opt to have a new number issued if they renew at county offices. This preserves our plate numbering systems as well” (ID) and (2) “Personalized plates have the same 7-year life cycle as mentioned in question #5... In 2017, Indiana anticipates manufacturing closer to 20,000. Prior to 2016, Indiana’s personalized plate program was suspended for all new issuances. Only allowed customers already in possession of a personalized plate to renew (from 9/2013 - 3/2016)” (IN). BC responded with “less than 2,500.”

**4.7 Manufacturing Costs by Plate Type**

Out of the 28 states that participated in the survey, 27 provided information regarding license plate costs. IL was the only state that participated in the survey but did not provide costs of their license plates (Table 12).

*Table 12. Costs of production by state and type of license plate.*

*Note: DP=digital printing and EMB=emboss-and-paint method. All costs reflect the cost of production associated with a single license plate to facilitate comparison, unless otherwise noted.*

State	Method	Standard	Specialty	Personalized	State Requires
WA <sup>7</sup>	EMB	\$1.26	\$2.22	\$2.22	pair

<sup>7</sup> WA specified the costs per set as follows: standard (\$2.517), and specialty/personalized (\$4.445)

AR	EMB	\$1.30	\$3.52	\$3.08	single
NH	EMB	\$1.31	\$1.56	\$1.31	pair
NM <sup>8</sup>	DP	\$1.48	\$5.34	\$5.34	single
FL	EMB	\$1.57	\$2.82	\$1.82	single
MO	EMB	\$1.61	\$3.50	\$3.50	pair
NC	<b>EMB</b>	<b>\$1.62</b>	<b>\$4.25<sup>9</sup></b>	<b>\$2.16</b>	<b>single</b>
MI <sup>10</sup>	EMB	\$1.69	\$2.59	\$2.99	single
AL	DP	\$1.77	\$1.77	\$1.77	single
AZ	EMB	\$1.95	\$3.11	\$4.65	single
KY	EMB	\$1.98	\$3.59	\$2.84	single
DE <sup>11</sup>	DP	\$1.99	\$3.50	\$3.50	single
GA <sup>12</sup>	DP	\$2.15	\$2.30	\$2.15	single
OH	EMB	\$2.41	\$4.99	\$4.41	single
ID <sup>13</sup>	DP	\$2.63	\$2.97	\$2.97	pair
IN	DP	\$2.91	\$3.21	\$2.91	single
NE	DP	\$3.12	\$3.60	\$3.12	pair
OR <sup>14</sup>	EMB	\$3.33	\$3.33	\$7.70	pair
IA	DP	\$3.64	\$4.17	\$3.64	pair
VA	EMB	\$3.90	\$3.90	\$6.77	pair
UT <sup>15</sup>	EMB	\$4.20	\$7.70	\$8.72	pair
CA	EMB	\$4.29	\$13.36	\$3.32	pair
MD	EMB	\$4.49	\$7.34	\$5.60	pair
NJ	DP	\$5.41	\$6.60	\$5.41	pair
SC <sup>16</sup>	DP	\$5.92	\$5.85	\$6.04	single
ND	DP	\$5.95	\$5.95	\$5.95	pair
ME	EMB	\$6.30	\$6.30	\$6.30	pair
MT <sup>17</sup>	DP	\$6.40	\$6.40	\$6.40	pair

<sup>8</sup> NM provided additional information: “\$1.24 motorcycle, \$1.48 passenger and light truck, \$3.50 Chile license plate (new Standard issue plate) - Special process reason for increased price.”

<sup>9</sup> NC costs associated with producing a single personalized specialty plate is \$4.68.

<sup>10</sup> MI specified that the cost for a pair of personalized plates are \$5.93.

<sup>11</sup> DE specified that the manufacturing cost of a standard issue plate varies slightly with the price of aluminum.

<sup>12</sup> GA provided additional information: \$1.64 each for motorcycle plates.

<sup>13</sup> ID specified costs as “\$1.74 ea for standard motorcycle, boat, utility trailer. These are strictly for the production costs and don't include additional expenses for packaging, distribution, etc.”

<sup>14</sup> OR mentioned that their license plates range from \$3.33-\$11.03 per pair.

<sup>15</sup> UT also provided information on the cost of a single motorcycle license plate by type: Standard - Trailer \$2.10, Motorcycle \$3.20. Specialty Motorcycle \$3.85. Personalized Motorcycle \$4.36.

<sup>16</sup> SC provided additional information: Plate costs vary based on type of plate and distribution method. The cost for a regular plate is \$5.92, this includes validation decal and shipping fees. Cost for special plates is: Old design = \$5.98 Plates in Re-issue (new design) - \$5.85. These amounts include the shipping and validation decal fees.

<sup>17</sup> MT specified that “\$6.40 is what we are charged from the prison. This includes postage.”

#### 4.8 Responsible Party for License Plate Production

Out of the 28 states included in the survey, 27 provided a response to this question; the Illinois representative did not. As is shown in Table 13, the most common response was that a correctional facility is charged with license plate production (n=15 responses, 56%), followed by a private business (n=5 responses, 19%), and the least common response was their agency (n=2 responses, 7%). The representative from Indiana specified the private business responsible for license plate production in their state: “Intellectual Technology Inc. (ITI).” Also reported by survey respondents were other/combination (n=5 responses, 19%) which includes uncategorized responses.

*Table 13. Parties responsible for license plate production by state (n=27).*

Response	No.	Percentages	Specify states
Correctional facility	15	56%	AL, CA, FL, GA, IA, ID, MD, MI, MO, MT, ND, NE, UT, VA, WA
Private business	5	19%	AR, DE, IN, NM, OR
Your agency	2	7%	ME, NH
Other/combination	5	19%	AZ, KY, NJ, OH, SC

The responses of states in the “other/combination” category are displayed in Table 14.

*Table 14. Other responses to the survey question regarding responsible parties for license plate production (n=5).*

Other/combination Responses	State
The Arizona Motor Vehicle Division administers the policy, production outline and distribution while the Arizona Correctional Industries does the actual manufacturing of the plates.	AZ
Both the agency and a correctional facility	KY
Our agency, a private business, and a correctional facility participate in a joint venture.	NJ
Department of Public Safety personnel work inside the correctional facility to direct the related activities of penal industries personnel. Material is managed and obtained by the Department of Public Safety. Department of Rehabilitation and Corrections is paid for labor (incarcerated persons are paid for their labor), factory and administrative expenses.	OH
Both private business and correctional facility. We use prison labor, and 3M (plate vendor) technology and inventory management. 3M contracts out with a sub-contractor to merge the plates with the registrations and to mail or ship them as appropriate.	SC

#### 4.9 Temporary Tags and Length of Time they are Valid

Table 15 shows which states issue temporary tags; as shown, the vast majority of states do issue temporary tags, including North Carolina. Out of the 27 survey respondents, 24 of them reported that their state does issue temporary tags (89%), while three do not (11%).

*Table 15. States that do and do not issue temporary tags, as reflected in survey responses (n=27).*

Issue temporary tags?	No.	Percentages	Specify states
Yes (NC)	24	89%	AL, AR, AZ, DE, FL, GA, ID, IN, KY, MD, ME, MI, MO, MT, ND, NH, NJ, NM, OH, OR, SC, UT, VA, WA
No	3	11%	CA, IA, NE

North Carolina has three lengths of temporary tags – ones that are valid for 10-day, 30-day, and 60-day increments. The descriptions of each are provided below, verbatim from Tina Holmes of NCDOT.

##### 1. 10-Day Temporary Plate

- Only valid for 10 days from the date of issuance
- Issued to an owner of a vehicle for reasons such as to take the vehicle to have it inspected – there is no limit
- Issued to an out of state resident in order to transport a vehicle the purchased from a NC resident back to their home state for registration.

##### 2. 30-Day Temporary Plate

- Issued to an individual from a NC dealer when a vehicle is purchased to use until such time as the new vehicle has been titled and registered
- Only 1 30-day plate can be issued by the dealer.

##### 3. 60-Day Temporary Plate

- Issued to the owner of a vehicle who has had an insurance lapse and had requested a hearing for that lapse.
- Can obtain as many as needed until such time as the hearing has been held.

Twenty-four of the 28 participating state representatives provided information regarding the length of time for which temporary tags are valid (Table 16). The two most common responses were “30 days” (n=4 responses) and “30-45 days” (n=4 responses). The next most common response was “20 days” (n=3 responses), followed by “30-60 days” (n=2 responses) and “30-90 days” (n=2 responses). The remaining responses each had only one response each.

Table 16. Length of time for which temporary tags are valid (n= 27).

Length of time (days)	No.	Percentage of Total	States
3 to 45	1	4%	WA <sup>18</sup>
3 to 90	1	4%	AZ <sup>19</sup>
4 to 60	1	4%	UT <sup>20</sup>
<b>10 to 60</b>	<b>3</b>	-	NC
14	1	4%	ME
20	3	11%	AL, NH, NJ <sup>21</sup>
30	4	15%	AR, KY, NM, VA
31	1	4%	IN
30-45	4	15%	GA, <sup>22</sup> ID, <sup>23</sup> OH, <sup>24</sup> SC
30-60	2	7%	DE, <sup>25</sup> MI
30-90	2	7%	FL, MO <sup>26</sup>
30-365	1	4%	ND <sup>27</sup>
40-90	1	4%	MT <sup>28</sup>
60	1	4%	MD
90	1	4%	OR

Additionally, nine states specified conditions that influence the length of time for which temporary tags are valid (see below table). 5 states specified that the length of time depends on the circumstances (56%), 3 stated that the length of time depends on who hand them out (e.g. a dealership or the DMV) (33%), and 2 mentioned that resident status influences the length of time for which temporary tags are valid (22%). See the footnotes for Table 17 to view the comments given by states that participated in the survey.

Table 17. Conditions associated with the length of time for which temporary tags are valid (n=9).

State	Length depends on who hands them out	Length depends on circumstances	Length depends on resident status

<sup>18</sup> WA: Dealer - 45 days; Vehicle licensing office - 3 days.

<sup>19</sup> AZ: We have multiple timelines for permits they are 3-day, 30-day, 45-day and 90-days depending on the circumstance the customer is dealing with.

<sup>20</sup> UT: Permits vary in length depending on the needs of the customer. The following lengths are available- 96-hour, 15-day, 30-day, 60-day and custom.

<sup>21</sup> NJ: Yes. They're valid for 20 Days for residents, and 30 Days for non-residents.

<sup>22</sup> GA: From a Dealer - 45 days. From a County Tag Office - 30 days.

<sup>23</sup> ID: If plates are on order, the paper temporary is issued for 45 days. If a temporary is needed for other purposes it is for 30 days.

<sup>24</sup> OH: 45 days for all vehicles except trailers. Temporary tags are issued for 30 days for trailers.

<sup>25</sup> DE: Dealers issue 60-day temp tags. DMV can issue temp tags up to 60 days, but mostly issue 30-day temp tags.

<sup>26</sup> MO: 30 days and in qualifying circumstances up to 90 days.

<sup>27</sup> ND: Non-resident temporary license can be purchased for 6 or 12 month increments. Resident temporary tags are available for 30 days.

<sup>28</sup> MT: 40 days. We are about to issue a 90 day one. They are paper and printed at the dealer's or County MVD office site to give to the customer. They are placed in a plastic pouch and then placed on the back of the vehicle where the license plate goes.

WA	X		
AZ		X	
UT		X	
NJ		X	X
GA	X		
ID		X	
DE	X		
MO		X	
ND			X

#### 4.10 Materials Used for Temporary Tags

North Carolina uses 28 pt. white-coated one-side board stock for its temporary tags. In total, 24 states provided information regarding the materials used to produce temporary license plate tags (Table 18). 15 replied that they use paper for temporary tags (56%), 2 use plastic (7%), and 7 provided responses that were uncategorized (i.e. “other”) (26%). Two states that use paper provided additional comments worth noting: (1) AZ responded that “currently Arizona is using paper, however, we are looking into using a plastic on demand type permit using an indestructible paper,” and (2) NM uses “standard white copy paper.” Similarly, the DE representative specified the kind of plastic that their state uses: “a thin plastic material that will go through the printer.” BC responded that they use paper.

Table 18. Materials used for temporary tags, by state (n=27).

Materials used	No.	Percentages	Specify states
Paper	15	56%	AL, AR, AZ, FL, ID, KY, ME, MI, MO, MT, NH, NM, OR, UT, WA
Plastic	2	7%	DE, NJ
Other	7	26%	GA, IN, MD, ND, OH, SC, VA

Uncategorized responses regarding materials used to manufacture temporary tags are included in the table below. *Other comments pertaining to materials used for temporary tags (n=8).*

Other Comments	State
Special water resistant paper labels are printed with control numbers and assigned in our Tag and Title Information System. These stickers are adhered to a Dealer's paper license plate or a provided blank paper license plate at the County Tag Office.	GA

Plates are printed on a synthetic paper called PRO-print. Both motorcycle temporary and vehicle temporary plates are produced on this material.	IN
Laser Printable Poly Paper with a reflective strip	MD
plastic coated paper	ME
Upon purchase of a non-resident temporary license, a paper certificate is issued. Once processed in our system, a window decal is mailed. Resident temporary license are paper.	ND
Cardboard Stock, Ink, Laminate, & Thermal Transfer Printer Ribbon.	OH
The plate is constructed of board stock with printed text and a serial number, which is top laminated with clear film and a “write and seal” flap.	SC
Teslin	VA

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#### 4.11 Number of Temporary Tags Issued Annually

In total, 22 states provided a response to this question, which are displayed from smallest to largest numbers provided in Table 19. Relevant comments were also included in the table for reference. One state could only provide information on non-resident temporary tags, so their response was marked as N/A (ND).

Table 19. Number of temporary tags issued annually by state (n=22).

State	Response
AL	20,000
SC <sup>29</sup>	55,200
UT	101,159
DE	150,000
ID	175,000
MT <sup>30</sup>	180,000
ME	200,000
MI	215,148
AR	300,000
OR	313,200
KY	455,466
NM <sup>31</sup>	456,363
MD <sup>32</sup>	482,223
MO	497,698
NC <sup>33</sup>	<b>526,099</b>
OH	584,018
VA	627,000
WA	705,000
AZ	1,000,000
IN <sup>34</sup>	1,000,000
FL <sup>35</sup>	1,593,939
GA	1,674,686
ND <sup>36</sup>	n/a

<sup>29</sup> SC: On average, there are approximately 55,200 45-Days temporary plates issued each year, this includes vehicle and motorcycle plates.

<sup>30</sup> MT: Around 15,000 per month. We issue these for all vehicle sales including trailers, snowmobiles, and off highway vehicles.

<sup>31</sup> NM: The figure includes all new vehicle purchases.

<sup>32</sup> MD: There were 106,676 30 day temporary plates issued last year. 375,547 dealer temporary plates were issued last year and 14,274 dealer temporary plate extensions.

<sup>33</sup> NC: This is the number of 10-day plates issued as of CR for Fiscal year 17-18. We would not have a count of 30-day temporary plates that are issued by the dealer as they are issued to the dealers in bulk.

<sup>34</sup> IN: Roughly 50,000 motorcycle temporary plates annually

<sup>35</sup> FL: Fiscal year 2015/16 1,593,939 temporary plates were issued.

<sup>36</sup> ND: We do not track the resident temporary licenses. In 2016, we issued 3,791 non-resident temporary licenses.

#### 4.12 Linking Temporary Tags to Permanent Plates for Law Enforcement

Twenty-six states provided a response to whether temporary tags are linked to permanent license plates for law enforcement purposes (Table 20). BC responded that temporary tags are not currently linked to permanent plates.

Table 20. Whether temporary tag identification numbers are linked to permanent license plates (n=26).

Response	Percentage	States
No	69%	AZ, BC, DE, ID, KY, MD, ME, MO, ND, NE, NH, NJ, NM, OH, OR, SC, VA, WA
Yes	31%	AL, AR, FL, GA, IN, MI, MT, UT

The following 4 quotes below are given to illustrate examples of states that link temporary tags to permanent license plates: (Florida) “once a license plate has been issued it is to replace the temporary plate, they will be tied together through history in our database;” (Georgia) “But they are linked to the VIN of the vehicle in our Tag and Title Information System;” (Indiana) “law enforcement has visibility to temporary plates assigned to vehicles immediately following the issuance (transaction taking place);” (Arizona) “No, currently permits and plates are separated. We are working on linking the two with a new system set to roll out in December 2018.”

Figure 16 displays an overall cost summary of states that participated in the survey, in order to facilitate a cross-state comparison. The table displays the state, the method used (digital printing or print-and-emboss/traditional), the number of license plates required by each state, and the party responsible for license plate production. Additionally, the quantities produced annually, costs of production, and customer costs are displayed for each type of license plate (standard, specialty, personalized). Please note that the customer costs were derived from each state’s respective department of transportation website and/or phone calls to each state.

### 4.13 Overall Cost Comparison by State

Figure 16. Overall summary table of costs related to license plate production, by state.

State	Method	State Requires	Responsible Party	Quantity Standard	Quantity Specialty	Quantity Personalized	Cost to produce Standard	Cost to produce Specialty	Cost to produce Personalized	Customer costs Standard	Customer costs Specialty	Customer costs Personalized
NC	Traditional	Single	Correctional	2,372,837	64,812	50,818	\$1.82	\$4.25	2.16	\$36.00	\$46.00	\$76.00
AL	Digital Printing	Single	Correctional	250,000	75,000	75,000	\$1.77	\$1.77	\$1.77	\$23.00	\$70.00	\$73.00
AR	Combination	Single	Private business	550,000	90,000	9,200	\$1.30	\$3.52	\$3.08	\$19.50	\$64.50	\$44.50
AZ	Traditional	Single	Other/combination	1,300,000	200,000	400,000	\$1.95	\$3.11	\$4.65	\$18.00	\$43.00	\$43.00
CA	Traditional	Pair	Correctional	5,000,000	650,000	75,000	\$4.29	\$13.36	\$3.32	n/a	\$20.00	n/a
DE	Digital Printing	Single	Private business	165,000	135,000	5,000	\$1.99	\$3.50	\$3.50	\$40.00	\$50.00	\$80.00
FL	Traditional	Single	Correctional	3,548,690	491,117	92,137	\$1.57	\$2.82	\$1.82	\$28.00	\$53.00	\$43.00
GA	Digital Printing	Single	Correctional	1,935,870	190,085	19,835	\$2.15	\$2.30	\$2.15	\$40.00	\$100.00	\$110.00
IA	Digital Printing	Pair	Correctional	1,200,000	n/a	17,418	\$3.64	\$4.17	\$3.64	\$50.00	\$105.00	\$105.00
ID	Digital Printing	Pair	Correctional	500,000	20,000	40,000	\$2.63	\$2.97	\$2.97	\$45.00	\$70.00	\$80.00
IL	Traditional	Pair	n/a	n/a	n/a	n/a	n/a	n/a	n/a	\$101.00	\$195.00	\$148.00
IN	Digital Printing	Single	Private business	1,100,000	71,000-77,000	16,000	\$2.91	\$3.21	\$2.91	\$42.70	n/a	\$66.35
KY	Traditional	Single	Other/combination	2,788,522	393,105	33,937	\$1.98	\$3.59	\$2.84	\$42.00	\$77.00	\$46.00
MD	Traditional	Pair	Correctional	1,118,978	12,313	5,230	\$4.49	\$7.34	\$5.60	\$135.00	\$150.00	\$185.00
ME	Traditional	Pair	Agency	75,000	51,000	5,000-6,000	\$6.30	\$6.30	\$6.30	\$35.00	\$55.00	\$80.00
MI	Traditional	Single	Correctional	1,426,289	478,609	40,779	\$1.69	\$2.59	\$2.99	\$29.00	\$54.00	\$59.00
MO	Traditional	Pair	Correctional	2,000,000	100,000	100,000	\$1.61	\$3.50	\$3.50	\$18.25	\$33.25	\$33.25
MT	Digital Printing	Pair	Correctional	2,000,000	400,000	80,000	\$6.40	\$6.40	\$6.40	\$38.30	\$98.00	\$53.00
ND	Digital Printing	Pair	Correctional	130,000	1,500	14,000	\$5.95	\$5.95	\$5.95	\$49.00	\$59.00	\$74.00
NE	Digital Printing	Pair	Correctional	1,291,666	12,500	20,833	\$3.12	\$3.60	\$3.12	\$18.30	\$55.00	\$55.00
NH	Traditional	Pair	Agency	180,000-200,000	n/a	4,800-5,000	\$1.31	\$1.56	\$1.31	n/a	n/a	n/a
NJ	Digital Printing	Pair	Other/combination	1,500,000	76,500	3,129	\$5.41	\$6.60	\$5.41	\$46.00	\$98.00	\$98.00
NM	Digital Printing	Single	Private business	500,000	39,000	3,500	\$1.48	\$5.34	\$5.34	\$27.00	\$52.00	\$44.00
OH	Traditional	Single	Other/combination	3,600,000	300,000	270,000	\$2.41	\$4.99	\$4.41	\$54.50	\$79.50	\$104.50
OR	Combination	Pair	Private business	400,000-500,000	50,400	6,368	\$3.33	\$3.33	\$7.70	\$24.00	\$34.00	\$74.00
SC	Digital Printing	Single	Other/combination	588,000	511,000	2,000	\$5.92	\$5.85	\$6.04	\$40.00	\$50.00	\$70.00
UT	Traditional	Pair	Correctional	629,918	44,430	15,750	\$4.20	\$7.70	\$8.72	\$21.00	\$45.00	\$70.00
VA	Traditional	Pair	Correctional	1,263,700	276,626	96,712	\$3.90	\$3.90	\$6.77	\$50.75	\$65.75	\$65.75
WA	Traditional	Pair	Correctional	1,410,130	49,700	10,000	\$1.26	\$2.22	\$2.22	\$32.75	\$117.50	\$105.50
BC	Digital Printing	Pair	Private business	700,000	85,000	< 2,500	\$10CA	\$15CA	\$15CA	n/a	n/a	n/a

## 5.0 Peer State Analysis

Three peer states that employ the digital printing method for license plate production and were recommended by NCDMV stakeholders were selected for comparison - Indiana, Georgia and South Carolina. One or more representatives of each state participated in 30- to 60-minute telephone interviews with the research team to gather information regarding their license plate production processes. Additionally, on site tours of license plate facilities at two of the peer states were completed in Georgia and South Carolina. All peer states indicated they generally followed the same process for digital printing. Indiana and Georgia follow the typical digital printing process; see digital printing graphic (in PowerPoint) for reference. While all three states use digital printing to produce license plates, there are significant differences in terms of who is responsible for the license plate production process, whether it is a correctional facility, subcontracting companies, or both. The research team also collected the RFPs for the three peer states that encompasses the entirety of their license plate production processes (Appendices). These are provided as examples of the variation and complexity of operations in each state.

Cost was reported from all three peer states as the most common reason for digital printing. However, it is noted that no one could provide any study or documentation of cost savings accrued. Other reasons reported from Indiana included speed, efficiency, and being less labor intensive. Georgia reported that a change in vendors was the impetus for switching to digital printing. In contrast, South Carolina reported the switch to digital printing to be brought on largely by concerns regarding law enforcement legibility, one of the benefits of transitioning to the digital print method.

### 5.1 South Carolina

The license plate production process in SC is contracted to 3M. 3M has a subcontract with the Irwin-Hodson Group (IHG), which is the location of a majority of the production process in South Carolina. IHG has six total facilities in the United States and 22 internationally and mostly does embossed plates at these locations. IHG uses only 3M materials and software during the license plate production process and mostly does embossed plates.



*Figure 17. South Carolina standard license plate design.*

As shown in Figure 17, the South Carolina digital license plate production process starts with graphic design and printing of at IHG, located in Columbia, SC. IHG receives the order from the DMV and prints the characters (and design, if applicable) on reflective sheeting at a rate of 1,800 plates per hour. IHG sends rolls of reflective sheeting to the SC Department of Corrections (SCDC), also located in Columbia. IHG's facility is in close proximity to the SCDC, and the delivery route is less than five miles away.

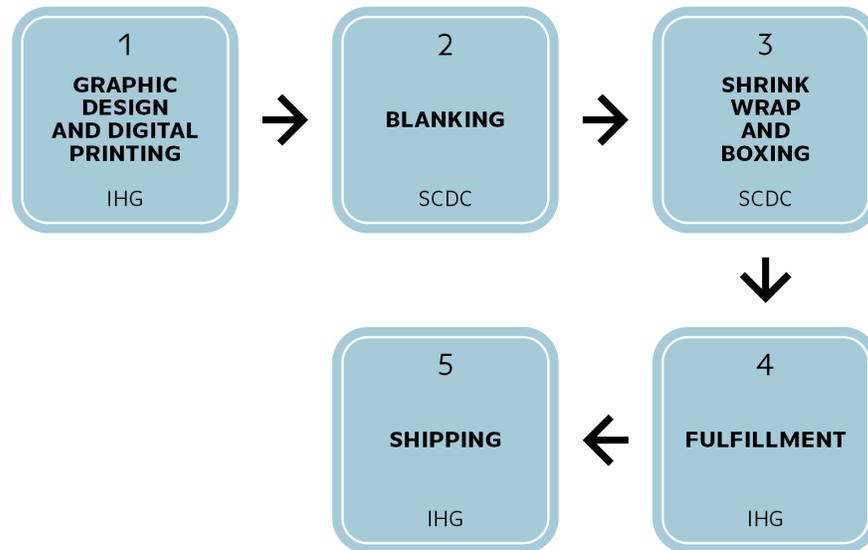


Figure 18. South Carolina license plate production process.

The next step in the process is blanking and occurs at the SCDC. Blanking involves the aluminum roll being straightened and having the preprinted reflective sheeting applied to it. Blanking, includes a two stage cut process, where the rims are added, corners are rounded, and four holes are punched. However, since South Carolina has a contractor complete certain steps of the process, shrink wrap and boxing is before fulfillment; usually, fulfillment is completed prior to preparation for shipment. Afterwards, the plates are shrink wrapped and boxed at a rate of 2,400 plates per hour in 100 count boxes, while still at the DOC. The shrink wrap machine used is ST-700/900/930.

The plates are then shipped back to the IHG facility. Registration cards are then printed on-site with plate numbers on the tags. Barcodes are checked to ensure accuracy. In order to keep track of the license plates, IHG uses Inventory Management System (IMS), which is a proprietary 3M software. Once accuracy has been ensured, the plates are then shipped out to the customers. Direct-to-customer orders are mailed via USPS at a cost of \$2.64 for 1st class mail in a clear plastic mailer). License plate orders are shipped daily to DMV offices by IHG via UPS. Plates are packaged in 100 count boxes but fewer than 100 can be shipped if needed. The DMV pays IHG for their orders once they have been shipped.

There are periodic quality checks throughout the process. The production process for the personalized and specialty plates are the same as the standard plate process. The only exceptions are that they are produced on demand, meaning that there is no in-house inventory, and there is an approval process.

In South Carolina, the law requires the replacement of license plates every 10 years and that used to be every six years. In 2007, SC re-issued 2 million license plates, all in the same year which caused some problems with distribution of such a massive amount. It is likely that future reissuance will be staggered in some way.

## 5.2 Indiana

Intellectual Technology, Inc. (ITI), based out of Fort Wayne, is the vendor responsible for license plate production within Indiana. The locations where license plate production occurs include Fort Wayne (where production occurs), an Indianapolis shipping facility, and a USPS hub (where it is mailed). As is shown in *Figure 19*, the Indiana license plate process begins at the Department of Transportation (DOT), where the

customer completes the transaction, although some orders are completed online. The transaction is then placed into the DOT database where the license plates are assigned numbers from the batch process. Afterwards, the process goes to Intellectual Technology Inc. (ITI), where the license plate graphic design is completed and the plate gets printed. While still at ITI, the license plates go through blanking, where the plate gets laminated and has sheeting adhered to the aluminum.



Figure 19. Indiana sample license plate.

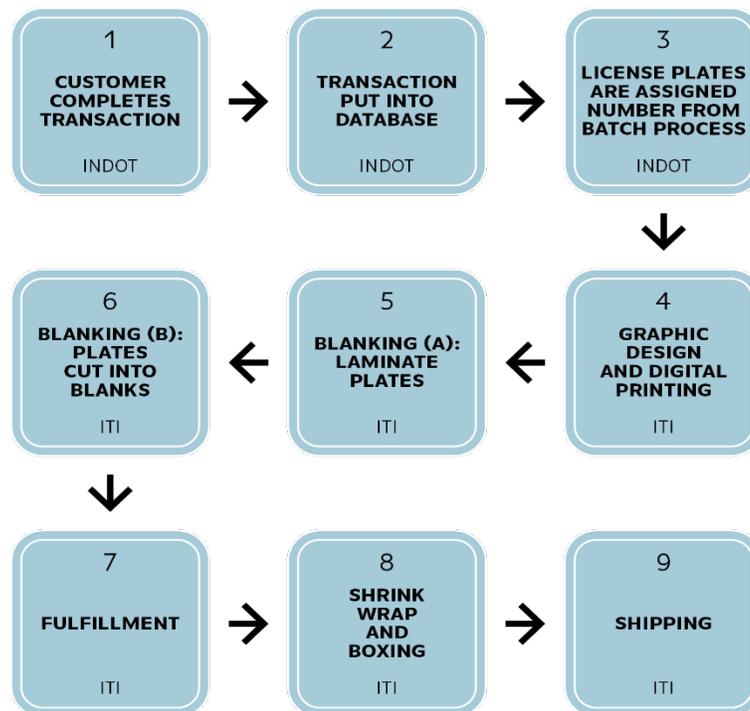


Figure 20. Indiana license plate process.

After blanking, the plate goes through fulfillment, where registration stickers are printed and adhered to the license plates. Lastly, the plate gets shrink wrapped and then boxed up before finally being shipped out to customers. There are periodic quality checks throughout the process. The steps for this process were all obtained from the peer state interview except fulfillment and shrink-wrapping, which was assumed to take place. The production process for personalized and specialty plates are the same as the standard plate process. The only exception is the addition of an approval process.

### 5.3 Georgia

Currently, the Georgia Correctional Institute (GCI) is responsible for license plate production for the state of Georgia. Georgia has a centralized process with the production process taking place at Georgia Corrections Institute (GCI) (based out of Telfaire) and then getting shipped out. Unlike the other peer states, only Georgia reported changing its vendor since it transitioned to digital printing following a legislative mandate based on lower cost (3M to GCI). The transition to digital printing was initiated by the Department of Revenue (DOR), and 3M was awarded the contract in 2009. After that, GCI won the contract in 2016 and they now use Avery Dennison reflective sheeting.

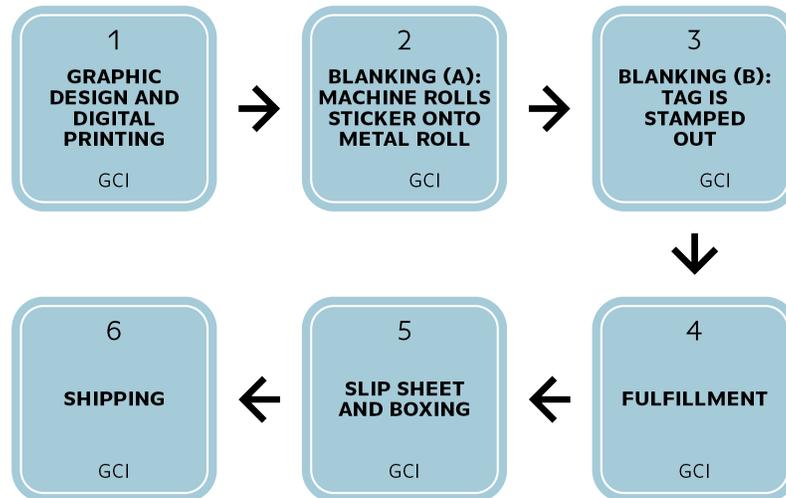


Figure 21. Georgia license plate process from peer state interviews.

As shown in Figure 20, the Georgia license plate production process occurs at Georgia Correctional Industries (GCI), and begins with graphic design and digital printing on reflective sheeting. The printing occurs in a sterile and secure room with limited inmate access. Two Matan thermal four-color printers are utilized. The printers cost approximately \$250,000 each and have an expected eight-year lifespan, and GCI reported \$8.3 million in annual revenue. Reflective sheeting has a five-year warranty for reflectivity. 3M reported that the use of these printers are cheaper than using inkjet printers. Avery Dennison sheeting is currently used as it is whiter compared to 3M sheeting that is more grayish. Each printer can print 2,400 plates per hour and an ultraviolet lamination is applied after printing.

The next step in the process is blanking, in which thin but rigid aluminum is uncoiled by a machine, forming the base of the license plate. An applicator separates the backing from the sheeting and applies it to the aluminum with pressure prior to blanking. The blanking machine can cut tags from the aluminum sheet at the rate of 9,600 license plates per hour. The dies in the blanking machine need to be sharpened every 8 weeks.

Prestige plates (i.e. personalized) and low volume specialty plates are ordered through a Tag-and-Title System. The system sends the license plate orders to GCI through a Print on Demand file, and Temporary Operating Permits are issued by the County Tag Office. Standard license plates and top selling specialty plates are stocked at County Tag Offices by Georgia Correctional Industries (GCI); GCI maintains the inventory and keeps a constant 6-8 week supply in each office.

The plate tends to be thin yet rigid, and GCI keeps an inventory of sheeting that has been pre-printed with the two approved backgrounds for standard license plates: the A1 Single peach and the AA – “Peach State.” A sample of a standard Georgia license plate is displayed in Figure 21.



Figure 22. Georgia standard license plate background “Peach State.”

There are periodic quality checks throughout the process. Prestige plates and low volume specialty plates go through print on demand and personalized plates has to be approved before printing. After production, the license plates go to Fulfillment, where registration stickers are printed and adhered to the license plates. Fulfillment occurs in a high security area that is fully contained within the prison, staffed by GCI employees and not accessible by inmates. The registration is printed using a thermal printer.

To prepare for shipping, license plates are packaged, with slip sheets placed in between to protect the print quality. A QR (i.e. Quick Response) code, together with a list of license plates, aids with this step. The slip sheets are recycled from adhesive backing, and GCI keeps 21 lbs. of the sheets in stock. The license plates are then placed into an envelope with the registration card in preparation for delivery to GA state DMV offices, where the license plates are dispersed to customers. A six-week inventory of the plates are kept on site at GA state DMV offices.

#### **5.4 Comparison of Peer State Responses to Interview Questions: IN, GA & SC**

These three peer states were chosen due to recommendations from the NCDMV as well as utilizing the digital printing method of license plate production. Similar to North Carolina, both Georgia and South Carolina use correctional facilities in the production of license plates for their states. Indiana was the only peer state that does not utilize inmate labor. All three peer states listed cost effectiveness as the reason for using correctional facilities in the process.

#### **Specialty & Personalized License Plate Production**

Generally, the difference in process with specialty license plates involves a request for a unique logo, followed by the design and print of that particular logo, before the rest of the digital printing process can commence. No specific information was given regarding the specialty/personalized license plate process by neither Indiana nor South Carolina. For personalized license plates, there is an additional approval process where the text requested is reviewed to ensure there is no profanity or inappropriate language prior to plate production.

#### **License Plate Volume and Cost Comparison**

North Carolina produces approximately 2.3 million standard license plates annually, and they cost approximately \$1.62 each. Georgia reported the largest amount of standard license plates printed with 1,935,870 license plates. Followed by Indiana with 1,100,000 annual plates and South Carolina with 588,000 annual plates. South Carolina reported the highest cost to produce a standard plate with \$5.92. Indiana had the second highest with a cost of \$2.91, followed by Georgia with a cost of \$2.15. All three peer states require only the rear plate.

Table 21. Peer state comparison of standard license plate production: Annual number produced and plate costs.

State	Annual number of Standard license plates produced	Cost to produce each Standard license plate
NC	2,372,837	\$1.62
SC	588,000	\$5.92 <sup>37</sup>
GA	1,935,870	\$2.15
IN	1,100,000	\$2.91

North Carolina produces personalized license plates for approximately \$2.16 each; for a specialty personalized plate, the cost increases to \$4.68. Georgia has the highest annual number of personalized license plates printed with 19,835. Indiana has the second highest number of personalized license plates produced, with 16,000 annually, followed by South Carolina, with a reported 2,000 annual license plates produced. South Carolina had the highest reported cost to produce personalized license plates with a cost of \$6.04. Indiana had the second highest with a cost of \$2.91, followed by Georgia with a cost of \$2.15.

Table 22. Peer state comparison of Personalized license plate production: Annual numbers produced and Costs per plate.

State	Annual number of Personalized license plates produced	Cost to produce each Personalized license plate
NC	50,818	\$2.16
SC	2,000	\$6.04
GA	19,835	\$2.15
IN	16,000	\$2.91

North Carolina produces specialty license plates for approximately \$4.25 each. South Carolina had the highest amount printed annually with 511,000. Georgia had the second most with 190,085 followed by Indiana with a range of 71,000-77,000. South Carolina had the highest reported cost to produce specialty license plates with a cost of \$5.85. Indiana had the second highest with a cost of \$3.21, followed by Georgia with a cost of \$2.30.

Table 23. Peer state comparison of specialty license plate production: Annual number produced and plate costs.

State	Annual number of Specialty license plates produced	Cost to produce each Specialty license plate
NC	64,612	\$4.25
SC	511,000	\$5.85
GA	190,085	\$2.30
IN	71,000-77,000	\$3.21

### Temporary Tags

The most common reason reported is when a non-standard plate is ordered (n=2): Georgia reported issuing temporary plates when personalized plates are ordered and South Carolina issues them when specialty plates are

<sup>37</sup> Note that the SC license plate costs may include postage. During tours with SC, they reported a shipping cost of approximately \$2.52

ordered. One reason mentioned by Indiana was if a customer purchased a new vehicle and didn't have a plate to transfer (n=1). Other circumstances reported include when the plate ordered is not in stock (Georgia, n=1), when an out-of-state vehicle has been purchased (SC; n=1), and when a customer is not ready to register their vehicle due to an inability to pay property taxes (SC; n=1).

North Carolina has three types of temporary tags – 10-day, 30-day, and 60-day ones. South Carolina's tags are valid from 30-45 days depending on the type of temporary tag issued. Georgia's temporary tags are valid for the same range depending on whether it was issued from the dealer or county tag office and Indiana's tags are valid for 31 days.

Out of the three peer states, only Indiana has the tag identification numbers linked to the permanent license plate identification numbers. North Carolina does not currently link the identification numbers between temporary and permanent license plates, but this is an area of interest in the department.

### **License Plate Vendors**

As mandated by law, North Carolina outsources its labor for license plate production to Corrections Enterprises, a state-owned local correctional facility. All three peer states reported a bidding and scoring process as the way to decide on vendors. South Carolina had the most vendors with 3M, IHG, and the SC Department of Corrections (SCDC). The other two states have only one vendor: GCI for Georgia and Intellectual Technology, Inc. (ITI) for Indiana. In Georgia, the transition to digital printing was initiated by the Department of Revenue (DOR), and 3M was awarded the contract in 2009. After that, GCI won the contract in 2016 and they now use Avery Dennison reflective sheeting.

In Indiana, license plate production occurs in Fort Wayne because it is the location of the ITI headquarters. In Georgia, it occurs in Telfaire, and in South Carolina it occurs in Columbia, where the SCDC is located. Regarding the frequency of replenishing inventory, Indiana keeps a 3-month supply and Georgia keeps a 6-week inventory. No specific information regarding South Carolina was received.

## **6.0 Findings and Analysis**

This study found that 12 out of 28 survey respondents representing different US states have transitioned to digital printing for license plates. Among the 28 state representatives that responded to the survey, 16 states reported that they utilize the emboss-and-paint method for standard license plate production. The three peer states which were more closely investigated for this study - Georgia, South Carolina, and Indiana - have similar license plate production processes but differ from the current process in North Carolina. Specifically, these peer states use a digital printing process which begins with graphic design and printing of the plates prior to blanking. The North Carolina production process uses the emboss-and-paint method. Digital printing results in a flat plate without embossing, painting, and curing of the paint.

The current study found that cost was the most common reason reported as the reason for switching to digital printing. However, no specific supporting data has been provided or published in support of this assertion. Other reasons cited for switching to digital printing included: speed, efficiency, and being less labor intensive (Indiana), change in vendors (Georgia), and law enforcement legibility (South Carolina). Each of the three peer states reported that there were not any upcoming plans to change the current license plate production methods.

As with many system changes, there are advantages and disadvantages associated with both digital and emboss/paint license plate production. The positive aspects associated with digital printing were reported to include: (1) being able to print on demand, (2) higher production speed, (3) lower time required for production,

(4) allowing the counties to order more frequently, and (5) may be associated with long-term savings. On the other hand, the issues associated with digital printing were reported to include: (1) large start-up cost, and (2) law enforcement difficulty with reading digital plates.

Advantages associated with the continuation of emboss-and-paint method include: (1) some law enforcement agencies prefer embossed and painted plates for visibility, (2) no new capital or startup cost. On the contrary, disadvantages associated with the emboss-and-paint method, particularly in comparison to on-demand digital license plate printing, include: (1) larger inventory may be needed and (2) higher costs associated with maintaining inventory, although evidence of this is not conclusive.

The most substantial impacts from the transition to digital printing are likely to include a large initial cost for equipment, hardware, and software. Conversely, North Carolina's existing process is very efficient and cost effective with the ability to operate as such into the foreseeable future.

## **7.0 Conclusions**

The current study documents that North Carolina already has one of the lowest costs for license plate production in comparison to other states across the country. Furthermore, a majority of the states use correctional facilities for labor, which is cheaper in comparison to non-prison labor (15 out of 27 surveyed). Additionally, it is important to note that there are a small number of vendors with the capability to provide digital printing license plate production.

While there is the perception that digital printing production will accrue cost savings, there is no documentation found to support that perception. Decisions made in those states utilizing digital printing may have been made based on that belief and in some cases the change may have been legislatively mandated. Better management and reduction of inventory are also cited to be benefits, but similarly to cost comparison data, no documentation was found that cites the cost comparison before and after transitioning to digital printing in the states included in this study. Many state motor vehicle agencies, like the one in North Carolina, do not incur a direct cost for warehousing of inventory. The costs of state-owned and -managed facilities are difficult to identify and separate from the inventory of other products. It is unclear whether or not significant cost savings would accrue based on changes in inventory costs.

Therefore, based on the data and survey results identified in this effort, the existing NC license plate production process is efficient relative to other state license plates systems and is expected to be so for the near term future. Utilization of inmate labor results in minimal labor costs and, with sufficient maintenance, the embossing machines used appear to still have many years of service life remaining. This production system has resulted in cost of plates that are among the lowest in the United States.

However, additional performance measures, beyond cost, could suggest the need for digital printing. These metrics, which are based on benefits associated with digitally printed license plates, include better graphics, reduction of labor, possible reduction of inventory associated with on-demand digital printing, and greater potential for cooperation with technological advancements. Specific quantifiable benefits of digital printing in these areas warrants a more detailed study. Documentation of accrued savings are not available but may be better understood with further study. Sample RFPs from peer states are included in the Appendices and offer some insight into the true costs of moving into the digital printing realm. As most cutting-edge technology advancements come at rapid pace, it is possible for significant changes to occur in short time frame.



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## 9.0 Appendices

**Appendix A. SC RFP**

<p><b>State of South Carolina</b></p> <p><b>Request for Proposal</b></p>	<p>Solicitation Number: Date Issued: Procurement Officer: Phone: E-Mail Address:</p>	<p><b>54000063</b> <b>05</b> 07/29/2013 STACY ADAMS, CPPB 803-737- 4375</p> <p><a href="mailto:SAdams@m&lt;br/&gt;mo.sc.gov">SAdams@m mo.sc.gov</a></p>
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DESCRIPTION: **Digitized License Plate Production & Distribution**

USING GOVERNMENTAL UNIT: **SCDMV Administration**

*The Term "Offer" Means Your "Bid" or "Proposal". Unless submitted on-line, your offer must be submitted in a sealed package. Solicitation Number & Opening Date must appear on package exterior. See "Submitting Your Offer" provision.*

SUBMIT YOUR OFFER ON-LINE AT THE FOLLOWING URL: <http://www.procurement.sc.gov>

SUBMIT YOUR SEALED OFFER TO EITHER OF THE FOLLOWING ADDRESSES:

MAILING ADDRESS:  
Materials Management Office  
PO Box 101103  
Columbia SC 29211

PHYSICAL ADDRESS:  
Materials Management Office  
Capitol Center  
1201 Main Street, Suite 600  
Columbia SC 29201

SUBMIT OFFER BY (Opening Date/Time): **09/05/2013 2:30 P.M.** (See "Deadline For Submission Of Offer" provision)

QUESTIONS MUST BE RECEIVED BY: **08/13/2013 10:00 A.M.** (See "Questions From Offerors" provision)

NUMBER OF COPIES TO BE SUBMITTED: **One (1) Original (hard copy) and one (1) Original Electronic Version on CD, and Eight (8) Copies (hard copies).** If you are submitting confidential information, submit **One (1) Redacted Hard Copy and one (1) Electronic Redacted Copy on CD** (marked "redacted") (See "Submitting Redacted Offers" provision Section IV. and "Submitting Confidential Information" Section II.A.)

CONFERENCE TYPE: **Pre-Proposal Conference**  
DATE & TIME: **08/13/2013 10:00 A.M.**

LOCATION: **MMO Small Conference Room  
Capitol Center  
1201 Main Street,  
Suite 600  
Columbia, SC 29201**

(As appropriate, see "Conferences - Pre-Bid/Proposal" & "Site Visit" provisions)

AW  
ARD  
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AM  
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NTS

Award will be posted on **10/04/2013**. The award, this solicitation, any amendments, and any related notices will be posted at the following web address: <http://www.procurement.sc.gov>

Unless submitted on-line, you must submit a signed copy of this form with Your Offer. By submitting a bid or proposal, You agree to be bound by the terms of the Solicitation. You agree to hold Your Offer

open for a minimum of thirty (30) calendar days after the Opening Date.  
 "Signing Your Offer" and "Electronic Signature" provisions.)

(See

NAME OF OFFEROR  (full legal name of business submitting the offer)		Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror. The entity named as the offeror must be a single and distinct legal entity. Do not use the name of a branch office or a division of a larger entity if the branch or division is not a separate legal entity, i.e., a separate corporation, partnership, sole proprietorship, etc.
AUTHORIZED SIGNATURE  (Person must be authorized to submit binding offer to contract on behalf of Offeror.)		TAXPAYER IDENTIFICATION NO.  (See "Taxpayer Identification Number" provision)
TITLE  (business title of person signing above)		STATE VENDOR NO.  (Register to Obtain S.C. Vendor No. at <a href="http://www.procurement.sc.gov">www.procurement.sc.gov</a> )
PRINTED NAME  (printed name of person signing above)	DATE SIGNED	STATE OF INCORPORATION  (If you are a corporation, identify the state of incorporation.)
OFFEROR'S TYPE OF ENTITY: (Check one) <span style="float: right;">(See "Signing Your Offer" provision.)</span> <input type="checkbox"/> Sole Proprietorship <input type="checkbox"/> Partnership <input type="checkbox"/> Other _____ <input type="checkbox"/> Corporate entity (not tax-exempt) <input type="checkbox"/> Corporation (tax-exempt) <input type="checkbox"/> Government entity (federal, state, or local)		

COVER PAGE (NOV. 2007)

**PAGE TWO**

**(Return Page Two with Your Offer)**

<p>HOME OFFICE ADDRESS (Address for offeror's home office / principal place of business)</p>	<p>NOTICE ADDRESS (Address to which all procurement and contract related notices should be sent.) (See "Notice" clause)</p>  <p>_____</p> <p>Area Code - Number - Extension                      Facs imile</p>  <p>_____ E-mail Address</p>
--	--

<p>PAYMENT ADDRESS (Address to which payments will be sent.) (See "Payment" clause)</p>   <p>____ Payment Address same as Home Office Address</p> <p>____ Payment Address same as Notice Address <b>(check only one)</b></p>	<p>ORDER ADDRESS (Address to which purchase orders will be sent) (See "Purchase Orders and "Contract Documents" clauses)</p>   <p>____ Order Address same as Home Office Address</p> <p>____ Order Address same as Notice Address <b>(check only one)</b></p>
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**ACKNOWLEDGMENT OF AMENDMENTS**  
 Offerors acknowledges receipt of amendments by indicating amendment number and its date of issue. (See "Amendments to Solicitation" Provision)


<p align="center"><b>DISCOUNT FOR PROMPT PAYMENT</b>          (See "Discount for Prompt Payment" clause)</p>		<p align="center">20 Calen dar Days (%)</p>	<p align="center">30 Calen dar Days (%)</p>	<p align="center">____ Calen dar Days (%)</p>
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PREFERENCES - A NOTICE TO VENDORS:

Preferences do not apply to Request for Proposals per SC Consolidated Procurement Code Section 11-35-1524, part (5).

PREFERENCES - ADDRESS AND PHONE OF IN-STATE OFFICE:

**Not Applicable**

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## **I. SCOPE OF SOLICITATION**

It is SCDMV's intent to award a contract to a qualified offeror for the design, manufacture and distribution of vehicle license plates.

As part of its core mission, the South Carolina Department of Motor Vehicles (SCDMV) is responsible for the design, manufacture and distribution of vehicle license plates. At present time, SCDMV produces more than 371 different types of plates including standard issue plates, personalized plates and specialty plates. License plates in SC are generally replaced on a 6 year cycle, funding permitted. SCDMV intends to transition to an age-based plate replacement cycle, instead of a general reissue; however, the offeror needs to be prepared to accommodate the next general issue to take place during the biennial renewal period of 2014 and 2015. During this period, approximately 3,000,000 license plates will need to be created and delivered to SCDMV customers by mail.

### **ACQUIRE SERVICES and SUPPLIES / EQUIPMENT (JAN 2006)**

The purpose of this solicitation is to acquire services and supplies or equipment complying with the enclosed description and/or specifications and conditions. [01-1005-1]

### **MAXIMUM CONTRACT PERIOD - ESTIMATED (Jan 2006)**

**Start date: 02/04/2014 End date: 02/03/2021.** Dates provided are estimates only. Any resulting contract will begin on the date specified in the notice of award. See clause entitled "Term of Contract - Effective Date/Initial Contract Period". [01-1040-1]

**This is a five-year contract with two (2) one year renewal options. The maximum contract life is seven (7) years.**

## **II. INSTRUCTIONS TO OFFERORS - A. GENERAL INSTRUCTIONS**

### **DEFINITIONS (JAN 2006)**

EXCEPT AS OTHERWISE PROVIDED HEREIN, THE FOLLOWING DEFINITIONS ARE APPLICABLE TO ALL PARTS OF THE SOLICITATION.

AMENDMENT means a document issued to supplement the original solicitation document.

BOARD means the South Carolina Budget & Control Board.

BUYER means the Procurement Officer.

CHANGE ORDER means any written alteration in specifications, delivery point, rate of delivery, period of performance, price, quantity, or other provisions of any contract accomplished by mutual agreement of the parties to the contract.

CONTRACT See clause entitled Contract Documents & Order of Precedence.

CONTRACT MODIFICATION means a written order signed by the Procurement Officer, directing the contractor to make changes which the changes clause of the contract authorizes the Procurement Officer to order without the consent of the contractor.

CONTRACTOR means the Offeror receiving an award as a result of this solicitation.

COVER PAGE means the top page of the original solicitation on which the solicitation is identified by number. Offerors are cautioned that Amendments may modify information provided on the Cover Page.

OFFER means the bid or proposal submitted in response to this solicitation. The terms Bid and Proposal are used interchangeably with the term Offer.

OFFEROR means the single legal entity submitting the offer. The term Bidder is used interchangeably with the term Offeror. See bidding provisions entitled Signing Your Offer and Bid/Proposal As Offer To Contract.

ORDERING ENTITY Using Governmental Unit that has submitted a Purchase Order.

PAGE TWO means the second page of the original solicitation, which is labeled Page Two.

PROCUREMENT OFFICER means the person, or his successor, identified as such on the Cover Page.

YOU and YOUR means Offeror.

SOLICITATION means this document, including all its parts, attachments, and any Amendments.

STATE means the Using Governmental Unit(s) identified on the Cover Page.

SUBCONTRACTOR means any person having a contract to perform work or render service to Contractor as a part of the Contractor's agreement arising from this solicitation.

USING GOVERNMENTAL UNIT means the unit(s) of government identified as such on the Cover Page. If the Cover Page names a Statewide Term Contract as the Using Governmental Unit, the Solicitation seeks to establish a Term Contract [11-35-310(35)] open for use by all South Carolina Public Procurement Units [11-35-4610(5)].

WORK means all labor, materials, equipment and services provided or to be provided by the Contractor to fulfill the Contractor's obligations under the Contract.

[02-2A003-1]

### **AMENDMENTS TO SOLICITATION (JAN 2004)**

(a) The Solicitation may be amended at any time prior to opening. All actual and prospective Offerors should monitor the following web site for the issuance of Amendments: [www.procurement.sc.gov](http://www.procurement.sc.gov) (b) Offerors shall acknowledge receipt of any amendment to this solicitation (1) by signing and returning the amendment, (2) by identifying the amendment number and date in the space provided for this purpose on Page Two, (3) by letter, or (4) by submitting a bid that indicates in some way that the bidder received the amendment. (c) If this solicitation is amended, then all terms and conditions which are not modified remain unchanged. [02-2A005-1]

### **AWARD NOTIFICATION (NOV 2007)**

Notice regarding any award or cancellation of award will be posted at the location specified on the Cover Page. If the contract resulting from this Solicitation has a total or potential value of fifty thousand dollars or more, such notice will be sent to all Offerors responding to the Solicitation. Should the contract resulting from this Solicitation have a total or potential value of one hundred thousand

dollars or more, such notice will be sent to all Offerors responding to the Solicitation and any award will not be effective until the eleventh day after such notice is given. [02-2A010-1]

#### **BID/PROPOSAL AS OFFER TO CONTRACT (JAN 2004)**

By submitting Your Bid or Proposal, You are offering to enter into a contract with the Using Governmental Unit(s). Without further action by either party, a binding contract shall result upon final award. Any award issued will be issued to, and the contract will be formed with, the entity identified as the Offeror on the Cover Page. An Offer may be submitted by only one legal entity; "joint bids" are not allowed. [02-2A015-1]

#### **BID ACCEPTANCE PERIOD (JAN 2004)**

In order to withdraw Your Offer after the minimum period specified on the Cover Page, You must notify the Procurement Officer in writing. [02-2A020-1]

#### **BID IN ENGLISH and DOLLARS (JAN 2004)**

Offers submitted in response to this solicitation shall be in the English language and in US dollars, unless otherwise permitted by the Solicitation. [02-2A025-1]

#### **BOARD AS PROCUREMENT AGENT (JAN 2004)**

(a) Authorized Agent. All authority regarding the conduct of this procurement is vested solely with the responsible Procurement Officer. Unless specifically delegated in writing, the Procurement Officer is the only government official authorized to bind the government with regard to this procurement. (b) Purchasing Liability. The Procurement Officer is an employee of the Board acting on behalf of the Using Governmental Unit(s) pursuant to the Consolidated Procurement Code. Any contracts awarded as a result of this procurement are between the Contractor and the Using Governmental Units(s). The Board is not a party to such contracts, unless and to the extent that the board is a using governmental unit, and bears no liability for any party's losses arising out of or relating in any way to the contract. [02-2A030-1]

#### **CERTIFICATE OF INDEPENDENT PRICE DETERMINATION (MAY 2008)**

**GIVING FALSE, MISLEADING, OR INCOMPLETE INFORMATION ON THIS CERTIFICATION MAY RENDER YOU SUBJECT TO PROSECUTION UNDER SECTION 16-9-10 OF THE SOUTH CAROLINA CODE OF LAWS AND OTHER APPLICABLE LAWS.**

(a) By submitting an offer, the offeror certifies that-

(1) The prices in this offer have been arrived at independently, without, for the purpose of restricting competition, any consultation, communication, or agreement with any other offeror or competitor relating to-

(i) Those prices;

(ii) The intention to submit an offer; or

(iii) The methods or factors used to calculate the prices offered.

(2) The prices in this offer have not been and will not be knowingly disclosed by the offeror, directly or indirectly, to any other offeror or competitor before bid opening (in the case of a sealed bid solicitation) or contract award (in the case of a negotiated solicitation) unless otherwise required by law; and

(3) No attempt has been made or will be made by the offeror to induce any other concern to submit or not to submit an offer for the purpose of restricting competition.

(b) Each signature on the offer is considered to be a certification by the signatory that the signatory-

(1) Is the person in the offeror's organization responsible for determining the prices being offered in this bid or proposal, and that the signatory has not participated and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; or

(2)(i) Has been authorized, in writing, to act as agent for the offeror's principals in certifying that those principals have not participated, and will not participate in any action contrary to paragraphs (a)(1) through (a)(3) of this certification [As used in this subdivision (b)(2)(i), the term "principals" means the person(s) in the offeror's organization responsible for determining the prices offered in this bid or proposal];

(ii) As an authorized agent, does certify that the principals referenced in subdivision (b)(2)(i) of this certification have not participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification; and

(iii) As an agent, has not personally participated, and will not participate, in any action contrary to paragraphs (a)(1) through (a)(3) of this certification.

(c) If the offeror deletes or modifies paragraph (a)(2) of this certification, the offeror must furnish with its offer a signed statement setting forth in detail the circumstances of the disclosure. [02-2A032-1]

#### **CERTIFICATION REGARDING DEBARMENT AND OTHER RESPONSIBILITY MATTERS (JAN 2004)**

(a) (1) By submitting an Offer, Offeror certifies, to the best of its knowledge and belief, that-

(i) Offeror and/or any of its Principals-

(A) Are not presently debarred, suspended, proposed for debarment, or declared ineligible for the award of contracts by any state or federal agency;

(B) Have not, within a three-year period preceding this offer, been convicted of or had a civil judgment rendered against them for: commission of fraud or a criminal offense in connection with obtaining, attempting to obtain, or performing a public (Federal, state, or local) contract or subcontract; violation of Federal or state antitrust statutes relating to the submission of offers; or commission of embezzlement, theft, forgery, bribery, falsification or destruction of records, making false statements, tax evasion, or receiving stolen property; and

(C) Are not presently indicted for, or otherwise criminally or civilly charged by a governmental entity with, commission of any of the offenses enumerated in paragraph (a)(1)(i)(B) of this provision.

(ii) Offeror has not, within a three-year period preceding this offer, had one or more contracts terminated for default by any public (Federal, state, or local) entity.

(2) "Principals," for the purposes of this certification, means officers; directors; owners; partners; and, persons having primary management or supervisory responsibilities within a business entity (e.g., general manager; plant manager; head of a subsidiary, division, or business segment, and similar positions).

(b) Offeror shall provide immediate written notice to the Procurement Officer if, at any time prior to contract award, Offeror learns that its certification was erroneous when submitted or has become erroneous by reason of changed circumstances.

(c) If Offeror is unable to certify the representations stated in paragraphs (a)(1), Offer must submit a written explanation regarding its inability to make the certification. The certification will be considered in connection with a review of the Offeror's responsibility. Failure of the Offeror to furnish additional information as requested by the Procurement Officer may render the Offeror nonresponsible.

(d) Nothing contained in the foregoing shall be construed to require establishment of a system of records in order to render, in good faith, the certification required by paragraph (a) of this provision.

The knowledge and information of an Offeror is not required to exceed that which is normally possessed by a prudent person in the ordinary course of business dealings.

(e) The certification in paragraph (a) of this provision is a material representation of fact upon which reliance was placed when making award. If it is later determined that the Offeror knowingly or in bad faith rendered an erroneous certification, in addition to other remedies available to the State, the Procurement Officer may terminate the contract resulting from this solicitation for default.

[02-2A035-1]

#### **CODE OF LAWS AVAILABLE (JAN 2006)**

The South Carolina Code of Laws, including the Consolidated Procurement Code, is available at: <http://www.scstatehouse.gov/code/statmast.php>

The South Carolina Regulations are available at: <http://www.scstatehouse.gov/coderegs/statmast.php>

[02-2A040-2]

#### **COMPLETION OF FORMS/CORRECTION OF ERRORS (JAN 2006)**

All prices and notations should be printed in ink or typewritten. Errors should be crossed out, corrections entered and initialed by the person signing the bid. Do not modify the solicitation document itself (including bid schedule). (Applicable only to offers submitted on paper.) [02-2A045-1]

#### **DISCLOSURE OF CONFLICTS OF INTEREST OR UNFAIR COMPETITIVE ADVANTAGE (MAY 2011)**

You warrant and represent that your offer identifies and explains any unfair competitive advantage you may have in competing for the proposed contract and any actual or potential conflicts of interest that may arise from your participation in this competition or your receipt of an award. The two underlying principles are (a) preventing the existence of conflicting roles that might bias a contractor's judgment, and (b) preventing an unfair competitive advantage. If you have an unfair competitive advantage or a conflict of interest, the state may withhold award. Before withholding award on these grounds, an offeror will be notified of the concerns and provided a reasonable opportunity to respond. Efforts to avoid or mitigate such concerns, including restrictions on future activities, may be considered. [02-2A047-1]

#### **DEADLINE FOR SUBMISSION OF OFFER (JAN 2004)**

Any offer received after the Procurement Officer of the governmental body or his designee has declared that the time set for opening has arrived, shall be rejected unless the offer has been delivered to the designated purchasing office or the governmental bodies mail room which services that purchasing office prior to the bid opening. [R.19-445.2070(H)] [02-2A050-1]

#### **DRUG FREE WORK PLACE CERTIFICATION (JAN 2004)**

By submitting an Offer, Contractor certifies that, if awarded a contract, Contractor will comply with all applicable provisions of The Drug-free Workplace Act, Title 44, Chapter 107 of the South Carolina Code of Laws, as amended. [02-2A065-1]

#### **DUTY TO INQUIRE (JAN 2006)**

Offeror, by submitting an Offer, represents that it has read and understands the Solicitation and that its Offer is made in compliance with the Solicitation. Offerors are expected to examine the Solicitation thoroughly and should request an explanation of any ambiguities, discrepancies, errors, omissions, or conflicting statements in the Solicitation. Failure to do so will be at the Offeror's risk. Offeror assumes responsibility for any patent ambiguity in the Solicitation that Offeror does not bring to the State's

attention. [02-2A070-1]

#### **ETHICS CERTIFICATE (MAY 2008)**

By submitting an offer, the offeror certifies that the offeror has and will comply with, and has not, and will not, induce a person to violate Title 8, Chapter 13 of the South Carolina Code of Laws, as amended (ethics act). The following statutes require special attention: Section 8-13-700, regarding use of official position for financial gain; Section 8-13-705, regarding gifts to influence action of public official; Section 8-13-720, regarding offering money for advice or assistance of public official; Sections 8-13-755 and 8-13-760, regarding restrictions on employment by former public official; Section 8-13-775, prohibiting public official with economic interests from acting on contracts; Section 8-13-790, regarding recovery of kickbacks; Section 8-13-1150, regarding statements to be filed by consultants; and Section 8-13-1342, regarding restrictions on contributions by contractor to candidate who participated in awarding of contract. The state may rescind any contract and recover all amounts expended as a result of any action taken in violation of this provision. If contractor participates, directly or indirectly, in the evaluation or award of public contracts, including without limitation, change orders or task orders regarding a public contract, contractor shall, if required by law to file such a statement, provide the statement required by Section 8-13-1150 to the procurement officer at the same time the law requires the statement to be filed. [02-2A075-2]

#### **OMIT TAXES FROM PRICE (JAN 2004)**

Do not include any sales or use taxes in Your price that the State may be required to pay. [02-2A080-1]

#### **PROTESTS (JUNE 2006)**

Any prospective bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the solicitation of a contract shall protest within fifteen days of the date of issuance of the applicable solicitation document at issue. Any actual bidder, offeror, contractor, or subcontractor who is aggrieved in connection with the intended award or award of a contract shall protest within ten days of the date notification of award is posted in accordance with this code. A protest shall be in writing, shall set forth the grounds of the protest and the relief requested with enough particularity to give notice of the issues to be decided, and must be received by the appropriate Chief Procurement Officer within the time provided. See clause entitled "Protest-CPO". [Section 11-35-4210] [02-2A085-1]

#### **PUBLIC OPENING (JAN 2004)**

Offers will be publicly opened at the date/time and at the location identified on the Cover Page, or last Amendment, whichever is applicable. [02-2A090-1]

#### **QUESTIONS FROM OFFERORS (JAN 2004)**

(a) Any prospective offeror desiring an explanation or interpretation of the solicitation, drawings, specifications, etc., must request it in writing. Questions must be received by the Procurement Officer no later than five (5) days prior to opening unless otherwise stated on the Cover Page. Label any communication regarding your questions with the name of the procurement officer, and the solicitation's title and number. Oral explanations or instructions will not be binding. Any information given a prospective offeror concerning a solicitation will be furnished promptly to all other prospective offerors as an Amendment to the solicitation, if that information is necessary for submitting offers or if the lack of it would be prejudicial to other prospective offerors. (b) The State seeks to permit maximum practicable competition. Offerors are urged to advise the Procurement Officer -- as soon as possible -- regarding any aspect of this procurement, including any aspect of the Solicitation that unnecessarily or inappropriately limits full and open competition. [02-2A095-1]

#### **REJECTION/CANCELLATION (JAN 2004)**

The State may cancel this solicitation in whole or in part. The State may reject any or all proposals in whole or in part. [SC Code Section 11-35-1710 & R.19-445.2065] [02-2A100-1]

#### **RESPONSIVENESS/IMPROPER OFFERS (JAN 2004)**

(a) Bid as Specified. Offers for supplies or services other than those specified will not be considered unless authorized by the Solicitation.

(b) Multiple Offers. Offerors may submit more than one Offer, provided that each Offer has significant differences other than price. Each separate Offer must satisfy all Solicitation requirements. If this solicitation is an Invitation for Bids, each separate offer must be submitted as a separate document. If this solicitation is a Request for Proposals, multiple offers may be submitted as one document, provided that you clearly differentiate between each offer and you submit a separate cost proposal for each offer, if applicable.

(c) Responsiveness. Any Offer which fails to conform to the material requirements of the Solicitation may be rejected as nonresponsive. Offers which impose conditions that modify material requirements of the Solicitation may be rejected. If a fixed price is required, an Offer will be rejected if the total possible cost to the State cannot be determined. Offerors will not be given an opportunity to correct any material nonconformity. Any deficiency resulting from a minor informality may be cured or waived at the sole discretion of the Procurement Officer. [R.19-445.2070 and Section 11-35-1520(13)]

(d) Price Reasonableness: Any offer may be rejected if the Procurement Officer determines in writing that it is unreasonable as to price. [R. 19-445.2070].

(e) Unbalanced Bidding. The State may reject an Offer as nonresponsive if the prices bid are materially unbalanced between line items or subline items. A bid is materially unbalanced when it is based on prices significantly less than cost for some work and prices which are significantly overstated in relation to cost for other work, and if there is a reasonable doubt that the bid will result in the lowest overall cost to the State even though it may be the low evaluated bid, or if it is so unbalanced as to be tantamount to allowing an advance payment.  
[02-2A105-1]

#### **RESTRICTIONS APPLICABLE TO OFFERORS (JAN 2004)**

Violation of these restrictions may result in disqualification of your offer, suspension or debarment, and may constitute a violation of the state Ethics Act. (a) After issuance of the solicitation, ***you agree not to discuss this procurement activity in any way with the Using Governmental Unit or its employees, agents or officials*** All communications must be solely with the Procurement Officer. This restriction may be lifted by express written permission from the Procurement Officer. This restriction expires once a contract has been formed. (b) Unless otherwise approved in writing by the Procurement Officer, ***you agree not to give anything to any Using Governmental Unit or its employees, agents or officials prior to award.*** [02-2A110-1]

#### **SIGNING YOUR OFFER (JAN 2004)**

Every Offer must be signed by an individual with actual authority to bind the Offeror. (a) If the Offeror is an individual, the Offer must be signed by that individual. If the Offeror is an individual doing business as a firm, the Offer must be submitted in the firm name, signed by the individual, and state that the individual is doing business as a firm. (b) If the Offeror is a partnership, the Offer must be submitted in the partnership name, followed by the words by its Partner, and signed by a general partner. (c) If the Offeror is a corporation, the Offer must be submitted in the corporate name, followed by the signature and title of the person authorized to sign. (d) An Offer may be submitted by a joint venturer involving any combination of individuals, partnerships, or corporations. If the Offeror is a joint venture, the Offer must be submitted in the name of the Joint Venture and signed by every participant in the joint venture in the manner prescribed in paragraphs (a) through (c) above for each type of participant. (e) If an Offer is signed by an agent, other than as stated in subparagraphs (a) through (d) above, the Offer must state that is has been signed by an Agent. Upon request, Offeror must provide proof of the agent's authorization to bind the principal. [02-2A115-1]

## **STATE OFFICE CLOSINGS (JAN 2004)**

If an emergency or unanticipated event interrupts normal government processes so that offers cannot be received at the government office designated for receipt of bids by the exact time specified in the solicitation, the time specified for receipt of offers will be deemed to be extended to the same time of day specified in the solicitation on the first work day on which normal government processes resume. In lieu of an automatic extension, an Amendment may be issued to reschedule bid opening. If state offices are closed at the time a pre-bid or pre-proposal conference is scheduled, an Amendment will be issued to reschedule the conference. Useful information may be available at:

<http://scecmd.org/index.php/departments/response/severe-winter-weather>  
[02-2A120-2]

## **SUBMITTING CONFIDENTIAL INFORMATION (AUG 2002)**

(An overview is available at [www.procurement.sc.gov](http://www.procurement.sc.gov)) For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "CONFIDENTIAL" every page, or portion thereof, that Offeror contends contains information that is exempt from public disclosure because it is either (a) a trade secret as defined in Section 30-4-40(a)(1), or (b) privileged and confidential, as that phrase is used in Section 11-35-410. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the words "TRADE SECRET" every page, or portion thereof, that Offeror contends contains a trade secret as that term is defined by Section 39-8-20 of the Trade Secrets Act. For every document Offeror submits in response to or with regard to this solicitation or request, Offeror must separately mark with the word "PROTECTED" every page, or portion thereof, that Offeror contends is protected by Section 11-35-1810. All markings must be conspicuous; use color, bold, underlining, or some other method in order to conspicuously distinguish the mark from the other text. Do not mark your entire response (bid, proposal, quote, etc.) as confidential, trade secret, or protected. If your response, or any part thereof, is improperly marked as confidential or trade secret or protected, the State may, in its sole discretion, determine it nonresponsive. If only portions of a page are subject to some protection, do not mark the entire page. By submitting a response to this solicitation or request, Offeror (1) agrees to the public disclosure of every page of every document regarding this solicitation or request that was submitted at any time prior to entering into a contract (including, but not limited to, documents contained in a response, documents submitted to clarify a response, and documents submitted during negotiations), unless the page is conspicuously marked "TRADE SECRET" or "CONFIDENTIAL" or "PROTECTED", (2) agrees that any information not marked, as required by these bidding instructions, as a "Trade Secret" is not a trade secret as defined by the Trade Secrets Act, and (3) agrees that, notwithstanding any claims or markings otherwise, any prices, commissions, discounts, or other financial figures used to determine the award, as well as the final contract amount, are subject to public disclosure. In determining whether to release documents, the State will detrimentally rely on Offeror's marking of documents, as required by these bidding instructions, as being either "Confidential" or "Trade Secret" or "PROTECTED". By submitting a response, Offeror agrees to defend, indemnify and hold harmless the State of South Carolina, its officers and employees, from every claim, demand, loss, expense, cost, damage or injury, including attorney's fees, arising out of or resulting from the State withholding information that Offeror marked as "confidential" or "trade secret" or "PROTECTED". (All references to S.C. Code of Laws.) [02-2A125-1]

## **SUBMITTING YOUR OFFER OR MODIFICATION (JAN 2004)**

(a) Offers and offer modifications shall be submitted in sealed envelopes or packages (unless submitted by electronic means) - (1) Addressed to the office specified in the Solicitation; and (2) Showing the time and date specified for opening, the solicitation number, and the name and address of the bidder. (b) If you are responding to more than one solicitation, each offer must be submitted in a different envelope or package. (c) Each Offeror must submit the number of copies indicated on the Cover Page. (d) Offerors using commercial carrier services shall ensure that the Offer is addressed and marked on the outermost envelope or wrapper as prescribed in paragraphs (a)(1) and (2) of this provision when delivered to the office specified in the Solicitation. (e) Facsimile or e-mail offers, modifications, or withdrawals, will not be considered unless authorized by the Solicitation. (f) Offers submitted by electronic commerce shall be considered only if the electronic commerce method was specifically

stipulated or permitted by the solicitation. [02-2A130-1]

### **TAX CREDIT FOR SUBCONTRACTING WITH DISADVANTAGED SMALL BUSINESSES (JAN 2008)**

Pursuant to Section 12-6-3350, a taxpayer having a contract with this State who subcontracts with a socially and economically disadvantaged small business is eligible for an income tax credit equal to four percent of the payments to that subcontractor for work pursuant to the contract. The subcontractor must be certified as a socially and economically disadvantaged small business as defined in Section 11-35-5010 and regulations pursuant to it. The credit is limited to a maximum of fifty thousand dollars annually. A taxpayer is eligible to claim the credit for ten consecutive taxable years beginning with the taxable year in which the first payment is made to the subcontractor that qualifies for the credit. After the above ten consecutive taxable years, the taxpayer is no longer eligible for the credit. A taxpayer claiming the credit shall maintain evidence of work performed for the contract by the subcontractor. The credit may be claimed on Form TC-2, "Minority Business Credit." A copy of the subcontractor's certificate from the Governor's Office of Small and Minority Business (OSMBA) is to be attached to the contractor's income tax return. Questions regarding the tax credit and how to file are to be referred to: SC Department of Revenue, Research and Review, Phone: (803) 898-5786, Fax: (803) 898-5888. Questions regarding subcontractor certification are to be referred to: Governor's Office of Small and Minority Business Assistance, Phone: (803) 734-0657, Fax: (803) 734-2498. [02-2A135-1]

### **TAXPAYER IDENTIFICATION NUMBER (JAN 2004)**

(a) If Offeror is owned or controlled by a common parent as defined in paragraph (b) of this provision, Offeror shall submit with its Offer the name and TIN of common parent.

(b) Definitions: "Common parent," as used in this provision, means that corporate entity that owns or controls an affiliated group of corporations that files its Federal income tax returns on a consolidated basis, and of which the offeror is a member. "Taxpayer Identification Number (TIN)," as used in this provision, means the number required by the Internal Revenue Service (IRS) to be used by the offeror in reporting income tax and other returns. The TIN may be either a Social Security Number or an Employer Identification Number.

(c) If Offeror does not have a TIN, Offeror shall indicate if either a TIN has been applied for or a TIN is not required. If a TIN is not required, indicate whether (i) Offeror is a nonresident alien, foreign corporation, or foreign partnership that does not have income effectively connected with the conduct of a trade or business in the United States and does not have an office or place of business or a fiscal paying agent in the United States; (ii) Offeror is an agency or instrumentality of a state or local government; (iii) Offeror is an agency or instrumentality of a foreign government; or (iv) Offeror is an agency or instrumentality of the Federal Government. [02-2A140-1]

### **VENDOR REGISTRATION MANDATORY (JAN 2006)**

You must have a state vendor number to be eligible to submit an offer. To obtain a state vendor number, visit [www.procurement.sc.gov](http://www.procurement.sc.gov) and select New Vendor Registration. (To determine if your business is already registered, go to "Vendor Search"). Upon registration, you will be assigned a state vendor number. Vendors must keep their vendor information current. If you are already registered, you can update your information by selecting Change Vendor Registration. (Please note that vendor registration does not substitute for any obligation to register with the S.C. Secretary of State or S.C. Department of Revenue. You can register with the agencies at <http://www.scbos.com/default.htm>) [02-2A145-1]

### **WITHDRAWAL OR CORRECTION OF OFFER (JAN 2004)**

Offers may be withdrawn by written notice received at any time before the exact time set for opening. If the Solicitation authorizes facsimile offers, offers may be withdrawn via facsimile received at any time before the exact time set for opening. A bid may be withdrawn in person by a bidder or its authorized representative if, before the exact time set for opening, the identity of the person requesting withdrawal is established and the person signs a receipt for the bid. The withdrawal and correction of

Offers is governed by S.C. Code Section 11-35-1520 and Regulation 19-445.2085. [02-2A150-1]

## II. INSTRUCTIONS TO OFFERORS -- B. SPECIAL INSTRUCTIONS

### CONFERENCE - PRE-BID/PROPOSAL (JAN 2006)

Pre-Bid/Proposal Conference Date and Time: **08/13/2013 10:00 A.M.**

Location of Pre-Bid/Proposal Conference: **MMO Small Conference Room  
Capitol Center  
1201 Main Street, Suite 600  
Columbia, SC 29201**

Due to the importance of all offerors having a clear understanding of the specifications and requirements of this solicitation, a conference of potential offerors will be held on the date specified on the cover page. **Bring a copy of the solicitation with you.** Any changes resulting from this conference will be noted in a written amendment to the solicitation. Your failure to attend will not relieve the Contractor from responsibility for estimating properly the difficulty and cost of successfully performing the work, or for proceeding to successfully perform the work without additional expense to the State. The State assumes no responsibility for any conclusions or interpretations made by the Contractor based on the information made available at the conference. Nor does the State assume responsibility for any understanding reached or representation made concerning conditions which can affect the work by any of its officers or agents before the execution of this contract, unless that understanding or representation is expressly stated in this contract. [02-2B025-1]

**This solicitation includes a NON-Mandatory Pre-Proposal Conference. While attendance is not required, offerors are strongly encouraged to attend and participate. The purpose of the Pre-Proposal is to identify items that are in error, unclear, or unduly restrictive.**

**All conference attendees should read the solicitation and develop their questions in preparation for the conference. The pace of the conference will NOT afford individuals enough time to complete an initial review of the document during the conference.**

### CONTENTS OF OFFER (RFP) -- SPO (JAN 2006)

- (a) Offers should be complete and carefully worded and should convey all of the information requested.
  - (b) Offers should be prepared simply and economically, providing a straightforward, concise description of offeror's capabilities to satisfy the requirements of the RFP. Emphasis should be on completeness and clarity of content.
  - (c) Each copy of your offer should be bound in a single volume where practical. All documentation submitted with your offer should be bound in that single volume.
  - (d) If your offer includes any comment over and above the specific information requested in the solicitation, you are to include this information as a separate appendix to your offer. Offers which include either modifications to any of the solicitation's contractual requirements or an offeror's standard terms and conditions may be deemed non-responsive and not considered for award.
- [02-2B040-1]

### CLARIFICATION (NOV 2007)

Pursuant to Section 11-35-1520(8), the Procurement Officer may elect to communicate with you after opening for the purpose of clarifying either your offer or the requirements of the solicitation. Such communications may be conducted only with offerors who have submitted an offer which obviously conforms in all material aspects to the solicitation. Clarification of an offer must be documented in writing and included with the offer. Clarifications may not be used to revise an offer or the

solicitation. [Section 11-35-1520(8); R.19-445.2080] [02-2B055-1]

### **DISCUSSIONS and NEGOTIATIONS (NOV 2007)**

Submit your best terms from a cost or price and from a technical standpoint. Your proposal may be evaluated and your offer accepted without any discussions, negotiations, or prior notice. Ordinarily, nonresponsive proposals will be rejected outright. Nevertheless, the State may elect to conduct discussions, including the possibility of limited proposal revisions, but only for those proposals reasonably susceptible of being selected for award. If improper revisions are submitted, the State may elect to consider only your unrevised initial proposal. [11-35-1530(6); R.19-445.2095(I)] The State may also elect to conduct negotiations, beginning with the highest ranked offeror, or seek best and final offers, as provided in Section 11-35-1530(8). If negotiations are conducted, the State may elect to disregard the negotiations and accept your original proposal. [02-2B060-1]

### **MAIL PICKUP (JAN 2006)**

The State Procurement Office picks up all mail from The US Postal Service once daily around 8:30 a.m. (excluding weekends and holidays). See provision entitled Deadline for Submission of Offer. [02-2B080-1]

### **MAGNETIC MEDIA -- REQUIRED FORMAT (JAN 2006)**

As noted on the cover page, an original hard copy of your offer must be accompanied by the specified number of copies in the following electronic format: compact disk (CD) in one of the following formats: **CD-R; DVD ROM; DVD-R; or DVD+R** Formats such as CD-RW, DVD-RAM, DVD-RW, DVD-+RW, or DVIX **are not acceptable** and will result in the Offeror's proposal being rejected. Every CD must be labeled with offeror's name, solicitation number, and specify whether contents address technical proposal or business proposal. If multiple CD sets are provided, each CD in the set must be appropriately identified as to its relationship to the set, e.g., 1 of 2. Each CD must be identical to the original hard copy. **File format shall be MS Word 97 or later.** [02-2B070-1]

### **OPENING PROPOSALS -- PRICES NOT DIVULGED (JAN 2006)**

In competitive sealed proposals, prices will not be divulged at opening. [Section 11-35-1530 & R. 19-445.2095(c) (1)] [02-2B110-1]

### **PROTEST - CPO - MMO ADDRESS**

Any protest must be addressed to the Chief Procurement Officer, Materials Management Office, and submitted in writing

(a) by email to [protest-mmo@mmo.state.sc.us](mailto:protest-mmo@mmo.state.sc.us) ,

(b) by post or delivery to 1201 Main Street, Suite 600, Columbia, SC 29201.

### III. SCOPE OF WORK/SPECIFICATIONS

#### ACRONYMS / MEANINGS

SCDMV - South Carolina Department of Motor Vehicles  
SCEIS - South Carolina Enterprise Information System  
ECC - Enterprise Core Component  
SRM - Supplier Relationship Management  
CVR - Computerized Vehicle Registration  
EVR- Electronic Vehicle Registration  
RFP – Request for Proposal  
SCDOT – South Carolina Department of Transportation  
SCDOC – South Carolina Department of Corrections  
CSR – Customer Service Representative  
Phoenix – Agency’s core system  
USPS – United States Postal Service

#### **1.0 Introduction**

As part of its core mission, the South Carolina Department of Motor Vehicles (SCDMV) is responsible for the design, manufacture and distribution of vehicle license plates. At present time, SCDMV produces more than 371 different types of plates including standard issue plates, personalized plates and specialty plates. License plates in SC are generally replaced on a 6 year cycle, funding permitted. SCDMV intends to transition to an age-based plate replacement cycle, instead of a general reissue; however, the offeror needs to be prepared to accommodate the next general issue to take place during the biennial renewal period of 2014 and 2015. During this period, approximately 3,000,000 license plates will need to be created and delivered to SCDMV customers by mail.

SCDMV expects cost savings and improvements in customer service compared to the current digitized plate process to include but not limited to:

- Electronic flow improvement (automating manual ordering processes)
- Inventory management Production and Distribution
- Labor efficiencies
- Application of new technology

It is SCDMV's intent to award a contract to a qualified offeror for the design, manufacture and distribution of vehicle license plates. Offerors are encouraged to review the information in this proposal that spells out our current manufacturing process, our current cost structure and specifications on the plates that we now produce. With this information, offerors are invited to evaluate our current processes and propose a solution that will, among other things:

- Reduce costs associated with the manufacture and distribution of license plates
- Improve customer service by reducing delivery times
- Reduce inventory costs and other costs associated with the management of license plates
- Improve customer service by providing more design and ordering options for personalized and specialty plates
- Improve current inventory management of license plates

Offerors are encouraged to propose solutions that either improve our current manufacturing process of digital plates or replace these systems with new plate production technology.

- At a minimum, offerors must propose to produce plates and deliver these plates both to SCDMV facilities and directly to individual and business customers.
- Additionally, offerors shall propose to assume any and all other duties related to the storage, inventory management, distribution and mailing of plates. Offerors shall fully describe their plans to perform these duties and explain the benefits to be realized by the state.
- The solution should include end-to-end logistics specifications including but not limited to costs and procedures associated with requirements development, production of plates, distribution to the customer, reutilization of unusable plates, and an ability to reconcile the inventory throughout the process.

Detailed requirements, current process flows and current costs for the production of license plates are provided in the following sections.

## 2.0 Current License Plate Production Process

### 2.1 General process

SCDMV currently provides digital license plates by way of 3<sup>rd</sup> party vendor.

Some plate types are manufactured and mailed to the branch offices based on re-order points. These plates are stocked in branch offices for immediate availability to the walk-in customer.

Some plate types are manufactured on an as-needed basis and mailed directly to the customer with decals and registrations by the 3<sup>rd</sup> party vendor. These plates are either ordered through our field offices or by the customer from our website or through the mail. All offeror proposals must allow for the continued production of plates, regardless of the specific technology proposed, by the SCDOC at the SCDOC site.

- A. Current process for **stocked** plates
  1. SCDMV sets the reorder point for each plate class stocked at SCDMV facilities. SCDMV acknowledges the reorder point may differ for each SCDMV facility.
  2. Once the field office inventory is depleted to the reorder point, the vendor auto-ships reorder quantity to SCDMV facilities. Vendor is responsible for establishing the re-order quantity using sales volume and trend analysis. SCDMV will validate re-order quantities.
  3. Vendor will adjust re-order quantities as necessary based on changing demand.
  
- B. Current process for “**on demand**” plates (includes orders placed through field offices, mail and web)
  1. Customer completes application and remits payment for plate via public website, at SCDMV branch office, or mails it to SCDMV Headquarters.
  2. SCDMV submits plate order to the plate vendor via a nightly batch file.
  3. Vendor assigns plate number based on SCDMV provided seed number, unless the customer or SCDMV specifies a specific tag number and/or display format. SCDMV sends display text for personalized tags, plate remakes, and for reissuing a tag with exactly the same plate text.
  4. Vendor produces plate and mails plate with registration and decals to customer.
  5. Vendor is required to reconcile with SCDMV the number of plates produced and shipped by sending a nightly batch file. The report will include at a minimum the plate number and the issue date.
  6. SCDMV cross references the batch file and updates registration records to reflect plate number issued and issue date.
  
- C. Current process for **stocked plates** issued from Warehouse Supply Management
 

SCDMV reserves the authority to withhold certain categories of plates or specific plates from vendor stocking. Therefore, SCDMV currently directs plate production quantities and the plate details to the vendor. The vendor produces and delivers the necessary quantities to SCDMV, and the SCDMV Warehouse Supply Management distributes the plates to the appropriate field offices.

SCDMV accepts distribution responsibility for this category of plates as long as SCDMV stocks and distributes these select plate classes; however, SCDMV intends for the selected vendor to take over inventory management of all plates, including the category of plates described in this section, at some point in the near future.

The process is as follows:

1. When the Field Manager needs additional plate inventory, the Field Office Manager will place an order in SCEIS using SRM and obtain the proper approvals from the Warehouse Supply Management personnel via ECC in SCEIS.
2. Upon notification from the Field Office Manager that the office needs additional inventory, SCDMV Warehouse Supply Management personnel will perform the following tasks:
  - Research field office request for plates using the plate history and existing quantities on hand;
  - Process the request for plates in Phoenix using the New Office Order and in SCEIS by completing a Goods Receipt;
  - Process the order for distribution to the appropriate Field Office
3. SCDMV Warehouse Supply Management electronically orders plates supplied by the warehouse to the field offices through an order placed in SCDMV's Phoenix software, using the New Vendor Order transactions and Office Code #5555.
4. The Vendor manufactures and delivers subject plates to the SCDMV warehouse
5. SCDMV Warehouse Supply Management staff will post the receipt of plates into Phoenix using the Receive Vendor Order transaction and also into SCEIS under Goods Receipt transaction.
6. The Field Office Manager will receive the plate order into Phoenix using the Receive Office Order and send a copy of the signed Bill of Lading to the Warehouse Supply Management personnel via fax.

## **2.2 Specialty Plates**

### A. Personalized plates

Current process:

1. Customer completes application form and submits it either personally at a SCDMV branch office or mails it with payment to SCDMV Headquarters.
2. The Personalized License Plate Office receives and processes the completed application and payment for a personalized plate.
3. Personalized plate office CSR checks in Phoenix to assure availability and acceptability of plate text.
4. If plate text is not available or acceptable CSR sends letter to the customer with the payment explaining why his/her selection is not available
5. If the plate text is available, the CSR reserves the personalized plate text, processes the registration transaction, which initiates the plate order with the vendor.
6. The Vendor manufactures the plate and mails directly to the customer with the registration and decals.
7. The Vendor sends a file to SCDMV confirming the plates mailed to customers
8. SCDMV updates Phoenix to reflect that the plate has been issued.

9. SCDMV reconciles the file of mailed plates against the revenues collected for sold plates as reflected in Phoenix.

#### B. Half-Year Truck and all Dealer Plates Production Process

Half-Year Truck Plates are issued twice a year; initial shipments to Field Offices and Headquarter Sections are performed in February for plates expiring on 3/31 and in August for plates expiring on 9/30. In December of each year the initial shipment for Dealer Plates is executed.

##### Current Process:

1. Inventory Supply Management staff electronically orders the Half-Year Truck and Dealer Plates through Phoenix using New Vendor Order and Office #5555 based on usage levels in each Field Office.
2. Vendor manufactures and delivers plates to the SCDMV Warehouse
3. Inventory Supply Management staff receives the plates into Phoenix using Receive Vendor Order and into SCEIS under Goods Receipt
4. When initiating a new or initial plate issue, the Warehouse Supply Management personnel will do a New Office Order in Phoenix and a Goods Issue in SCEIS
5. When replenishing existing plate inventory, the Field Office manager will place an order in SCEIS using SRM. The Warehouse Supply Management personnel researches the plate request using plate history in Phoenix, verifies existing on-hand quantities, annotates approval of the order via ECC in SCEIS, and processes the plates for shipment to the designated Field Office.

#### C. Commission and Official Plates

Commission and official plates are ordered using the same procedures; however, the delivery methods for these plates differ. Commission plates are delivered directly to the customer, while the official plates are delivered to SCDMV.

##### Current Process:

1. Customer completes application form and mails it with payment to SCDMV Headquarters.
2. The Personalized License Plate Office receives the completed application.
3. Personalized License Plate Office verifies the plate applicant form is eligible and processes the registration transaction.
4. The registration transaction initiates an order authorizing the vendor to manufacture the plate.
5. SCDMV sends registration/plate order to vendor in a nightly data file. This data file includes as a minimum the specific plate class and plate text to be manufactured.
6. The Vendor manufactures the plate.
7. Distribution of Commission and Official Plates requires the vendor to perform the following functions:
  - a. mail Commission plates, the registrations and decals directly to the customer
  - b. deliver the official plates and registrations to the SCDMV Personalized License Plate office. Official plates with a plate design inclusive of the year do NOT require a decal.
8. The Vendor sends data file to SCDMV confirming the plate was manufactured and mailed to either the customer or to the Personalized License Plate Office.
9. SCDMV updates Phoenix to reflect the plates manufactured and either mailed to the customer (commission plates) or delivered to the Personalized License Plate Office.
10. Personalized License Plate Office coordinates delivery of official plates to the customer.

#### D. Reserved Special Plates

Reserved Special Plates are plates requested as needed by Sections within SCDMV Headquarters and do not use a reorder point system.

##### Current Process

1. SCDMV Special Plate Section sends an email to the Warehouse Supply Management personnel to request the manufacture of a plate from the reserve plate group.
2. Warehouse Supply Management staff places the plate on order electronically through Phoenix using New Vendor Order and Office #5555.
3. The Vendor manufactures the plates and delivers the plates to the SCDMV Warehouse.
4. The Warehouse Supply Personnel receives the plates into Phoenix using Received Vendor Order, processes the plates into SCEIS using New Office Order and delivers the plates the SCDMV Titles and Registration Section within SCDMV Headquarters.

NOTE: At some point in the near future, the Vendor will send the plates produced under this process directly to the customer.

#### E. Plate Remakes

Plate remakes are plates reproduced with a specific plate number. The plate remakes are requested as needed by Sections within SCDMV headquarters and do not use a reorder point system.

#### Current Process

1. Titles and Registration Section within SCDMV Headquarters sends an email to the Vendor requesting a remake of specific plate.
2. The Vendor manufactures and delivers the plates to the SCDMV Warehouse.
3. Supply Specialist within Inventory Supply Management delivers the plates to the Titles and Registration Section within SCDMV Headquarters.

Or

1. Personalized plate unit initiates a plate remake order through Phoenix.
2. The Phoenix batch process generates a data file transmitted to the Vendor.
3. After manufacturing the plates, the Vendor then delivers the plates to the SCDMV Warehouse.
4. Supply Specialist within Inventory Supply Management delivers the plates to the Titles and Registration Section within SCDMV Headquarters.

NOTE: At some point in the near future, the Vendor will send the plates produced under this process directly to the customer.

#### F. Special Plates requested by Titles and Registration

These Plates are requested as needed by Sections within SCDMV Headquarters and are not issued by a standard reorder point inventory system, but as on hand inventory managed as individual sections run low.

#### Current Process

1. Titles and Registration places an order in SCEIS using Supplier Relationship Management (SRM).
2. The Warehouse Supply Management personnel receives, researches and approves the plate order via Enterprise Core Component (ECC) in SCEIS
3. The Warehouse Supply Management personnel place the order electronically using Phoenix New Vendor Order and Office #5555.
4. The Vendor manufactures and delivers the plates to the SCDMV Warehouse.
5. The Warehouse Supply Management personnel receives the plates into Phoenix using Receive Vendor Order and into in SCEIS under Goods Receipt.
6. The Supply Specialist within Warehouse Supply Management pulls and processes the original order received via ECC in SCEIS and in Phoenix, and delivers the plates to the Titles and Registration Section within SCDMV Headquarters.

#### G. State Fleet Management, SCDOT

#### Current Process (Other State Agencies)

1. The Warehouse Supply Management personnel receive a plate request via fax from other State Agencies.
2. The Warehouse Supply Management personnel place the order electronically using

Phoenix New Vendor Order and Office #5555.

3. The Vendor manufactures and delivers the plates to the SCDMV Warehouse.
4. The Warehouse Supply Management personnel receives the plates into Phoenix using Receive Vendor Order and into SCEIS under Goods Receipt.
5. The Supply Specialist within Warehouse Supply Management pulls and processes the original order received via ECC in SCEIS and in Phoenix, and delivers the plates to the requesting agency.

H. Vehicle Registration business partners (EVR)

1. As of May 1, 2013, SCDMV has commissioned one EVR business partner to maintain and distribute plate and registration from inventory to dealerships. SCDMV is in the process of eliminating stock inventory at most dealerships.
2. In some cases, however, SCDMV reserves the option to allow a business entity to receive and distribute plate inventory. The offeror must be prepared to supply this inventory either directly to the EVR vendor or dealership, or directly to the SCDMV warehouse.

Current Process for stocked EVR inventory:

1. Supply Management receives a request from an EVR Vendor via email for plates not available or issued by a standard reorder point inventory system.
2. The Warehouse Supply Management personnel researches the requested plate quantities in Phoenix using EVR vendor Office number and emails the plate Vendor a requirement to ship the plates to the EVR vendor.

## **SCOPE OF WORK/SPECIFICATIONS**

### **3.0 Basic Services and System Functionality**

The Vendor shall perform the following basic services and functional requirements as a part of the proposed license plate production system.

#### **3.1 Graphic Design work**

##### **A. PLATES**

1. All Plates shall be manufactured in a flat digital process.
2. The Offeror shall be responsible for working with SCDMV staff in the design of all license plates (new and redesigned).
3. The Offeror shall express the design costs as a fixed cost per design and include the cost of this service in the cost proposal. The current vendor charges \$900 for a new plate design and \$300 for a modified plate design.
4. Offeror must be able to accept artwork in various formats such as JPEG.
5. Offeror must allow for special licensing of certain plate types (i.e., NASCAR) that require unique handling of graphics separately from the standard re-design process of other plate types. These plate designs must conform to copyright requirements for use and the offeror must have the ability to manufacture plate designs that conform to these requirements.
6. Offeror is responsible for the conversion of existing SCDMV plate designs into the offeror's standard digital image at no cost to SCDMV.

##### **B. REGISTRATION FORMS AND DECALS**

1. The offeror must be able to print registration forms and decals on demand, as specified later in this RFP.
2. The decals should be printed in black on a white reflective background.
3. The offeror must also be able to adapt the design of the registration form and decal to fit legislative and business requirements. This requirement could include changing the appearance of the decal every year for a four-year cycle without changing the black and white color

scheme, in order to assist law enforcement in distinguishing one year's expiration from another.

### **3.2 Plate Production**

- A. Offerors must propose a license plate production system or enhancements to our current system that will improve our overall process for manufacturing plates.
  - 1. The successful offeror will be responsible for overall operation and maintenance of the system used to produce SC license plates and the inventory management for those plates produced by the Department of Corrections.
  - 2. These plates must meet or exceed current industry standards for reflectivity, durability and performance.
  
- B. Based on current legislation, the design of the standard license plate will change in 2015 and probably every six (6) years thereafter.
  - 1. SCDMV intends to transition to an age-based plate replacement cycle, instead of a general reissue; however, the offeror needs to be prepared to accommodate either replacement model.
  - 2. In a general reissue, SCDMV will issue new plates to registered vehicle owners throughout the biennial renewal period in 2015.
  - 3. Approximately 3 million plates may be produced and issued during this timeframe.
  - 4. The offeror solutions must allow for the production of plates and the printing of vehicle registrations during this time period so that both the license plate and registration can be printed, processed, matched and mailed in a single envelope to SCDMV customers.
  - 5. Legislation requires that SCDMV also develop a standard plate design for all other plate classes; SCDMV will change the design on currently active plates when SCDMV begins to reissue the plate series to current plate holders. The reissue schedule for all plate classes will be developed in FY2014 and will be staggered based on the date when a plate first went into production. The specialty plate reissue schedule will also take into account the age of the plate.
  
- C. There may also be legislation that requires the SCDMV to produce souvenir plates for most plate classes, as well as for personalizing both souvenir plates and special organizational plates.
  - 1. Souvenir plates are NOT registered plates but can be displayed on the front of SC vehicles.
  - 2. The offeror must propose a solution for the manufacture of these souvenir plates that will enable electronic plate readers to clearly distinguish these plates as souvenir plates and not as official vehicle plates for the purpose of identifying the vehicle owner.
  - 3. The Vendor must also be able to personalize a standard specialty plate, using the standard template for that plate class with a text provided by SCDMV.

### **3.3 New Plate Approval Process**

- A. Offerors should be able to provide the following as it relates to plate production:
  - 1. Accept and convert submitted electronic plate design to usable format and JPEG.
  - 2. Provide electronic JPEG version of submitted design to SCDMV within 5-7 business days.
  - 3. Produce 5 sample plates of approved submitted designs within 7-10 business days after submission.
  - 4. Deliver Sample plates, official and special order plates to SCDMV within 3-5 business days.
  - 5. Provide separate cost for new design, design modifications such as text changes and/or total plate redesign.

### **3.4 Registration form and decal production**

- A. The offeror must also be able to print vehicle registration forms and renewal decals necessary to accompany plates mailed or shipped to customers. These registration forms fall into two categories:

1. Registration form with expiration *Month* and *Year* Decal:
  - a) The registration form must include all vehicle and owner data.
  - b) The peel and stick decals on the form must be manufactured in a way that allows the Month and Year to be printed during the registration print process.
  - c) The printed information should not fade in less than 1.5 years
  - d) The forms and decals must be tamper resistant.
  - e) The year decal shall require printing of a special image with the location determined by the expiration year.
  - f) Registration details are also printed in bar-code format using the PDF417 standard. SCDMV will format the specific bar-code text and pass the text to the vendor electronically for minor character substitution and printing.
  - g) Offeror software shall allow printing of a barcode on the Registration Card portion of the Registration form. The barcode shall meet PDF417 specifications.
  
2. Registration form *without* Decal:
  - a) Registration details are also printed in bar-code format using the PDF417 standard. SCDMV will format the specific bar-code text and pass the text to the vendor electronically for minor character substitution and printing.

### 3.5 Plate Distribution

#### A. Plates stocked in field office

1. Offerors shall propose a solution in which the offeror assumes the responsibility of accepting orders and shipping of designated stocked plates directly to current and future SCDMV facilities throughout the state.
2. Offerors shall describe plans for accepting orders from our offices and delivering plates in a timely manner so that no office finds itself short on stocked plates.
3. For plates delivered to SCDMV Branch Offices, the Offeror must maintain inventory levels for each office and provide for automatic shipments when the inventory reaches the reorder point.
4. Offerors shall provide a solution for packaging plates shipped to field offices in the most economical manner, while ensuring that all plates arrive in usable condition. Shipping boxes should be strong enough to protect plates from any damage. The Vendor shall be responsible for replacing plates damaged during the shipping process at no cost to SCDMV or its partners.
5. All orders shipped to field offices must be accompanied by a packing slip that lists the plate numbers in each box and the number of boxes in each shipment.
6. The Bill of Lading will accompany the plate shipment and include the quantity of plates by type included in the shipment.
7. Offerors shall provide SCDMV Warehouse notification of shipments to Field Offices/SCDMV Headquarters Sections. This notification should include but is not limited to the Office number for which the plates are being shipped and the type of plates included in the shipment (plate class).  
\*This process described above is the SCDMV's current process and should be continued for Inventory Management and Billing purposes.
8. Packaging for Plates Shipped to Field Offices and Sections:
  - a) Current process includes shipments to field offices in increments of 100 plates. For plate orders less than 100, the vendor backfills the box with Regular Plates (RP1) or In God We Trust (GT) plates to reach 100 plates, often resulting in excessive stock of these backfilled plates.
  - b) The offeror should provide a cost proposal for shipping small quantities of plates while still maintaining cost efficiency.
  - c) The shipping proposal should include options for shipping the following quantities of plates as required.
    - o 5-25 plates:
    - o 26-50 plates:
    - o 51-75 plates:
    - o 76-99 plates:

- B. Plates mailed directly to Customers
  1. Offerors shall propose a solution that provides for the manufacture and mailing of “on demand” plates (plates not stocked in offices, but ordered by customers through an office, the web, or by mail).
  2. Offerors shall mail plates ordered “on demand” within five business days from receiving the order through the SCDMV system.
  3. Plates mailed directly to customers must include a corresponding registration form and renewal decal or customer receipt where a registration form is not required.
- C. Seasonal or Atypical license plates
  1. Offeror must provide a process for supplying atypical license plates (Half-Year Truck and Dealer Plates) to all SCDMV’s Field Offices and Headquarters Sections.
  2. Using SCDMV’S plate history, offerors proposal must encompass a means of shipping and keeping track of atypical plates for the duration of their issuance throughout all Field Offices and Sections within Headquarters.
- D. Reserved Plates and Plate Remakes
  1. Offeror must provide a method to receive, manufacture and deliver orders of all Reserved Special Plates and all Plate Remakes initiated by SCDMV Headquarters Sections.
  2. The Offeror must provide a method of receiving electronic orders of plates ordered on a by-needed basis.
  3. The method of distribution the Offeror provides must also incorporate the destination of the requesting Section within SCDMV’s Headquarters.
- E. Special Plates Requested by SCDMV Sections within Headquarters
  1. Offeror must also provide a method to receive, manufacture and deliver orders of all for Special Plates requested by Sections within SCDMV Headquarters.
  2. The Offeror must provide a method of receiving electronic orders of plates ordered on a by-needed basis.
  3. The method of distribution the Offeror provides must also incorporate the destination of the requesting Section within SCDMV’s Headquarters
- F. Special Plates Requested by other state agencies (State Fleet and SCDOT)
  1. Offeror must also provide a method to receive, manufacture and deliver orders directly to other state agencies as needed.
  2. These state agencies stock these plates and request additional stock as inventory levels are depleted.
  3. These plates may not follow a standard reorder point, as plate requests can vary seasonally according to vehicle purchases.
  4. The Offeror must be able to accept electronic orders from the requesting agency.
  5. The method of distribution the Offeror provides must also incorporate the destination of the requesting state agency.
- G. Electronic Vehicle Registration (EVR) Program
  1. A number of auto dealers now issue registrations and license plates directly from dealer showrooms through our EVR program.
  2. A third party vendor provides the software these dealerships use to send updates to the SCDMV system.
  3. These 3<sup>rd</sup> party vendors currently order and collect license plates from our warehouse to deliver to these auto dealers.
  4. In the future, most dealerships will no longer be issuing plate and registration decal inventory; however, the offeror must propose a means through which the offeror will supply inventory directly to our third party partners through the EVR program if necessary.

### **3.6 Inventory and Order Management Capabilities**

- A. The successful respondent must demonstrate the capability to provide a license plate

inventory management system that at a minimum:

1. Electronically interfaces with the SCDMV computer system.
2. Accepts electronic orders from the SCDMV and effectively manages these orders through shipping methods.
3. Provides SCDMV with the capability to process and track orders as well as print production reports, management summary reports, packing lists, and box labels.
4. Inventory features must allow the offeror to employ a Just In time (JIT) Inventory method where plates can be produced, and either stocked at minimum levels in SCDMV offices as necessary or be married to registrations produced (if any) for the same SCDMV customer.

B. The Inventory management system should accommodate the following:

1. Interactive inventory reporting interface to be used by SCDMV personnel.
  - a. Report Inventory levels.
    - i. Search options by Office, product\_class, product\_year, In Inventory, Ordered, and Pending Manufacturing (any combination of these fields).
    - ii. Minimum display fields to include
      - Office ID
      - Office Name
      - Product Class
      - Product Year
      - Inventory Level
        - a. On Hand
        - b. On Order
        - c. Pending Manufacturing
      - Reorder Point
      - Reorder Quantity
2. Interactive inventory management interface.
  - a. Provide the ability to modify reorder points and quantities.
  - b. Force an order for a field office that has not fallen below their reorder point.
  - c. Manage list of Bad Product Text.
    - a. Automate inventory management interface for stocked products.
    - b. Automate reorder point and reorder quantities based on field office issuing trends.
    - c. Automate generation of orders to replenish office inventory
      - i. Move existing inventory from Warehouse to field office.
      - ii. Move existing inventory between SCDMV facilities.
      - iii. Trigger manufacturing of products required to replenish field office.
    - d. Maintain Seed-Number for each product class.
    - e. Automatically generate the next product in plate number sequence.
    - f. Prevent duplication of existing active products in the SCDMV Phoenix system (personalized, Amateur Radio, Year Manufacture, other series based product classes and etc.)
    - g. Skip sequences of numbers and characters that have been deemed “Bad Product Text”
    - h. Skip sequences of numbers and characters reserved for other series based product classes.
      - i. Print all documents needed for packing and shipping of products.
  3. Vendor solution should include ability to accept product orders from SCDMV where product class and tag number(s) are specified.
  4. Vendor solution must include the ability to manage existing and future SCDMV products regardless of product origin.
  5. Inclusion/exclusion of individual products will be at the discretion of SCDMV.
  6. Updates to a products status in current SCDMV inventory system will be used as a basis for updates in the vendor’s solution. (I.e. Issued, Damaged, Lost, Returned etc.)

C. Managing various plate types

1. **Stocked plates**
  - a. vendor produces plate text based on series rules and established seed numbers
  - b. vendor ships plates to field offices or Headquarters based on established reorder points without any registration forms
2. **On Demand Plates –**
  - a. Plates requested on an individual basis that include all the information required to print a registration certificate and shall be either mailed directly to the customer or delivered to SCDMV Headquarters for further processing and delivery.
  - b. The plate text fields are optional.
    1. When the plate text is left blank, the next plate in the series (using the Seed number for this plate class) will be assigned and reported back to SCDMV so the registration system can be updated.
    2. When the plate text and plate message are provided the vendors solution will use these values to print the registration card and manufacture the tag with the corresponding plate text.
  - c. Vendor shall print and mail one of three forms with the plate.
    1. Registration form with expiration Month and Year Decal.
      - These peel and stick decals must be manufactured in a way that allows the Month and Year to be printed during the registration print process.
      - The printed information on the yearly decal shall not fade in less than 1.5 years
      - Printed information must be tamper resistant.
      - The year decal shall require printing of a special image with the location determined by the expiration year.
      - Registration details are also printed in bar-code format using the PDF417 standard. The specific bar-code text is formatted by SCDMV and passed to the vendor for minor character substitution and printing.
    2. Registration form without Decal
      - Registration details are also printed in bar-code format using the PDF417 standard. The specific bar-code text is formatted by SCDMV and passed to the vendor for minor character substitution and printing.
    3. Receipt with mailing address.  
All generated correspondence must include mailing address bar-codes meeting USPS standards.
3. **Seasonal or Atypical license plates**
  1. Vendor will provide inventory management solution for seasonal products.
  2. SCDMV currently has 2 versions of a ½ year truck plate and Auto Dealer plates.
  3. The ½ year plates expire in March and September while the auto dealer plates consumption spikes in December.
  4. Inventory of these types of plates must be timely and intelligent.
4. **Reserved Special Plates or Remakes**
  1. Offeror must provide a method of receipt and distribution for requests of all Reserved Special Plates and all Plate Remakes initiated by Sections within SCDMV's Headquarters.
  2. These plates are requested as needed and the method of receipt that the Offeror provides must accept electronic requests from the requesting Section within SCDMV's Headquarters.
  3. Offeror must also provide a method of receipt, distribution and/or inventory process for Special Plates requested by Sections within SCDMV Headquarters, other South Carolina Agency's (State Fleet Management, SCDOT) and possible outside Partners.
  4. Currently these plates are requested by the Section, Agencies and outside partners as needed.
  5. The proposed method of receipt and distribution by the Offeror must accept electronic requests and incorporate the destination of the requesting Section

within SCDMV Headquarters, other South Carolina Agencies and outside partners.

6. The Offeror shall also propose an automated inventory system for the Special Plates; this inventory system proposal should take into account that these plates should be supplied as needed upon request, and not according to a standard established re-order point.

### **3.7 System Installation, configuration and maintenance**

1. Contractors will be responsible for all aspects of system installation, configuration and start up.
2. The Successful offeror will be solely responsible for providing technical support, warranties, and preventative maintenance on system hardware, software and any other equipment used in the production of license plates. Offerors must describe their plan for providing these services and disclose response times for technical service.

### **3.8 Escrow of Inventory Management Software**

1. When the State of South Carolina awards a contract for the successful offeror, the offeror will deposit a copy of the current source code for such inventory management software as licensed to the State in a South Carolina Escrow Folder.
2. Both Parties agree that SCDMV is a beneficiary during the term of the contract, and that the successful offeror will release a copy of the source code to SCDMV for use in the State of South Carolina at the end of the contract period or in the event the offeror fails to continue business in the ordinary course, or otherwise fails to carry out its support and maintenance obligations imposed on it pursuant to its agreements for such software to the State as part of the contract.
3. SCDMV access to, and use of, such source code, will be limited to its use in connection with its provision of services under the terms of the contract.

### **3.9 Offeror Invoicing/Billing Requirements**

1. SCDMV requires a detailed monthly billing report that will allow for quick reconciliation. Report should include product description, quantity, price per item, billing period and total line item price. Offerors must submit a sample billing report with their proposal.
2. SCDMV requires a detailed invoicing report to be emailed monthly to the Agency contact to aid in billing reconciliations. Invoicing report shall include (but is not limited to) product number, product description, Agency order number, plate type, price per item, number of items, and total line item price. Agency requires a Product Shipping Report for the billing period to be included with the invoicing report.
3. All reports should be generated automatically from the offerors Inventory Management System. Invoices should not be manually generated without prior written approval.
4. Offeror must provide Accounting/Finance Contact Information
5. Offeror should detail any discount opportunities for prompt payment
6. SC Department of Corrections will aid in the plate production process and will bill SCDMV directly on a monthly basis
7. Contractor shall reimburse the SCDMV for the monthly amount paid to the SC Department of Corrections
8. Contractor shall submit SCDMV a monthly reimbursement check
9. Contractor shall adhere to all State fiscal year-end (June 30<sup>th</sup>) deadlines re: payments, credits, and/or reimbursements

### **3.10 Training of personnel**

Contractor will be required to fully train SCDOC trustees in the proper use and operation of the license plate system and other equipment used in the production process. Contractor will be required to fully train SCDMV personnel on Web-based inventory system.

### **3.11 Consumables/supplies**

Contractor will be responsible for providing all consumables and supplies necessary to produce and manufacture a finished license plate that meets current industry standards for reflectivity, durability,

and performance. Costs for these consumables must be incorporated into the fixed charge per plate.

The Contractor will also be responsible for providing all consumables and supplies necessary to produce and manufacture appropriate registration forms and decals.

### **3.12 Management reporting**

The license plate production system proposed by the offeror must provide a robust set of production, inventory and summary reports upon request of SCDMV.

### **3.13 Disposal of hazardous material**

The successful offeror must properly dispose of any hazardous waste material resulting from the plate production process. Offeror must make allowances for any costs related to hazardous waste handling and disposal.

### **3.14 License Plate Destruction**

The successful offeror is required to provide for secure handling and disposal of all unsold, damaged or returned license plates to include a certificate of destruction.

### **3.14 Sale of scrap material**

Scrap material resulting from the manufacture of plates should be collected and sold for market value. Vendors shall provide a plan for this process along with plans for proceeds to be returned to SCDMV from the sale of such material.

### **3.14 Acceptance Testing**

After installation and configuration of any new hardware and software used to produce plates, successful offeror must agree to work with SCDMV to properly test and validate the performance of the system. Contractors must describe their testing process and plan for SCDMV approval of the systems to be used.

### **3.15 Quality assurance inspections and sampling**

SCDMV reserves the right to conduct audits and inspection of the production process and plates produced by the proposed system. Auditors are subject to SCDOC security clearance. In the event some number of plates is found to be defective, the system and business processes proposed by the offeror must allow SCDMV to trace defective plates to source raw materials.

### **3.16 Security**

Offeror shall discuss their security plan for the control and handling of secure materials used in the plate production process and finished plates.

### **3.17 Disaster Recovery Plan**

Offerors should discuss their contingency or disaster recovery plan in the event the main production site and or equipment is damaged or destroyed.

### **3.18 Software Upgrades and Technology Refresh**

Offerors should discuss their plans for keeping all hardware and software current and at levels that can easily be supported. Vendor and third party access to SCDOC sites is regulated by SCDOC facility policies and procedures.

### **3.19 Change Management**

Offeror should detail the change management plan for system fixes and enhancements or any changes to the negotiated agreement whether or not they include cost changes.

#### **DELIVERY/PERFORMANCE LOCATION -- SPECIFIED (JAN 2006)**

After award, all deliveries shall be made and all services provided to the following address, unless otherwise specified:

**SCDMV  
10311 Wilson Blvd.  
Blythewood, SC 29016**

[03-3030-1]

#### **QUALITY -- NEW (JAN 2006)**

All items must be new. [03-3060-1]

## **IV. INFORMATION FOR OFFERORS TO SUBMIT**

### **INFORMATION FOR OFFERORS TO SUBMIT -- EVALUATION (JAN 2006)**

In addition to information requested elsewhere in this solicitation, offerors should submit the following information for purposes of evaluation:

[04-4005-1]

**All information should be presented in the listed order below to include the clause INFORMATION FOR OFFERORS TO SUBMIT -- GENERAL (JAN 2006). Each section shall be clearly marked and identified to correspond with the solicitation document. Additional information provided by the offeror shall be placed at the end of the proposal and be marked accordingly.**

#### **4.0 Customer service improvements**

Offerors shall include a description of the customer service improvements that SCDMV will realize as a result of implementing their solution. Improvements to external customers as well as benefits to internal customers such as warehouse staff, procurement staff, etc. should be discussed.

#### **4.1 Cost Reduction Plan**

Offerors shall include a clear, concise plan for reducing overall costs associated with the production and distribution of license plates. Offerors shall provide a total of savings to be realized and describe how that savings will be achieved. List any performance incentives or guarantees that you are able to make to ensure that a savings for SCDMV is realized.

#### **4.2 Technical proposal**

Offerors must submit detailed plans on how they will comply with the requirements in Section 3 of this solicitation. Describe the principle tasks to be undertaken and the proposed methodologies to accomplish these tasks. Offerors should fully explain proposed changes to the current plate production processes discussed in Section 2 of this solicitation; a task completion schedule is to be included with this part of the proposal.

#### **4.3 Implementation Plan**

Offerors shall provide a summary overview and an implementation plan for the entire project being proposed. The intent of this requirement is to provide a concise but functional summary of each phase of offeror's plan in order of progression. Offerors must also provide a schedule for the phase-in of all services and goods as required pursuant to the requirements of this RFP.

As part of your implementation plan, please address your business plan for producing plates at the SCDOC site in Columbia, SC and for training and supervising the plate production process. To ensure that SCDOC can accommodate your proposal, please submit the following information in your proposal:

- A list of all equipment, including size (dimensions), power requirements, environmental requirements, room access requirements, proposed layout of equipment within room, and the amount of clear working space required around perimeter of each piece;
- A set of shop drawings for each piece of equipment
- Storage requirements (volume and weight) for raw materials
- A recommendation regarding room size, lighting levels, and data/phone line requirements

- Name, address, and phone number of contact person capable of providing technical support for owner's preparation of physical plant for installation and set-up of equipment.

#### **4.4 Organization Chart**

Offerors must include an organizational chart of the key personnel that will be responsible for the tasks involved in completing the project. Include resumes, not to exceed three (3) pages, for all key personnel.

Organizational charts for all subcontractors must also be submitted. These charts should illustrate the lines of authority and designate, by name and title, the individual(s) responsible for the completion of RFP requirements.

#### **4.5 Organizational Capacity**

Offerors must demonstrate their organization's capacity to fulfill the requirements of this RFP. Provide a brief description of the experience and resources that will be brought to bear on this project. Include descriptions of similar projects that have been completed or that are currently being completed. Provide a list of contact names, telephone numbers and contact person for each reference. The State reserves the right to contact these references. Offerors must provide documentation of sufficient financial strength and resources to deliver the services sought, in the volume projected, and within the time frames required under this RFP to include the most recent independent audited financial statements for a fiscal year ended within the last twenty-four (24) months. The following information should be itemized with page references to the independent audited financial statements provided where the amounts may be confirmed:

- a. Current Assets
- b. Fixed Assets
- c. Cash
- d. Current Liabilities
- e. Long-term Debt

#### **4.6 Additional Benefits**

Offerors response may include any additional information that may be helpful to the State in evaluating the offeror's response. This information may include, but is not limited to, other potential cost savings, marketing opportunities, and potential revenue generation.

#### **4.7 Cost Proposal**

Offerors must include a cost analysis for each service and task that is to be performed in completing this project. All costs related to the production, distribution, mailing and storage/management of inventory must be described in this section of the proposal.

1. Provide production cost separate from delivery cost as a cost per plate by completing the table below.
2. Provide special per plate production costs contingent on volume, mode of delivery or other factors that could improve the per plate cost for SCDMV.
3. Provide all costs required to mail plates to customers for on demand plates. Please provide your cost to mail plates on a cost per plate basis.
4. Provide all costs required to accept orders and ship plates directly to SCDMV facilities throughout the state, including the SCDMV warehouse.
5. Provide costs for registration forms and decals on a per plate basis.

6. Provide a list of other costs that are associated with your proposal.
7. Rates for plate design work requested by SCDMV must also be quoted in this section. SCDMV currently pays \$900 per new design and \$300 per modified design for design work.

A list of each SCDMV field office locations can be found at the following website:

<http://www.scdmvonline.com>

**Current Costs**

Current pricing structure includes a different plate production cost based on high volume plates (GT and RP), and a cost break on plates in the years they are reissued. **Note the complete listing of all plate types and active plates for each plate class for FY 2012 ending 6/30/12 and FY 2013 ending 6/30/13 in Appendix A and B.**

Pricing Effective Date 3/1/12

Unit Price Category	Re-issue Years		Non-Reissue Years	
Plate Manufacture (GT and RP)				
Plate Manufacture (all other plates)				
Hand delivery plate cost*				
Registration/Decal				
Mailing 4-5 ounces (regular sized plate) (for on demand plates mailed to customer)				

Mailing 3-4 ounces (motorcycle plate) for on demand plates mailed to customer)				
Shipping				
Inventory Management Software Cost				
Other costs (please specify)				
* Hand Deliver Plate Cost includes normal plate cost for plate type + .112 for delivery				

**Section VIII. Bidding Schedule serves as a summary page for items listed above in 4.7 Cost Proposal. The Sum Total for each item under 4.7 Cost Proposal shall be entered into the corresponding Item number of the Bidding Schedule. Backup documentation supporting the Sum Totals supplied in the Bidding Schedule shall be included in the Price Proposal section of the Offer.**

**INFORMATION FOR OFFERORS TO SUBMIT -- GENERAL (JAN 2006)**

**Offeror shall submit a signed Cover Page and Page Two.** Offeror should submit all other information and documents requested in this part and in parts II.B. Special Instructions; III. Scope of Work; **V. Qualifications**; VIII. Bidding Schedule/Price Proposal; and any appropriate attachments addressed in section IX. Attachments to Solicitations. [04-4010-1]

## MINORITY PARTICIPATION (JAN 2006)

Is the bidder a South Carolina Certified Minority Business?  Yes  No

Is the bidder a Minority Business certified by another governmental entity?  Yes  No

If so, please list the certifying governmental entity: \_\_\_\_\_

Will any of the work under this contract be performed by a SC certified Minority Business as a subcontractor?  Yes  No

If so, what percentage of the total value of the contract will be performed by a SC certified Minority Business as a subcontractor? \_\_\_\_\_

Will any of the work under this contract be performed by a minority business certified by another governmental entity as a subcontractor?  Yes  No

If so, what percentage of the total value of the contract will be performed by a minority business certified by another governmental entity as a subcontractor? \_\_\_\_\_

If a certified Minority Business is participating in this contract, please indicate all categories for which the Business is certified:

- Traditional minority
- Traditional minority, but female
- Women (Caucasian females)
- Hispanic minorities
- DOT referral (Traditional minority)
- DOT referral (Caucasian female)
- Temporary certification
- SBA 8 (a) certification referral
- Other minorities (Native American, Asian, etc.)

(If more than one minority contractor will be utilized in the performance of this contract, please provide the information above for each minority business.)

For a list of certified minority firms, please consult the Minority Business Directory, which is available at the following [URL: http://www.govoepp.state.sc.us/osmba/](http://www.govoepp.state.sc.us/osmba/)  
[04-4015-1]

## SUBMITTING REDACTED OFFERS (FEB 2007)

You are required to mark the original copy of your offer to identify any information that is exempt from public disclosure. You must do so in accordance with the clause entitled "Submitting Confidential Information." In addition, you must also submit one complete copy of your offer from which you have removed any information that you marked as exempt, i.e., a redacted copy. The information redacted should mirror in every detail the information marked as exempt from public disclosure. The redacted copy should (i) reflect the same pagination as the original, (ii) show the empty space from which information was redacted, and (iii) be submitted on magnetic media. (See clause entitled "Magnetic Media Required Format.") Except for the redacted information, the CD must be identical to the original hard copy. Portable Document Format (.pdf) is preferred. [04-4030-1]

**Redacted copy must be accessible for reproduction and distribution by MMO upon request under the Freedom of Information Act. If your proposal does not contain "Confidential Information," no redacted copy is required.**

## **V. QUALIFICATIONS**

### **QUALIFICATION OF OFFEROR (JAN 2006)**

To be eligible for award of a contract, a prospective contractor must be responsible. In evaluating an Offeror's responsibility, the State Standards of Responsibility [R.19-445.2125] and information from any other source may be considered. An Offeror must, upon request of the State, furnish satisfactory evidence of its ability to meet all contractual requirements. Unreasonable failure to supply information promptly in connection with a responsibility inquiry may be grounds for determining that you are ineligible to receive an award. S.C. Code Section 11-35-1810. [05-5005-1]

### **QUALIFICATIONS -- REQUIRED INFORMATION (Modified)**

In order to evaluate your responsibility, offeror shall submit the following information or documentation for the offeror and any subcontractor, if the value of subcontractor's portion of the work exceeds 10% of your price (if in doubt, provide the information):

- (a) Provide your Dun & Bradstreet (D & B) number along with a current D&B report if available.
- (b) List of failed projects, suspensions, debarments, and significant litigation.

### **SUBCONTRACTOR -- IDENTIFICATION (JAN 2006)**

If you intend to subcontract with another business for any portion of the work and that portion exceeds 10% of your price, your offer must identify that business and the portion of work which they are to perform. Identify potential subcontractors by providing the business name, address, phone, taxpayer identification number, and point of contact. In determining your responsibility, the state may evaluate your proposed subcontractors. [05-5030-1]

## VI. AWARD CRITERIA

### AWARD CRITERIA -- PROPOSALS (JAN 2006)

Award will be made to the highest ranked, responsive and responsible offeror whose offer is determined to be the most advantageous to the State. [06-6030-1]

### AWARD TO ONE OFFEROR (JAN 2006)

Award will be made to one Offeror. [06-6040-1]

### COMPETITION FROM PUBLIC ENTITIES (JAN 2006)

If a South Carolina governmental entity submits an offer, the Procurement Officer will, when determining the lowest offer, add to the price provided in any offers submitted by non-governmental entities a percentage equivalent to any applicable sales or use tax. S.C. Code Ann. Regs 117-304.1 (Supp. 2004). [06-6057-1]

### EVALUATION FACTORS -- PROPOSALS (JAN 2006)

Offers will be evaluated using only the factors stated below. Evaluation factors are stated in the relative order of importance, with the first factor being the most important. Once evaluation is complete, all responsive offerors will be ranked from most advantageous to least advantageous.

- **Cost \***
- **Customer Service Improvements**
- **Strength of Cost Reduction Plan**
- **Proposed Technology and Methodologies**
- **Implementation Business Plan**
- **Experience and Qualifications**
- **Alternative Benefits**

Proposals will be evaluated by a review panel on the basis of the criteria listed above.

\*Points for cost will be awarded using the following methodology:

As outlined in Section IV, "Information for Offerors to Submit" Item 4.7 Cost Proposal, there are seven (7) listed cost requirements along with a table for unit price offerings. The sum total of each of the items (to include the table) will be calculated together to reach a Grand Total. That Grand Total will be used in the model below.

Assume the following cost proposals (examples only)

- a. \$50,000
- b. \$38,000
- c. \$49,000

Company B with a price of \$38,000 is the low offer. Take the low offer and divide each of the other offers into the lower offer coming up with the mathematical calculation to get a percentage. This percentage is then multiplied by the number of points available for cost. In this case 15 points are available for cost.

\$38,000 is then divided by each of the cost. The results are as follows:

$$\$38,000 \text{ divided by } \$50,000 = .76 \quad \text{A}$$

\$38,000 divided by \$38,000 = 1.00      B  
\$38,000 divided by \$49,000 = .77      C

The next step is to take each company percentage and multiply it by the points available. The results are as follows:

A      .76 \* 25 = 19  
B      1.0 \* 25 = 25  
C      .77 \* 25 = 19.25

[06-6065-1]

**UNIT PRICE GOVERNS (JAN 2006)**

In determining award, unit prices will govern over extended prices unless otherwise stated. [06-6075-1]

## **VII. TERMS AND CONDITIONS -- A. GENERAL**

### **ASSIGNMENT (JAN 2006)**

No contract or its provisions may be assigned, sublet, or transferred without the written consent of the Procurement Officer. [07-7A004-1]

### **BANKRUPTCY (JAN 2006)**

(a) Notice. In the event the Contractor enters into proceedings relating to bankruptcy, whether voluntary or involuntary, the Contractor agrees to furnish written notification of the bankruptcy to the Using Governmental Unit. This notification shall be furnished within five (5) days of the initiation of the proceedings relating to the bankruptcy filing. This notification shall include the date on which the bankruptcy petition was filed, the identity of the court in which the bankruptcy petition was filed, and a listing of all State contracts against which final payment has not been made. This obligation remains in effect until final payment under this Contract. (b) Termination. This contract is voidable and subject to immediate termination by the State upon the contractor's insolvency, including the filing of proceedings in bankruptcy. [07-7A005-1]

### **CHOICE-OF-LAW (JAN 2006)**

The Agreement, any dispute, claim, or controversy relating to the Agreement, and all the rights and obligations of the parties shall, in all respects, be interpreted, construed, enforced and governed by and under the laws of the State of South Carolina, except its choice of law rules. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. [07-7A010-1]

### **CONTRACT DOCUMENTS and ORDER OF PRECEDENCE (JAN 2006)**

(a) Any contract resulting from this solicitation shall consist of the following documents: (1) a Record of Negotiations, if any, executed by you and the Procurement Officer, (2) documentation regarding the clarification of an offer [e.g., 11-35-1520(8) or 11-35-1530(6)], if applicable, (3) the solicitation, as amended, (4) modifications, if any, to your offer, if accepted by the Procurement Officer, (5) your offer, (6) any statement reflecting the state's final acceptance (a/k/a "award"), and (7) purchase orders. These documents shall be read to be consistent and complimentary. Any conflict among these documents shall be resolved by giving priority to these documents in the order listed above. (b) The terms and conditions of documents (1) through (6) above shall apply notwithstanding any additional or different terms and conditions in either (i) a purchase order or other instrument submitted by the State or (ii) any invoice or other document submitted by Contractor. Except as otherwise allowed herein, the terms and conditions of all such documents shall be void and of no effect. (c) No contract, license, or other agreement containing contractual terms and conditions will be signed by any Using Governmental Unit. Any document signed or otherwise agreed to by persons other than the Procurement Officer shall be void and of no effect. [07-7A015-1]

### **DISCOUNT FOR PROMPT PAYMENT (JAN 2006)**

(a) Discounts for prompt payment will not be considered in the evaluation of offers. However, any offered discount will form a part of the award, and will be taken if payment is made within the discount period indicated in the offer by the offeror. As an alternative to offering a discount for prompt payment in conjunction with the offer, offerors awarded contracts may include discounts for prompt payment on individual invoices.

(b) In connection with any discount offered for prompt payment, time shall be computed from the date of the invoice. If the Contractor has not placed a date on the invoice, the due date shall be calculated from the date the designated billing office receives a proper invoice, provided the state annotates such invoice with the date of receipt at the time of receipt. For the purpose of computing the discount

earned, payment shall be considered to have been made on the date that appears on the payment check or, for an electronic funds transfer, the specified payment date. When the discount date falls on a Saturday, Sunday, or legal holiday when Federal Government offices are closed and Government business is not expected to be conducted, payment may be made on the following business day [07-7A020-1]

#### **DISPUTES (JAN 2006)**

(1) Choice-of-Forum. All disputes, claims, or controversies relating to the Agreement shall be resolved exclusively by the appropriate Chief Procurement Officer in accordance with Title 11, Chapter 35, Article 17 of the South Carolina Code of Laws, or in the absence of jurisdiction, only in the Court of Common Pleas for, or a federal court located in, Richland County, State of South Carolina. Contractor agrees that any act by the Government regarding the Agreement is not a waiver of either the Government's sovereign immunity or the Government's immunity under the Eleventh Amendment of the United State's Constitution. As used in this paragraph, the term "Agreement" means any transaction or agreement arising out of, relating to, or contemplated by the solicitation. (2) Service of Process. Contractor consents that any papers, notices, or process necessary or proper for the initiation or continuation of any disputes, claims, or controversies relating to the Agreement; for any court action in connection therewith; or for the entry of judgment on any award made, may be served on Contractor by certified mail (return receipt requested) addressed to Contractor at the address provided as the Notice Address on Page Two or by personal service or by any other manner that is permitted by law, in or outside South Carolina. Notice by certified mail is deemed duly given upon deposit in the United States mail. [07-7A025-1]

#### **EQUAL OPPORTUNITY (JAN 2006)**

Contractor is referred to and shall comply with all applicable provisions, if any, of Title 41, Part 60 of the Code of Federal Regulations, including but not limited to Sections 60-1.4, 60-4.2, 60-4.3, 60-250.5(a), and 60-741.5(a), which are hereby incorporated by reference. [07-7A030-1]

#### **FALSE CLAIMS (JAN 2006)**

According to the S.C. Code of Laws Section 16-13-240, "a person who by false pretense or representation obtains the signature of a person to a written instrument or obtains from another person any chattel, money, valuable security, or other property, real or personal, with intent to cheat and defraud a person of that property is guilty" of a crime. [07-7A035-1]

#### **FIXED PRICING REQUIRED (JAN 2006)**

Any pricing provided by contractor shall include all costs for performing the work associated with that price. Except as otherwise provided in this solicitation, contractor's price shall be fixed for the duration of this contract, including option terms. This clause does not prohibit contractor from offering lower pricing after award. [07-7A040-1]

#### **NON-INDEMNIFICATION (JAN 2006)**

Any term or condition is void to the extent it requires the State to indemnify anyone. [07-7A045-1]

#### **NOTICE (JAN 2006)**

(A) After award, any notices shall be in writing and shall be deemed duly given (1) upon actual delivery, if delivery is by hand, (2) upon receipt by the transmitting party of automated confirmation or answer back from the recipient's device if delivery is by telex, telegram, facsimile, or electronic mail, or (3) upon deposit into the United States mail, if postage is prepaid, a return receipt is requested, and either registered or certified mail is used. (B) Notice to contractor shall be to the address identified as the Notice Address on Page Two. Notice to the state shall be to the Procurement Officer's address on

the Cover Page. Either party may designate a different address for notice by giving notice in accordance with this paragraph. [07-7A050-1]

#### **PAYMENT and INTEREST (MAY 2011)**

(a) Unless otherwise provided in this Solicitation, the State shall pay the Contractor, after the submission of proper invoices or vouchers, the prices stipulated in this contract for supplies delivered and accepted or services rendered and accepted, less any deductions provided in this contract. Unless otherwise specified herein, including the purchase order, payment shall not be made on partial deliveries accepted by the Government. (b) Unless otherwise provided herein, including the purchase order, payment will be made by check. (c) Notwithstanding any other provision, payment shall be made in accordance with S.C. Code Section 11-35-45, which provides the Contractor's exclusive means of recovering any type of interest from the Owner. Contractor waives imposition of an interest penalty unless the invoice submitted specifies that the late penalty is applicable. Except as set forth in this paragraph, the State shall not be liable for the payment of interest on any debt or claim arising out of or related to this contract for any reason. (d) Amounts due to the State shall bear interest at the rate of interest established by the South Carolina Comptroller General pursuant to Section 11-35-45 ("an amount not to exceed fifteen percent each year"), as amended. (e) Any other basis for interest, including but not limited to general (pre- and post-judgment) or specific interest statutes, including S.C. Code Ann. Section 34-31-20, are expressly waived by both parties. If a court, despite this agreement and waiver, requires that interest be paid on any debt by either party other than as provided by items (c) and (d) above, the parties further agree that the applicable interest rate for any given calendar year shall be the lowest prime rate as listed in the first edition of the Wall Street Journal published for each year, applied as simple interest without compounding. [07-7A055-2]

#### **PUBLICITY (JAN 2006)**

Contractor shall not publish any comments or quotes by State employees, or include the State in either news releases or a published list of customers, without the prior written approval of the Procurement Officer. [07-7A060-1]

#### **PURCHASE ORDERS (JAN 2006)**

Contractor shall not perform any work prior to the receipt of a purchase order from the using governmental unit. The using governmental unit shall order any supplies or services to be furnished under this contract by issuing a purchase order. Purchase orders may be used to elect any options available under this contract, e.g., quantity, item, delivery date, payment method, but are subject to all terms and conditions of this contract. Purchase orders may be electronic. No particular form is required. An order placed pursuant to the purchasing card provision qualifies as a purchase order. [07-7A065-1]

#### **SETOFF (JAN 2006)**

The state shall have all of its common law, equitable, and statutory rights of set-off. These rights shall include, but not be limited to, the State's option to withhold for the purposes of set-off any moneys due to the Contractor under this contract up to any amounts due and owing to the state with regard to this contract, any other contract with any state department or agency, including any contract for a term commencing prior to the term of this contract, plus any amounts due and owing to the state for any other reason including, without limitation, tax delinquencies, fee delinquencies or monetary penalties relative thereto. [07-7A070-1]

#### **SURVIVAL OF OBLIGATIONS (JAN 2006)**

The Parties' rights and obligations which, by their nature, would continue beyond the termination, cancellation, rejection, or expiration of this contract shall survive such termination, cancellation, rejection, or expiration, including, but not limited to, the rights and obligations created by the following clauses: Indemnification - Third Party Claims, Intellectual Property Indemnification, and any provisions regarding warranty or audit. [07-7A075-1]

### **TAXES (JAN 2006)**

Any tax the contractor may be required to collect or pay upon the sale, use or delivery of the products shall be paid by the State, and such sums shall be due and payable to the contractor upon acceptance. Any personal property taxes levied after delivery shall be paid by the State. It shall be solely the State's obligation, after payment to contractor, to challenge the applicability of any tax by negotiation with, or action against, the taxing authority. Contractor agrees to refund any tax collected, which is subsequently determined not to be proper and for which a refund has been paid to contractor by the taxing authority. In the event that the contractor fails to pay, or delays in paying, to any taxing authorities, sums paid by the State to contractor, contractor shall be liable to the State for any loss (such as the assessment of additional interest) caused by virtue of this failure or delay. Taxes based on Contractor's net income or assets shall be the sole responsibility of the contractor. [07-7A080-1]

### **TERMINATION DUE TO UNAVAILABILITY OF FUNDS (JAN 2006)**

Payment and performance obligations for succeeding fiscal periods shall be subject to the availability and appropriation of funds therefor. When funds are not appropriated or otherwise made available to support continuation of performance in a subsequent fiscal period, the contract shall be canceled. In the event of a cancellation pursuant to this paragraph, contractor will be reimbursed the resulting unamortized, reasonably incurred, nonrecurring costs. Contractor will not be reimbursed any costs amortized beyond the initial contract term. [07-7A085-1]

### **THIRD PARTY BENEFICIARY (JAN 2006)**

This Contract is made solely and specifically among and for the benefit of the parties hereto, and their respective successors and assigns, and no other person will have any rights, interest, or claims hereunder or be entitled to any benefits under or on account of this Contract as a third party beneficiary or otherwise. [07-7A090-1]

### **WAIVER (JAN 2006)**

The State does not waive any prior or subsequent breach of the terms of the Contract by making payments on the Contract, by failing to terminate the Contract for lack of performance, or by failing to strictly or promptly insist upon any term of the Contract. Only the Procurement Officer has actual authority to waive any of the State's rights under this Contract. Any waiver must be in writing. [07-7A095-1]

## **VII. TERMS AND CONDITIONS -- B. SPECIAL**

### **CHANGES (JAN 2006)**

(1) Contract Modification. By a written order, at any time, and without notice to any surety, the Procurement Officer may, subject to all appropriate adjustments, make changes within the general scope of this contract in any one or more of the following:

- (a) drawings, designs, or specifications, if the supplies to be furnished are to be specially manufactured for the [State] in accordance therewith;
- (b) method of shipment or packing;
- (c) place of delivery;
- (d) description of services to be performed;
- (e) time of performance (i.e., hours of the day, days of the week, etc.); or,
- (f) place of performance of the services. Subparagraphs (a) to (c) apply only if supplies are furnished under this contract. Subparagraphs (d) to (f) apply only if services are performed under this contract.

(2) Adjustments of Price or Time for Performance. If any such change increases or decreases the contractor's cost of, or the time required for, performance of any part of the work under this contract, whether or not changed by the order, an adjustment shall be made in the contract price, the delivery schedule, or both, and the contract modified in writing accordingly. Any adjustment in contract price made pursuant to this clause shall be determined in accordance with the Price Adjustment Clause of this contract. Failure of the parties to agree to an adjustment shall not excuse the contractor from proceeding with the contract as changed, provided that the State promptly and duly make such provisional adjustments in payment or time for performance as may be reasonable. By proceeding with the work, the contractor shall not be deemed to have prejudiced any claim for additional compensation, or an extension of time for completion.

(3) Time Period for Claim. Within 30 days after receipt of a written contract modification under Paragraph (1) of this clause, unless such period is extended by the Procurement Officer in writing, the contractor shall file notice of intent to assert a claim for an adjustment. Later notification shall not bar the contractor's claim unless the State is prejudiced by the delay in notification.

(4) Claim Barred After Final Payment. No claim by the contractor for an adjustment hereunder shall be allowed if notice is not given prior to final payment under this contract.

[07-7B025-1]

### **CISG (JAN 2006)**

The parties expressly agree that the UN Convention on the International Sale of Goods shall not apply to this agreement. [07-7B030-1]

### **COMPLIANCE WITH LAWS (JAN 2006)**

During the term of the contract, contractor shall comply with all applicable provisions of laws, codes, ordinances, rules, regulations, and tariffs. [07-7B035-1]

### **CONFERENCE -- PRE-PERFORMANCE (JAN 2006)**

Unless waived by the Procurement Officer, a pre-performance conference between the contractor, state and Procurement Officer shall be held at a location selected by the state within five (5) days after final award, and prior to commencement of work under the contract. The responsibilities of all parties involved will be discussed to assure a meeting of the minds of all concerned. The successful contractor or his duly authorized representative shall be required to attend at contractor's expense.

[07-7B040-1]

### **CONTRACT LIMITATIONS (JAN 2006)**

No sales may be made pursuant to this contract for any item or service that is not expressly listed. No sales may be made pursuant to this contract after expiration of this contract. Violation of this provision may result in termination of this contract and may subject contractor to suspension or debarment. [07-7B045-1]

#### **CONTRACTOR PERSONNEL (JAN 2006)**

The Contractor shall enforce strict discipline and good order among the Contractor's employees and other persons carrying out the Contract. The Contractor shall not permit employment of unfit persons or persons not skilled in tasks assigned to them. [07-7B060-1]

#### **CONTRACTOR'S OBLIGATION -- GENERAL (JAN 2006)**

The contractor shall provide and pay for all materials, tools, equipment, labor and professional and non-professional services, and shall perform all other acts and supply all other things necessary, to fully and properly perform and complete the work. The contractor must act as the prime contractor and assume full responsibility for any subcontractor's performance. The contractor will be considered the sole point of contact with regard to all situations, including payment of all charges and the meeting of all other requirements. [07-7B065-1]

#### **DEFAULT (JAN 2006)**

(a) (1) The State may, subject to paragraphs (c) and (d) of this clause, by written notice of default to the Contractor, terminate this contract in whole or in part if the Contractor fails to:

(i) Deliver the supplies or to perform the services within the time specified in this contract or any extension;

(ii) Make progress, so as to endanger performance of this contract (but see paragraph (a)(2) of this clause); or

(iii) Perform any of the other material provisions of this contract (but see paragraph (a)(2) of this clause).

(2) The State's right to terminate this contract under subdivisions (a)(1)(ii) and (1)(iii) of this clause, may be exercised if the Contractor does not cure such failure within 10 days (or more if authorized in writing by the Procurement Officer) after receipt of the notice from the Procurement Officer specifying the failure.

(b) If the State terminates this contract in whole or in part, it may acquire, under the terms and in the manner the Procurement Officer considers appropriate, supplies or services similar to those terminated, and the Contractor will be liable to the State for any excess costs for those supplies or services. However, the Contractor shall continue the work not terminated.

(c) Except for defaults of subcontractors at any tier, the Contractor shall not be liable for any excess costs if the failure to perform the contract arises from causes beyond the control and without the fault or negligence of the Contractor. Examples of such causes include (1) acts of God or of the public enemy, (2) acts of the State in either its sovereign or contractual capacity, (3) fires, (4) floods, (5) epidemics, (6) quarantine restrictions, (7) strikes, (8) freight embargoes, and (9) unusually severe weather. In each instance the failure to perform must be beyond the control and without the fault or negligence of the Contractor.

(d) If the failure to perform is caused by the default of a subcontractor at any tier, and if the cause of the default is beyond the control of both the Contractor and subcontractor, and without the fault or negligence of either, the Contractor shall not be liable for any excess costs for failure to perform, unless the subcontracted supplies or services were obtainable from other sources in sufficient time for the Contractor to meet the required delivery schedule.

(e) If this contract is terminated for default, the State may require the Contractor to transfer title and

deliver to the State, as directed by the Procurement Officer, any (1) completed supplies, and (2) partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (collectively referred to as "manufacturing materials" in this clause) that the Contractor has specifically produced or acquired for the terminated portion of this contract. Upon direction of the Procurement Officer, the Contractor shall also protect and preserve property in its possession in which the State has an interest.

(f) The State shall pay contract price for completed supplies delivered and accepted. The Contractor and Procurement Officer shall agree on the amount of payment for manufacturing materials delivered and accepted and for the protection and preservation of the property; if the parties fail to agree, the Procurement Officer shall set an amount subject to the Contractor's rights under the Disputes clause. Failure to agree will be a dispute under the Disputes clause. The State may withhold from these amounts any sum the Procurement Officer determines to be necessary to protect the State against loss because of outstanding liens or claims of former lien holders.

(g) If, after termination, it is determined that the Contractor was not in default, or that the default was excusable, the rights and obligations of the parties shall, if the contract contains a clause providing for termination for convenience of the State, be the same as if the termination had been issued for the convenience of the State. If, in the foregoing circumstances, this contract does not contain a clause providing for termination for convenience of the State, the contract shall be adjusted to compensate for such termination and the contract modified accordingly subject to the contractor's rights under the Disputes clause.

(h) The rights and remedies of the State in this clause are in addition to any other rights and remedies provided by law or under this contract.

[07-7B075-1]

#### **ESTIMATED QUANTITY -- UNKNOWN (JAN 2006)**

The total quantity of purchases of any individual item on the contract is not known. The State does not guarantee that the State will buy any specified item or total amount. The omission of an estimated purchase quantity does not indicate a lack of need but rather a lack of historical information. [07-7B095-1]

#### **ILLEGAL IMMIGRATION (NOV. 2008)**

(An overview is available at [www.procurement.sc.gov](http://www.procurement.sc.gov)) By signing your offer, you certify that you will comply with the applicable requirements of Title 8, Chapter 14 of the South Carolina Code of Laws and agree to provide to the State upon request any documentation required to establish either: (a) that Title 8, Chapter 14 is inapplicable to you and your subcontractors or sub-subcontractors; or (b) that you and your subcontractors or sub-subcontractors are in compliance with Title 8, Chapter 14. Pursuant to Section 8-14-60, "A person who knowingly makes or files any false, fictitious, or fraudulent document, statement, or report pursuant to this chapter is guilty of a felony, and, upon conviction, must be fined within the discretion of the court or imprisoned for not more than five years, or both." You agree to include in any contracts with your subcontractors language requiring your subcontractors to (a) comply with the applicable requirements of Title 8, Chapter 14, and (b) include in their contracts with the sub-subcontractors language requiring the sub-subcontractors to comply with the applicable requirements of Title 8, Chapter 14. [07-7B097-1]

#### **INTELLECTUAL PROPERTY INFRINGEMENT (JAN 2006)**

(a) Without limitation and notwithstanding any provision in this agreement, Contractor shall, upon receipt of notification, defend and indemnify the State, its instrumentalities, agencies, departments, boards, political subdivisions and all their respective officers, agents and employees against all actions, proceedings or claims of any nature (and all damages, settlement payments, attorneys' fees (including inside counsel), costs, expenses, losses or liabilities attributable thereto) by any third party asserting or involving an IP right related to an acquired item. State shall allow Contractor to defend such claim so

long as the defense is diligently and capably prosecuted. State shall allow Contractor to settle such claim so long as (i) all settlement payments are made by Contractor, and (ii) the settlement imposes no non-monetary obligation upon State. State shall reasonably cooperate with Contractor's defense of such claim. (b) In the event an injunction or order shall be obtained against State's use of any acquired item, or if in Contractor's opinion, the acquired item is likely to become the subject of a claim of infringement or violation of an IP right, Contractor shall, without in any way limiting the foregoing, and at its expense, either: (1) procure for State the right to continue to use, or have used, the acquired item, or (2) replace or modify the acquired item so that it becomes non-infringing but only if the modification or replacement does not adversely affect the specifications for the acquired item or its use by State. If neither (1) nor (2), above, is practical, State may require that Contractor remove the acquired item from State, refund to State any charges paid by State therefor, and take all steps necessary to have State released from any further liability. (c) Contractor's obligations under this paragraph do not apply to a claim to the extent (i) that the claim is caused by Contractor's compliance with specifications furnished by the State unless Contractor knew its compliance with the State's specifications would infringe an IP right, or (ii) that the claim is caused by Contractor's compliance with specifications furnished by the State if the State knowingly relied on a third party's IP right to develop the specifications provided to Contractor and failed to identify such product to Contractor. (d) As used in this paragraph, these terms are defined as follows: "IP right(s)" means a patent, copyright, trademark, trade secret, or any other proprietary right. "Acquired item(s)" means the rights, goods, or services furnished under this agreement. "Specification(s)" means a detailed, exact statement of particulars such as a statement prescribing materials, dimensions, and quality of work. (e) Contractor's obligations under this clause shall survive the termination, cancellation, rejection, or expiration of this Agreement. [07-7B105-1]

#### **LICENSES AND PERMITS (JAN 2006)**

During the term of the contract, the Contractor shall be responsible for obtaining, and maintaining in good standing, all licenses (including professional licenses, if any), permits, inspections and related fees for each or any such licenses, permits and /or inspections required by the State, county, city or other government entity or unit to accomplish the work specified in this solicitation and the contract. [07-7B115-1]

#### **MATERIAL AND WORKMANSHIP (JAN 2006)**

Unless otherwise specifically provided in this contract, all equipment, material, and articles incorporated in the work covered by this contract are to be new and of the most suitable grade for the purpose intended. [07-7B120-1]

#### **PRICE ADJUSTMENTS (JAN 2006)**

(1) Method of Adjustment. Any adjustment in the contract price made pursuant to a clause in this contract shall be consistent with this Contract and shall be arrived at through whichever one of the following ways is the most valid approximation of the actual cost to the Contractor (including profit, if otherwise allowed):

- (a) by agreement on a fixed price adjustment before commencement of the pertinent performance or as soon thereafter as practicable;
- (b) by unit prices specified in the Contract or subsequently agreed upon;
- (c) by the costs attributable to the event or situation covered by the relevant clause, including profit if otherwise allowed, all as specified in the Contract; or subsequently agreed upon;
- (d) in such other manner as the parties may mutually agree; or,
- (e) in the absence of agreement by the parties, through a unilateral initial written determination by the Procurement Officer of the costs attributable to the event or situation covered by the clause, including profit if otherwise allowed, all as computed by the Procurement Officer in accordance with generally accepted accounting principles, subject to the provisions of Title 11, Chapter 35, Article 17 of the S.C. Code of Laws.

(2) Submission of Price or Cost Data. Upon request of the Procurement Officer, the contractor shall provide reasonably available factual information to substantiate that the price or cost offered, for any price adjustments is reasonable, consistent with the provisions of Section 11-35-1830.

[07-7B160-1]

### **PRICE ADJUSTMENT - LIMITED – ON AN ANNUAL BASIS (Modified)**

Upon approval of the Procurement Officer, prices may be adjusted for any renewal term. Prices shall not be increased during the initial term. **Any request for a price increase must be received by the Procurement Officer at least ninety (90) days prior to the expiration of the applicable term and must be accompanied by sufficient documentation to justify the increase.** If approved, a price increase becomes effective starting with the term beginning after approval. A price increase must be executed as a change order.

Upon approval of the Procurement Officer, prices may be adjusted for materials only **on an annual basis**. Contractor shall submit with their request supporting documentation from manufacturers of raw materials to substantiate this request. Price increases or decreases become effective only when approved in writing by executing a change order. Prices shall not be increased during the first year of the contract. Any request for a price increase must be received by the Procurement Officer **at least ninety (90) days prior to the anniversary date of the contract**.

### **PRICE ADJUSTMENTS -- LIMITED BY CPI "ALL ITEMS" (JAN 2006)**

Upon request and adequate justification, the Procurement Officer may grant a price increase up to, but not to exceed, the unadjusted percent change for the most recent 12 months for which data is available, that is not subject to revision, in the Consumer Price Index (CPI) for all urban consumers (CPI-U), "all items" for services, as determined by the Procurement Officer. The Bureau of Labor and Statistics publishes this information on the web at [www.bls.gov](http://www.bls.gov)  
[07-7B170-1]

### **PRICING DATA -- AUDIT -- INSPECTION (JAN 2006)**

[Clause Included Pursuant to Section 11-35-1830, - 2210, & -2220] (a) Cost or Pricing Data. Upon Procurement Officer's request, you shall submit cost or pricing data, as defined by 48 C.F.R. Section 2.101 (2004), prior to either (1) any award to contractor pursuant to 11-35-1530 or 11-35-1560, if the total contract price exceeds \$500,000, or (2) execution of a change order or contract modification with contractor which exceeds \$100,000. Your price, including profit or fee, shall be adjusted to exclude any significant sums by which the state finds that such price was increased because you furnished cost or pricing data that was inaccurate, incomplete, or not current as of the date agreed upon between parties. (b) Records Retention. You shall maintain your records for three years from the date of final payment, or longer if requested by the chief Procurement Officer. The state may audit your records at reasonable times and places. As used in this subparagraph (b), the term "records" means any books or records that relate to cost or pricing data submitted pursuant to this clause. In addition to the obligation stated in this subparagraph (b), you shall retain all records and allow any audits provided for by 11-35-2220(2). (c) Inspection. At reasonable times, the state may inspect any part of your place of business which is related to performance of the work. (d) Instructions Certification. When you submit data pursuant to subparagraph (a), you shall (1) do so in accordance with the instructions appearing in Table 15-2 of 48 C.F.R. Section 15.408 (2004) (adapted as necessary for the state context), and (2) submit a Certificate of Current Cost or Pricing Data, as prescribed by 48 CFR Section 15.406-2(a) (adapted as necessary for the state context). (e) Subcontracts. You shall include the above text of this clause in all of your subcontracts. (f) Nothing in this clause limits any other rights of the state.  
[07-7B185-1]

### **RELATIONSHIP OF THE PARTIES (JAN 2006)**

Neither party is an employee, agent, partner, or joint venturer of the other. Neither party has the right or ability to bind the other to any agreement with a third party or to incur any obligation or liability on behalf of the other party. [07-7B205-1]

### **SHIPPING / RISK OF LOSS (JAN 2006)**

F.O.B. Destination. Destination is the shipping dock of the Using Governmental Units' designated receiving site, or other location, as specified herein. (See Delivery clause) [07-7B220-1]

#### **TERM OF CONTRACT -- EFFECTIVE DATE / INITIAL CONTRACT PERIOD (JAN 2006)**

The effective date of this contract is the first day of the Maximum Contract Period as specified on the final statement of award. The initial term of this agreement is **5 years**, 0 months, 0 days from the effective date. Regardless, this contract expires no later than the last date stated on the final statement of award. [07-7B240-1]

#### **TERM OF CONTRACT -- OPTION TO RENEW (JAN 2006)**

At the end of the initial term, and at the end of each renewal term, this contract shall automatically renew for a period of

**1 year(s)**, 0 month(s), and 0 day(s), unless contractor receives notice that the state elects not to renew the contract at least thirty (30) days prior to the date of renewal. Regardless, this contract expires no later than the last date stated on the final statement of award. [07-7B245-1]

#### **TERM OF CONTRACT -- TERMINATION BY CONTRACTOR (JAN 2006)**

Contractor may terminate this contract at the end of the initial term, or any renewal term, by providing the Procurement Officer notice of its election to terminate under this clause **at least 120 days prior to the expiration** of the then current term. [07-7B250-1]

#### **TERMINATION FOR CONVENIENCE -- INDEFINITE DELIVERY / INDEFINITE QUANTITY CONTRACTS (JAN 2006)**

Unless the termination so provides, a termination for convenience shall not operate to terminate any purchase orders issued prior to the effective date of termination. [07-7B255-1]

#### **TERMINATION FOR CONVENIENCE (JAN 2006)**

- (1) Termination. The Procurement Officer may terminate this contract in whole or in part, for the convenience of the State. The Procurement Officer shall give written notice of the termination to the contractor specifying the part of the contract terminated and when termination becomes effective.
- (2) Contractor's Obligations. The contractor shall incur no further obligations in connection with the terminated work and on the date set in the notice of termination the contractor will stop work to the extent specified. The contractor shall also terminate outstanding orders and subcontracts as they relate to the terminated work. The contractor shall settle the liabilities and claims arising out of the termination of subcontracts and orders connected with the terminated work. The Procurement Officer may direct the contractor to assign the contractor's right, title, and interest under terminated orders or subcontracts to the State. The contractor must still complete the work not terminated by the notice of termination and may incur obligations as are necessary to do so.
- (3) Right to Supplies. The Procurement Officer may require the contractor to transfer title and deliver to the State in the manner and to the extent directed by the Procurement Officer: (a) any completed supplies; and (b) such partially completed supplies and materials, parts, tools, dies, jigs, fixtures, plans, drawings, information, and contract rights (hereinafter called "manufacturing material") as the contractor has specifically produced or specially acquired for the performance of the terminated part of this contract. The contractor shall, upon direction of the Procurement Officer, protect and preserve property in the possession of the contractor in which the State has an interest. If the Procurement Officer does not exercise this right, the contractor shall use best efforts to sell such supplies and manufacturing materials in accordance with the standards of Uniform Commercial Code Section 2-706. Utilization of this Section in no way implies that the State has breached the contract by exercise of the Termination for Convenience Clause.
- (4) Compensation. (a) The contractor shall submit a termination claim specifying the amounts due because of the termination for convenience together with cost or pricing data required by Section 11-35-

1830 bearing on such claim. If the contractor fails to file a termination claim within one year from the effective date of termination, the Procurement Officer may pay the contractor, if at all, an amount set in accordance with Subparagraph (c) of this Paragraph.

(b) The Procurement Officer and the contractor may agree to a settlement and that the settlement does not exceed the total contract price plus settlement costs reduced by payments previously made by the State, the proceeds of any sales of supplies and manufacturing materials under Paragraph (3) of this clause, and the contract price of the work not terminated;

(c) Absent complete agreement under Subparagraph (b) of this Paragraph, the Procurement Officer shall pay the contractor the following amounts, provided payments agreed to under Subparagraph (b) shall not duplicate payments under this Subparagraph:

(i) contract prices for supplies or services accepted under the contract;

(ii) costs reasonably incurred in performing the terminated portion of the work less amounts paid or to be paid for accepted supplies or services;

(iii) reasonable costs of settling and paying claims arising out of the termination of subcontracts or orders pursuant to Paragraph (2) of this clause. These costs must not include costs paid in accordance with Subparagraph (c)(ii) of this paragraph;

(iv) any other reasonable costs that have resulted from the termination. The total sum to be paid the contractor under this Subparagraph shall not exceed the total contract price plus the reasonable settlement costs of the contractor reduced by the amount of payments otherwise made, the proceeds of any sales of supplies and manufacturing materials under Subparagraph (b) of this Paragraph, and the contract price of work not terminated.

(d) Contractor must demonstrate any costs claimed, agreed to, or established under Subparagraphs (b) and (c) of this Paragraph using its standard record keeping system, provided such system is consistent with any applicable Generally Accepted Accounting Principles.

(5) Contractor's failure to include an appropriate termination for convenience clause in any subcontract shall not (i) affect the state's right to require the termination of a subcontract, or (ii) increase the obligation of the state beyond what it would have been if the subcontract had contained an appropriate clause.

[07-7B265-1]

## VIII. BIDDING SCHEDULE / PRICE-BUSINESS PROPOSAL

### BIDDING SCHEDULE (NOV 2007)

This section serves as a summary page for items listed in Section IV. INFORMATION FOR OFFERORS TO SUBMIT, Item 4.7 Cost Proposal. The Sum Total for each item under 4.7 Cost Proposal shall be entered into the corresponding Item number below. Backup documentation supporting the Sum Totals supplied in the Bidding Schedule shall be included in the Price Proposal section of the Offer.

	Q u a n t i t y	U n i t o f M e a s u r e	Sum Total	Sum Total
	1	S E C T I O N	COMPLE TE THE TABLE BELOW	COMPLE TE THE TABLE BELOW
<b>Product Catg.:</b> 57034 - License Plates Complete (Purchased by Bid Process)				
<b>Item Description:</b> Provide production cost separate from delivery cost as a cost per plate by completing the table below.				

#### Current Costs

Current pricing structure includes a different plate production cost based on high volume plates (GT and RP), and a cost break on plates in the years they are reissued. **Note the complete listing of all plate types and active plates for each plate class for FY 2012 ending 6/30/12 and FY 2013 ending 6/30/13 in Appendix A and B.**

Pricing Effective Date 3/1/12

Unit Price Category	Re- issue Yea rs		Non- Reissue Years	

Plate Manufacture (GT and RP)				
Plate Manufacture (all other plates)				
Hand delivery plate cost*				
Registration/Decal				
Mailing 4-5 ounces (regular sized plate) (for on demand plates mailed to customer)				
Mailing 3-4 ounces (motorcycle plate) for on demand plates mailed to customer)				
Shipping				
Inventory Management Software Cost				
Other costs (please specify)				
* Hand Deliver Plate Cost includes normal plate cost for plate type + .112 for delivery				

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	Q u a n t i t y	U n i t o f M e a s u r e	Sum Total	
	1	S E C T I O N		
<b>Product Catg.:</b> 57034 - License Plates Complete (Purchased by Bid Process)				
<b>Item Description:</b> Provide special per plate production costs contingent on volume, mode of delivery or other factors that could improve the per plate cost for SCDMV.				

	Q u a n t i t y	U n i t o f M e a s u r e	Sum Total	
	1	S E C T I O N		
<b>Product Catg.:</b> 57034 - License Plates Complete (Purchased by Bid Process)				
<b>Item Description:</b> Provide all costs required to mail plates to customers for on demand plates. Please provide your cost to mail plates on a cost per plate basis.				

	Q u a n t i t y	U n i t o f M e a s u r e	Sum Total	
	1	S E C T I O N		
<b>Product Catg.:</b> 57034 - License Plates Complete (Purchased by Bid Process)				
<b>Item Description:</b> Provide all costs required to accept orders and ship plates directly to SCDMV facilities throughout the state, including the SCDMV warehouse.				

	Q u a n t i t y	U n i t o f M e a s u r e	Sum Total	
	1	S E C T I O N		
<b>Product Catg.:</b> 57034 - License Plates Complete (Purchased by Bid Process)				

**Item Description:** Provide costs for registration forms and decals on a per plate basis.

	Q u a n t i t y	U n i t o f M e a s u r e	S u m T o t a l	
	1	S E C T I O N		

**Product Catg.:** 57034 - License Plates Complete (Purchased by Bid Process)

**Item Description:** Provide a list of other costs that are associated with your proposal.

	Q u a n t i t y	U n i t o f M e a s u r e	S u m T o t a l	
	1	S E C T I O N		

**Product Catg.:** 57034 - License Plates Complete (Purchased by Bid Process)

**Item Description:** Rates for plate design work requested by SCDMV must also be quoted in this section. SCDMV currently pays \$900 per new design and \$300 per modified design for design work.

## IX. ATTACHMENTS TO SOLICITATION

### LIST OF ATTACHMENTS

ATTACHMENTS LIST [09-9002-1]

The following documents are attached to this solicitation:

- **Appendix A – Active Plates as of 6/30/13 (Excluding Commission)**
- **Appendix B – Active Commission Plates as of 6/30/13**

### NONRESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHHOLDING

#### IMPORTANT TAX NOTICE - NONRESIDENTS ONLY

Withholding Requirements for Payments to Nonresidents: Section 12-8-550 of the South Carolina Code of Laws requires persons hiring or contracting with a nonresident conducting a business or performing personal services of a temporary nature within South Carolina to withhold 2% of each payment made to the nonresident. The withholding requirement does not apply to (1) payments on purchase orders for tangible personal property when the payments are not accompanied by services to be performed in South Carolina, (2) nonresidents who are not conducting business in South Carolina, (3) nonresidents for contracts that do not exceed \$10,000 in a calendar year, or (4) payments to a nonresident who (a) registers with either the S.C. Department of Revenue or the S.C. Secretary of State and (b) submits a Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to the person letting the contract.

The withholding requirement applies to every governmental entity that uses a contract ("Using Entity"). Nonresidents should submit a separate copy of the Nonresident Taxpayer Registration Affidavit - Income Tax Withholding, Form I-312 to every Using Entity that makes payment to the nonresident pursuant to this solicitation. Once submitted, an affidavit is valid for all contracts between the nonresident and the Using Entity, unless the Using Entity receives notice from the Department of Revenue that the exemption from withholding has been revoked.

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Section 12-8-540 requires persons making payment to a nonresident taxpayer of rentals or royalties at a rate of \$1,200.00 or more a year for the use of or for the privilege of using property in South Carolina to withhold 7% of the total of each payment made to a nonresident taxpayer who is not a corporation and 5% if the payment is made to a corporation. Contact the Department of Revenue for any applicable exceptions.

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For information about other withholding requirements (e.g., employee withholding), contact the Withholding Section at the South Carolina Department of Revenue at 803-898-5383 or visit the Department's website at: [www.sctax.org](http://www.sctax.org)

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This notice is for informational purposes only. This agency does not administer and has no authority over tax issues. All registration questions should be directed to the License and Registration Section at 803-898-5872 or to the South Carolina Department of Revenue, Registration Unit, Columbia, S.C. 29214-0140. All withholding questions should be directed to the Withholding Section at 803-896-1420.

PLEASE SEE THE "NONRESIDENT TAXPAYER REGISTRATION AFFIDAVIT INCOME TAX WITHHOLDING" FORM (FORM NUMBER I-312) LOCATED

AT: <http://www.sctax.org/Forms+and+Instructions/withholding/default.htm>

[09-9005-1]

## OFFEROR'S CHECKLIST (JUN 2007)

### OFFEROR'S CHECKLIST -- AVOID COMMON BID/PROPOSAL MISTAKES

Review this checklist prior to submitting your bid/proposal.

If you fail to follow this checklist, you risk having your bid/proposal rejected.

- Do not include any of your standard contract forms!
- Unless expressly required, do not include any additional boilerplate contract clauses.
- Reread your entire bid/proposal to make sure your bid/proposal does not take exception to any of the state's mandatory requirements.
- Make sure you have properly marked all protected, confidential, or trade secret information in accordance with the instructions entitled: SUBMITTING CONFIDENTIAL INFORMATION. **DO NOT mark your entire bid/proposal as confidential, trade secret, or protected! Do not include a legend on the cover stating that your entire response is not to be released!**
- Have you properly acknowledged all amendments? Instructions regarding how to acknowledge an amendment should appear in all amendments issued.
- Make sure your bid/proposal includes a copy of the solicitation cover page. Make sure the cover page is signed by a person that is authorized to contractually bind your business.
- Make sure your Bid/proposal includes the number of copies requested.
- Check to ensure your Bid/proposal includes everything requested!
- If you have concerns about the solicitation, do not raise those concerns in your response! **After opening, it is too late! If this solicitation includes a pre-bid/proposal conference or a question & answer period, raise your questions as a part of that process!** Please see instructions under the heading "submission of questions" and any provisions regarding pre-bid/proposal conferences.

[09-9010-1]

**APPENDIX A: ACTIVE PLATES AS OF 6/30/13** (EXCLUDING COMMISSION)

**HIGH VOLUME REGULAR PLATES  
AND IN GOD WE TRUST**

	DESCRIPTION				n o t e s
	REGULAR PLATE				
	IN GOD WE TRUST				
	<b>total RP and GT</b>				

**OTHER SPECIALTY PLATES (EXCLUDING COMMISSION)**

	DESCRIPTION				n o t e s
	PERMANENT TRAILER				
	MOTORCYCLE				
	TRUCK (BIENNIAL)				
	WHEELCHAIR				
	PERSONALIZED PLATE				

	CAMPER TRAILER				
	FARM				o l d d e s i g n
	FARM				n e w d e s i g n
	COUNTY GOVERNMENT				
	STATE GOVERNMENT				
	MUNICIPAL GOVERNMENT				
	APPORTIONED TRUCK				
	VETERAN				

	PERMANENT UTILITY TRAILER				
	DISABLED VETERAN				o l d d e s i g n
	DISABLED VETERAN				n e w d e s i g n
	UNIVERSITY OF SOUTH CAROLINA				
	TRUCK ANNUAL				
	CLEMSON UNIVERSITY				
	ANTIQUE VEHICLE				
	FLEET				

	NATIONAL GUARD				
	REGIONAL GOVERMENT				
	PUBLIC EDUCATION (APPLE)				
	VIETNAM VETERANS				
	BUS				
	ENDANGERED SPECIES				
	<b>DESCRIPTION</b>				<b>n o t e s</b>

	HANDICAP VETERAN				n e w d e s i g n
	HANDICAP VETERAN				o l d d e s i g n
	PURPLE HEART				
	UNITED WE STAND				
	RECREATIONAL VEHICLE				
	PERSONALIZED MOTORCYCLE				
	TRAILER				
	GONE FISHING				
	DUCKS UNLIMITED				

	FRATERNAL ORDER OF POLICE				
	U.S. ARMED FORCES RETIRED				
	SHARE THE ROAD				
	TRUCK HALF-YEAR (SEPTEMBER)				h a l f y e a r p l a t e s g e t p h y s i c a l l y r e p l a c e d e a c h

	VETERAN MOTORCYCLE				
	FIRST IN GOLF				
	ANCIENT FREE MASONS				
	SPECIAL MOBILE				
	NO MORE HOMELESS PETS				

	KEEP SOUTH CAROLINA BEAUTIFUL				
	NURSES FOUNDATION				
	HIGHWAY PATROL				
	THE CITADEL				
	SHRINERS				
	BRONZE STAR				
	TAXI				
	AMATEUR RADIO				
	UNIVERSITY OF NORTH CAROLINA				
	CONFEDERATE VETERANS				

	PARROT HEAD				
	WILDLIFE (Deer)				
	TRAILER PERMANENT				
	LOW SPEED VEHICLE				
	MORRIS ISLAND LIGHTHOUSE				
	I BELIEVE SC				
	PRINCE HALL MASONS				
	<b>DESCRIPTION</b>				<b>n o t e s</b>
	CHARTER LINES				
	DISABLED MOTORCYCLE				

	EMERGENCY MEDICAL SERVICE				
	HL HUNLEY				
	S.C. STATE UNIVERSITY				
	BUS (COMMON CARRIER)				
	DELTA SIGMA THETA SORORITY INC				
	YEAR OF MANUFACTURE MOTOR				
	ALPHA KAPPA ALPHA SORORITY				
	REGIONAL GOVERNMENT WHEELCHAIR				
	HERITAGE CLASSIC FOUNDATION				
	WOFFORD COLLEGE				
	SUPPORT OUR TROOPS				
	DONATE LIFE				
	NASCAR-DALE EARNHARDT				
	HUNTING ISLAND STATE PARK				
	BOYKIN SPANIEL FOUNDATION				

	SURFRIDER FOUNDATION				
	MARINE CORP LEAGUE				
	PRISONER OF WAR				
	UNIVERSITY OF GEORGIA				
	MUSC CHILDRENS HOSPITAL				
	WORLD WAR II VETERANS				
	SC CITIZENS FOR LIFE				
	USC BASEBALL NATIONAL CHAMPS				n e w p l a t e 2 0 1 3
	AUBURN UNIVERSITY				
	FURMAN UNIVERSITY				
	WILD TURKEY FEDERATION				
	COLLEGE OF CHARLESTON				

	OMEGA PSI PHI				
	RESCUE VEHICLE				
	EARTH ECHO INTERNATIONAL				
	BREAST CANCER AWARENESS				
	OUR FARMS OUR FUTURE				
	ARTS AWARENESS				
	GEORGIA TECH FOUNDATION INC.				
	MUNICIPAL GOVERNMENT MOTORCYCL				
	SC EQUALITY				
	ANTIQUE VEHICLE MOTORCYCLE				
	SHAG				
	BENEDICT COLLEGE				
	<b>DESCRIPTION</b>				<b>n o t e s</b>

	PURPLE HEART DISABLED				
	UNIVERSITY OF ALABAMA				n e w p l a t e 2 0 1 3
	GOLD STAR FAMILY				
	UTILITY TRAILER				
	PRESBYTERIAN COLLEGE				
	NASCAR				
	KOREAN WAR VETERANS				
	NASCAR-DALE EARNHARDT JR.				
	SC TROOPERS ASSOCIATION				
	SC TENNIS PATRONS FOUNDATION				n e w p l

						a t e 2 0 1 3
		BOY SCOUTS OF AMERICA				
		WILDLIFE (BUNTING)				
		HOMEOWNERSHIP: AMERICAN DREAM				
		UNIVERSITY OF FLORIDA				
		FLORIDA STATE UNIVERSITY				
		OHIO STATE UNIVERSITY				
		IN REASON WE TRUST				
		KAPPA ALPHA PSI				
		FIREFIGHTER				
		MULTIPLE SCLEROSIS SOCIETY				
		ROTARY INTERNATIONAL				
		CAROLINA PANTHERS				
		LEGISLATOR				o f f i c e

					a l p l a t e r e p l a c e d e a c h y e a r
	STATE GOVERNMENT WHEELCHAIR				
	APPALACHIAN STATE UNIVERSITY				n e w p l a t e 2 0 1 3
	NEWBERRY COLLEGE				
	NASCAR-JEFF GORDON				
	PURPLE HEART MOTORCYCLE				
	S. C. CATTLEMANS ASSOCIATION				

	STATE TRANSPORT POLICE				
	WINTHROP UNIVERSITY				
	REDUCE REUSE RECYCLE				
	PRINCE HALL ORDER EASTERN STAR				
	UNIVERSITY OF TENNESSEE				n e w p l a t e 2 0 1 3
	CLAFLIN COLLEGE				
	LIONS INTERNATIONAL				
	<b>DESCRIPTION</b>				n o t e s

	U S NAVAL ACADEMY				
	PENN CENTER				
	WHEELCHAIR PERSONALIZED				
	COASTAL CAROLINA UNIVERSITY				
	DISABLED VETERAN MOTORCYCLE				o l d d e s i g n
	DISABLED VETERAN MOTORCYCLE				n e w d e s i g n
	WEST POINT				
	ZETA PHI BETA				
	NC STATE UNIVERSITY				
	NORTH GREENVILLE UNIVERSITY				
	WILSON HIGH SCHOOL				n e w p

						l a t e 2 0 1 3
	FRANCIS MARION UNIVERSITY					
	CONVERSE COLLEGE					
	COLUMBIA COLLEGE					
	SOUTHERN WESLEYAN					
	SPECIAL OLYMPICS					
	VETERAN WHEELCHAIR					n e w p l a t e 2 0 1 3
	MORRIS COLLEGE					
	SC ELKS ASSOCIATION					
	LIMESTONE COLLEGE					
	LANDER UNIVERSITY					

	VOLUNTEER FIREMAN				
	ALPHA PHI ALPHA				
	DR. MARY MCLEOD BETHUNE				n e w p l a t e 2 0 1 3
	SC GRAND LODGE OF MASONS				
	BEAUFORT WATER FESTIVAL				
	COUNTY GOVERNMENT MOTORCYCLE				
	COKER COLLEGE				
	ERSKINE COLLEGE				
	SC CHIROPRACTIC ASSOCIATION				
	SILVER STAR				
	SERTOMA INTERNATIONAL				
	SENATOR				o f f i c i a l

						p l a t e r e p l a c e d e a c h y e a r
	CAROLINAS DISTRICT KIWANIS FND					
	PALMETTO HEALTH CHILDRENS HOSP					n e w p l a t e 2 0 1 3
	<b>DESCRIPTION</b>					<b>n o t e s</b>

	COUNTY GOVERNMENT WHEELCHAIR				
	RONALD MCDONALD HOUSE				
	CHARLESTON SOUTHERN UNIVERSITY				
	U.S. MILITARY RESERVES				
	PHI BETA SIGMA				
	ALLEN UNIVERSITY				
	STATE GOVERNMENT MOTORCYCLE				
	EMERGENCY MEDICAL				
	QUALITY DEER MANAGEMENT ASSOC.				n e w p l a t e 2 0 1 3
	TREES SC				n e w p l a t e

					2 0 1 3
	CITY COUNCIL				
	VOORHEES COLLEGE				
	MEDICAL UNIVERSITY OF SC				n e w p l a t e 2 0 1 3
	STATE GOV LOW SPEED VEHICLE				
	TECHNOLOGY ALLIANCE				
	BOB JONES UNIVERSITY				
	CIRCUIT COURT				o f f i c i a l p l a t e r e p l a c e d e a

						c h y e a r
	HIGHWAY PATROL (MOTORCYCLE)					
	NASCAR-RUSTY WALLACE					
	US AIR FORCE ACADEMY					
	SQUARE DANCE					
	ANDERSON COLLEGE					
	FORMER MEMBER GENERAL ASSEMBLY					
	GREENVILLE CHILDRENS HOSPITAL					
	COUNTY COUNCIL					
	NATIONAL GUARD RETIRED					
	PEARL HARBOR SURVIVOR					
	S. C. AVIATION ASSOCIATION					
	FEDERAL COURT					o f f i c i a l p l a t e r

						e p l a c e d e a c h y e a r
		COUNTY GOV LOW SPEED VEHICLE				
		SC COUNTY CORONERS				
		MUNICIPAL LOW SPEED VEHICLE				
		COUNTY VETERANS OFFICER				
		<b>DESCRIPTION</b>				n o t e s
		CIRCUIT COURT AT LARGE				o f f i c i a l p

						l a t e r e p l a c e d e a c h y e a r
	NASCAR-JEFF BURTON					
	US NAVY CHIEF PETTY OFFICER					n e w p l a t e 2 0 1 3
	YEAR OF MANUFACTURE MOTORCYCLE					
	REGIONAL GOVT MOTORCYCLE					
	MAYOR					
	APPEALS COURT					o f f i c i a l p l

						a t e r e p l a c e d e a c h y e a r
	SUPREME COURT					o f f i c i a l p l a t e r e p l a c e d e a c h y e a r
	ROCKY MOUNTAIN ELK FOUNDATION					n e w p l

						a t e 2 0 1 3
	REGIONAL GOV LOW SPEED VEHICLE					
	DISTINGUISHED SERV. MEDAL ARMY					n e w p l a t e 2 0 1 3
	MEDAL OF HONOR					o l d d e s i g n
	MEDAL OF HONOR - NAVY					n e w d e s i g n
	MEDAL OF HONOR - ARMY					n e w d e s i g n
	STATE GUARD					
	U.S. CONGRESS					

	NORTH GREENVILLE COLLEGE				
	GOLDSTAR FAMILY PERSONALIZED				n e w p l a t e 2 0 1 3
	RESEARCH AND DEVELOPMENT FLEET				
	COMBAT RELATED DISABLED VET.				n e w p l a t e 2 0 1 3
	SPEAKER PRO TEM				o f f i c i a l p l a t e r e p l a c e

					d e a c h y e a r
	STATE TREASURER				
	FORMER MEMBER U.S. CONGRESS				
	U.S. SENATE				
	APPORTIONED BUS				
	<b>DESCRIPTION</b>				n o t e s
	AGRICULTURE DEPARTMENT				o f f i c i a l p l a t

						e r e p l a c e d e a c h y e a r
	EAGLE SCOUTS OF AMERICA					n e w p l a t e 2 0 1 3
	MOTHERS AGAINST DRUNK DRIVING					n e w p l a t e 2 0 1 3
	RETIRED JUDICIAL OFFICER					n e w p l a t e 2 0

						1 3
		SC VETERAN DISABLED				n e w p l a t e 2 0 1 3

**APPENDIX B: ACTIVE COMMISSION PLATES AS OF 6/30/13**

COMMISSION PLATES (will likely be reissued in 2014)

(NOTE VOLUME FLUCTUATES FROM YEAR TO YEAR DEPENDING ON COMMISSIONERS)

CLASS	DESCRIPTION	ACTIVE PLATES 6/30/13	Active Plates 6/30/12
C01	COASTAL CAROLINA UNIV TRUSTEE	15	15
C02	AGRICULTURAL COMMISSION	22	21
C03	ARCHIVES AND HISTORY COMMISSIO	3	3
C04	ARTS COMMISSION	5	6
C05	AUCTIONEERS COMMISSION	3	3
C06	THE CITADEL BRD OF VIS EMERIT	1	1
C07	STATE BOARD OF EDUCATION	6	5
C08	BOARD OF NURSING	5	3
C09	BOARD OF PHARMACY	4	3
C10	FRANCIS MARION UNIV TRUSTEE EM	1	1
C100	S.C. COMMISSION FOR THE BLIND	1	1
C101	RURAL WATER	10	12
C102	TEXTILE INDUSTRY STUDY COMM.	2	2
C103	SCHOOL FOR DEAF AND BLIND BRD.	3	3
C104	STATE ETHICS COMMISSION	3	4
C105	EMVIRONMENTAL CERTIFICATION BD	3	3
C106	HUNLEY COMMISSION	2	3
C107	PYROTECHNIC SAFETY BD	2	2
C108	CONTRACTORS LICENSING BOARD	4	4
C109	CHILDRENS FOSTER CARE REVIEW	1	1
C11	BUILDING CODE COUNCIL	8	7
C110	PROBATE JUDGE	14	18
C112	WORKERS COMPENSATION COMM.	4	4
C113	SCHOOL BOARD MEMBER	22	17
C114	BOARD OF COSMETOLOGY	2	6

C115	ADMINISTRATIVE LAW COURT	3	3
C116	CLEMSON BOARD OF VISITORS	55	58
C117	OPTOMETRY BOARD	1	1
C118	GOVERNORS SCH SCIENCE AND MATH	1	2
C119	MUNICIPAL COURT	9	9
C12	BOARD OF REGSTN FOR GEOLOGISTS	1	1
C120	TOURISM EXPENDITURE REVIEW COM	1	1
<b>CLASS</b>	<b>DESCRIPTION</b>	<b>ACTIVE PLATES 6/30/13</b>	<b>Active Plates 6/30/12</b>
C121	SUMMARY COURT JUDGE	142	151
C122	MUSC TRUSTEE EMERITUS	3	4
C123	LANDER UNIVERSITY TRUSTEE	6	6
C124	FRANCIS MARION UNIV. TRUSTEE	15	15
C125	STATE WORKFORCE INVEST BOARD	6	5
C126	RICHLAND-LEXINGTON AIRPORT COM	9	9
C127	TRUSTEE COLLEGE OF CHARLESTON	10	10
C128	S.C. DNR LAW ENFORCEMENT ADVIS	15	13
C129	TRUSTEE EMERITUS COLLEGE OF CH	3	3
C130	COUNCIL ON THE HOLOCAUST	5	6
C131	GOVRNRS COUNCIL / PHYS. FIT.	5	4
C132	SALTWATER REC. FISH ADV COMM	7	8

C134	BOARD OF PROBATION	6	6
C135	JOHN DL LA HOWE SCHOOL	6	7
C136	CIRCUIT COURT EQUITY DIVISION	15	16
C138	MENTAL HEALTH COMM. EMERITUS	1	1
C139	APPRAISERS BOARD	3	6
C14	CHIROPRACTIC EXAMINING BOARD	7	3
C144	AERONAUTICS COMMISSION	6	6
C145	SC RETIREMENT INVESTMENT COMM	7	7
C146	L P GAS BOARD MEMBER	2	3
C147	AFRICAN-AMERICAN HERITAGE COMM	2	2
C148	PALMETTO UNIFIED SCH DIST TR	2	3
C149	CLARENDON HOSP DIST TRUSTEE	4	5
C15	CIRCUIT SOLICITOR	2	2
C150	AGENCY HEAD SALARY COMM.	2	2
C151	AIKEN TECHNICAL COLLEGE	1	1
C154	FLORENCE DARLINGTON TECH	5	5
C156	HORRY GEORGETOWN TECH COLLEGE	4	4
C157	MIDLANDS TECHNICAL COLLEGE	4	4
C158	PIEDMONT TECHNICAL COLLEGE	4	4
C159	SPARTANBURG COMMUNITY COLLEGE	1	1
C16	CLEMSON UNIVERSITY TRUSTEE	20	19
C160	TECH COLLEGE OF LOWCOUNTRY	5	5
C161	TRI-COUNTY TECHNICAL COLLEGE	2	2
C162	TRIDENT TECHNICAL COLLEGE	4	4
C168	SC PERPETUAL CARE CEMETERY	2	2
C169	PATRIOTS POINT DEV. AUTHORITY	2	4
C170	USC BOARD OF VISITORS	15	11

<b>CLASS</b>	<b>DESCRIPTION</b>	<b>ACTIVE PLATES 6/30/13</b>	<b>Active Plates 6/30/12</b>
C171	USC TRUSTEE EMERITUS	8	
C18	FORESTRY COMMISSION	5	5
C19	S.C. DOT COMMISSIONER	12	10
C21	COMMISSION ON HIGHER EDUCATION	4	8
C22	COMMISSION ON CONSUMER AFFAIRS	2	2
C23	WILDLIFE / FISHERIES ADV COMM	16	15
C24	HISTORICAL RECORDS ADVISORY BO	4	4
C27	BOARD OF PROF ENGINEERS	3	4
C28	EXCHANGE BUILDING COMMISSION	2	3
C31	WIL LOU GRAY OPPORTUNITY SCHOO	8	7
C34	MARINE ADVISORY COMMITTEE	9	9
C35	COMMISSION ON INDIGENT DEFENSE	1	
C36	HUMAN AFFAIRS COMMISSION	8	8
C37	BOARD OF REGSTN. FOR FORESTERS	2	1
C38	COMMISSIONER NATIONAL AND COMM	5	4
C39	SC DNR LAND WATER CONSERV	7	7
C41	MANUFACTURED HOUSING BOARD	3	3
C42	MEDICAL UNIVERSITY	14	13
C43	MENTAL HEALTH COMMISSION	5	3
C44	SC COMMISSION ON DISABILITIES	1	1
C45	GOVERNORS CUP BILLFISHING SERI	5	5
C46	SCENIC HIGHWAYS COMMITTEE	4	3
C47	PODIATRY BOARD	3	3
C48	PORTS AUTHORITY	5	3
C49	S.C. STATE UNIVERISTY TRUSTEE	1	1

C50	PUBLIC SERVICE COMMISSION	3	4
C51	RESIDENTIAL HOME BUILDERS COMM	7	9
C52	HOUSING FINANCE AUTHORITY	2	
C53	STATE BD TECH COLLEGE SYSTEM	2	4
C54	THE CITADEL BOARD OF VISITORS	11	8
C55	UNIVERSITY OF SOUTH CAROLINA	20	21
C56	VOCATIONAL REHABILITATION BOAR	2	3
C57	SC EDUCATION LOTTERY COMM.	2	2
C58	NATURAL RESOURCES BOARD	8	6
C59	WINTHROP UNIVERSITY TRUSTEE	14	15
C60	REAL ESTATE COMMISSION	5	8
C62	SC BOARD OF FUNERAL SERVICE	1	4
C63	EXAM. BD OF COUNS./THERAPISTS	3	4
C64	ACCOUNTANCY BOARD	4	6
<b>CLASS</b>	<b>DESCRIPTION</b>	<b>ACTIVE PLATES 6/30/13</b>	<b>Active Plates 6/30/12</b>
C65	HOUSE SPEAKER	3	3
C67	MUSEUM COMMISSION	5	5
C69	SC STATE LIBRARY BOARD	7	2
C70	PILOTAGE COMMISSION	5	6
C71	BOARD OF DENTISTRY	4	4
C72	BOARD OF MEDICAL EXAMINERS	8	9
C73	SANTEE COOPER BOARD	5	4
C75	BOARD OF ARCH. EXAMINERS	5	4
C76	REGISTER OF DEEDS	5	6
C77	FINANCIAL INSTITUTIONS BOARD	3	3
C78	TRANSPORTATION INTRASTRUCTURE	1	2
C79	CONSUMER CREDIT ADVISORY COUNC	8	9

C81	CONSERVATION DISTRICT COMMISSI	127	131
C82	BOARD OF VETERINARY EXAMINERS	6	6
C83	JOBS-ECONOMIC DEVELOPMENT AUTH	3	3
C84	FAMILY COURT	18	20
C86	BOARD OF BARBER EXAMINERS	2	2
C87	MIGRATORY WATERFOWL COMMITTEE	6	6
C88	SC STATE U TRUSTEE EMERITUS	2	2
C90	PROCUREMENT REVIEW PANEL	7	3
C91	HERITAGE TRUST ADIVSORY BD	4	4
C92	ATHLETIC COMMISSION	4	4
C93	CLEMSON TRUSTEE EMERITUS	7	5
C96	CLERK OF COURT	24	22
C97	ETV COMMISSION	2	1
C98	CRIME VICTIMS ADVISORY BOARD	9	10
C99	FEDERAL ADMINISTRATIVE LAW JUD	5	4
		1,083	1,088

**Appendix B. IN RFP**



**STATE OF INDIANA**

# Request for Proposal 14-058

**INDIANA DEPARTMENT OF ADMINISTRATION**

**On Behalf Of**

**Bureau of Motor Vehicles**

**Solicitation For:**

**Centralized Production and Direct Distribution of License Plates  
and Registration Documents**

**Response Due Date: **March 4, 2014****

Adam Thiemann, Account Manager  
Indiana Department of Administration  
Procurement Division  
402 W. Washington St., Room W478  
Indianapolis, Indiana 46204

SECTION ONE

**GENERAL INFORMATION AND REQUESTED PRODUCTS/SERVICES**

## 1.1 INTRODUCTION

In accordance with Indiana statute, including IC 5-22-9, the Indiana Department of Administration (IDOA), acting on behalf of the Bureau of Motor Vehicles (BMV), requires on-demand production and distribution of all Indiana license plates and registration documents. It is the intent of IDOA to solicit responses to this Request for Proposals (RFP) in accordance with the statement of work, proposal preparation section, and specifications contained in this document. This RFP is being posted to the IDOA website (<http://www.IN.gov/idoa/2354.htm>) for downloading. A nominal fee will be charged for providing hard copies. Neither this RFP nor any response (proposal) submitted hereto are to be construed as a legal offer.

## 1.2 DEFINITIONS AND ABBREVIATIONS

Following are explanations of terms and abbreviations appearing throughout this RFP. Other special terms may be used in the RFP, but they are more localized and defined where they appear, rather than in the following list.

IAC	Indiana Administrative Code
IC	Indiana Code
CUF	Commercially Useful Function – A business function that supports the scope of this solicitation
Full Time Equivalent (FTE)	The State defines FTE as a measurement of an employee's productivity when executing the scope of work in this RFP for a specific project or contract. An FTE of 1 would mean that there is one worker fully engaged on a project. If there are two employees each spending 1/2 of their working time on a project that would also equal 1 FTE.
Householding	Once all address verification processes are complete, the solution shall combine all records that have exact matches on the First Name field, Last Name field, address1, address2, city, state, and five digit zip code.
Implementation	The successful implementation of on-demand production and distribution of license plates and registration documents as specified in the contract(s) resulting from this RFP

Installation	The delivery and physical setup of products or services requested in this RFP
Other Governmental	
Body	An agency, a board, a branch, a bureau, a commission, a council, a department, an institution, an office, or another establishment of any of the following: (1) The judicial branch (2) The legislative branch (3) A political subdivision (includes towns, cities, local governments, etc.) (4) A state educational institution
Products	Tangible goods or manufactured items as specified in this RFP
Proposal	An offer as defined in IC 5-22-2-17
Respondent	An offeror as defined in IC 5-22-2-18. The State will not consider a proposal responsive if two or more offerors submit a joint or combined proposal. One entity or individual must be clearly identified as the Respondent who will be ultimately responsible for performance of the contract
Registration Documents	Registration forms, stickers, decals, and envelopes
Services	Work to be performed as specified in this RFP
State	The State of Indiana
State Agency	As defined in IC 4-13-1, "state agency" means an authority, board, branch, commission, committee, department, division, or other instrumentality of the executive, including the administrative, department of state government
Total Bid Amount	The amount that the respondent proposes on Attachment D that represents their total, all-inclusive price.
Turn Around Time	The amount of time that elapses between the Contractor receiving an accurate order file from the State and the completed package entering the mail stream.

Vendor Any successful Respondent selected as a result of the procurement process to deliver the products or services requested by this RFP

### 1.3 PURPOSE OF THE RFP

The purpose of this RFP is to select a vendor that can satisfy the State's need for on-demand production and distribution of license plates and registration documents. It is the intent of the BMV to contract with a vendor(s) that provides quality centralized on-demand production and direct distribution of all Indiana license plates and registration documents. There are two separate parts of this RFP – 1) on-demand production and distribution of license plates and 2) on-demand production and distribution of registration documents. It is not mandatory for a company to bid on both the production and distribution of license plates and the production and distribution of the registration documents. However, the BMV will not accept bids for only portions of one of the two parts. The respondent must provide a bid that includes one of the following scenarios: 1) the entire production and distribution of the license plates, 2) the entire production and distribution of the registration documents, or 3) the entire production and distribution of both the license plates and the registration documents.

### 1.4 SUMMARY SCOPE OF WORK

The RFP covers the production and distribution of all Indiana license plates and registration documents required for the BMV. The BMV currently utilizes a partnership with 3M and Prison Enterprise Network (PEN Products) for the centralized production of the license plates at the Michigan City Prison facility in Michigan City, Indiana. 3M is the current provider of all equipment and materials for the license plates while PEN Products is responsible for the labor and production of the license plates. Intellectual Technology Incorporated (ITI) is the current provider for the production and distribution of all of the registration documents. A more detailed flow chart of the vendor responsibilities for the current production and distribution of the license plates and registration documents can be found in **Attachment K – License Plate Flow Chart – and Attachment L – Registration Flow Chart.**

The BMV is not looking to change the current ordering process but will consider changes to the process if it can provide efficiencies in the production and distribution of the license plates and registration documents. Respondents should prepare their proposals in accordance with the current ordering process but are encouraged to include suggested changes in their proposal (if applicable).

The current size specifications for the Indiana license plates can be found in **Attachment M – Current License Plate Sizing Specifications.** The BMV is not looking to change the current license plate sizes through this RFP. All respondents should prepare their proposals in accordance with the current size specifications.

The current specifications for the license plate sheeting, ribbons, and protective film for the production of digital plates can be found in **Attachment N – Current Digital License Plate Production Specifications**. The BMV is open to changes in the technology and materials for the production of the license plates and encourages vendors to provide the best solution at the best price.

The current specifications for the three-dimensional license plate security mark can be found in **Attachment N – Current Digital License Plate Production Specifications**. The BMV is open to changes in the technology for the license plate security features and encourages vendors to provide details in their proposal about any changes they wish to implement in their security solution. If an alternative solution better fits a respondent's technology or model for production and distribution of the license plates, the BMV would like the opportunity to review such a proposal. However, if a vendor would like to provide a change in the production and distribution of the license plates, they must provide both a price for the current specifications as well as a price for an alternative solution. All proposed changes should also be detailed in the respondent's technical proposal and clearly recognized as changes to the current specifications.

The current specifications for the automobile/trailer/motorcycle registration documents, and envelopes can be found in **Attachments O & P**. The current specifications for watercraft/off-road/snowmobile registration documents can be found in **Attachments Q, R, S, T, & U**. The BMV is open to changes in the registration documents and envelopes; the changes should also be detailed in the respondent's technical proposal and clearly recognized as changes to the current specifications.

If a vendor would like to provide a change in the production and distribution of the registration documents they must provide both a price for the current specifications the BMV has in place (using the "Registration Doc Production" tab of the Cost Proposal Template – **Attachment D**) as well as a proposed new solution (using the "Alternate Registration Doc Production" tab of the Cost Proposal Template – **Attachment D**). The changes should also be detailed in the respondent's technical proposal and clearly recognized as changes to the current specifications.

The mandatory requirements for on-demand license plate production and distribution can be found in **Attachment E**.

The mandatory requirements for on-demand registration document production and distribution can be found in **Attachment F**.

#### 1.4.1 PARTNERSHIP WITH PRISON ENTERPRISE NETWORK (PEN PRODUCTS)

The BMV requires respondents of this RFP to create a business partnership with PEN Products for the production of the license plates. The vendor is expected to create this partnership without the assistance of the State.

The respondent is required to provide PEN Products with all of the equipment and supplies related to their license plate production solution at no charge to PEN Products. The cost of the equipment and supplies required in the license plate production should be included in the “Other Services” category in the “License Plate Production” tab of the Cost Proposal Template – **Attachment D** - and must be included in the per plate price billed to the BMV throughout the life of the contract.

It is mandatory that all respondents who intend to bid on the production and distribution of the Indiana license plates reimburse PEN Products the following amounts for each plate type produced to cover their labor and production costs:

- 1 Color – Automobile/Trailer License Plate – \$1.76 per plate
- 2+ Color – Automobile/Trailer License Plate – \$2.24 per plate
- All Motorcycle License Plates – \$1.66 per plate

All pricing presented in the respondent’s Cost Proposal Template – **Attachment D** – must include the cost per plate that will be given to PEN Products so that the total cost per plate is represented. Any respondent who submits a proposal that does not include a per plate cost that is reimbursed to PEN Products will be subject to disqualification for contract award of this RFP.

Respondents may provide a proposal for a change in the production and distribution of the license plates. However, they must provide both a price for the current model using PEN Products as described in the “License Plate Production” tab of the Cost Proposal Template – **Attachment D** as well as a price for an alternative solution using “Alternate License Plate Production” tab of the Cost Proposal Template – **Attachment D**. All proposed changes should also be detailed in the respondent’s technical proposal and clearly recognized as changes to the current specifications.

#### 1.4.2 CURRENT PURCHASING PROFILE

Depending on the plate year, the State spends anywhere from \$6.5 million annually during a low volume plate year and \$21 million during a high volume plate year for the on-demand production and distribution of license plates. The BMV currently pays for the production and distribution of the license plates on a per plate basis which is an all inclusive price for the license plate, sheeting, ribbons, decals/stickers, packaging/shipping, technology/supplies, and all other costs required to produce and distribute the license plates. License plates are replaced every five (5) years and are automatically sent to the customer when the plates are renewed in the BMV system. The current pricing for each plate type is as follows:

**BMV**

Plate Type	Production (\$) <sup>38</sup>	Other (\$)	Postage (\$)	Total Per Plate (\$)
1-Color Automobile/Trailer License Plate	2.97	1.29	1.44	\$5.70
2+ Color Automobile License Plate	3.47	1.28	1.44	\$6.19
Motorcycle License Plate	2.48	1.36	0.75	\$4.59

The BMV has included plate volumes for the resulting contract of this RFP that are currently purchased by the Indiana Department of Revenue (DOR) and the Indiana Secretary of State (SOS). The current pricing for each of those plate types is as follows:

**DOR**

<sup>38</sup> The BMV "Production" cost does include the PEN Products reimbursement portion.

Plate Type	Production (\$) <sup>39</sup>	Total Per Plate (\$)
1-Color DOR Automobile/Trailer License Plate	2.97	\$2.97
2+ Color DOR Automobile License Plate	3.47	\$3.47

**SOS**

Plate Type	Production (\$) <sup>40</sup>	Total Per Plate (\$) <sup>41</sup>
1-Color SOS License Plate	5.47	5.47
1- Color SOS Motorcycle License Plate	2.93	\$2.93

In aggregate, the State spends on average \$3.4 million annually on the on-demand production and distribution of registration documents. The BMV currently pays an all inclusive price for the production and distribution of the registration documents for the registration card, materials, ink/ribbons, decals/stickers, shipping, technology/supplies, and all other costs required to produce and distribute the registration documents. The resulting contract from this RFP will also need to include the packaging cost for the distribution of the registration documents. All automobile, trailer, motorcycle, and watercraft registrations

<sup>39</sup> DOR does not currently require any additional services. Plates are shipped directly from PEN Products to DOR.

<sup>40</sup> SOS "Production" cost does include the PEN Products reimbursement portion and the additional services.

<sup>41</sup> The plate price paid by the SOS does not include shipping. There is an additional cost of \$3.78 per package for shipping.

are valid for a period of one (1) year and must be renewed at the end of the one (1) year period. The current pricing for registration documents is as follows:

Registration Type	Production (\$)	Packaging (\$)	Postage (\$)	Total Per Document (\$)
Automobile /Trailer Registration Document	0.337	\$0.02	\$0.40	\$0.757
Motorcycle Registration Document	0.337	\$0.02	\$0.40	\$0.757
Watercraft Registration Document	0.34	\$0.02	\$0.40	\$0.76

The projected number of license plates and registration documents for the resulting contract(s) of this RFP are as follows (for each concurrent calendar year 2015-2019):

**Calendar Year 2015**

<b>Plate Type</b>	<b>Annual Projection (#)</b>
1-Color Automobile/Trailer License Plate	2.0 million
2+ Color Automobile License Plate	200,000
Motorcycle License Plate	250,000
1-Color DOR Automobile/Trailer License Plate	125,000
2+ Color DOR Automobile License Plate	5,000
1-Color SOS License Plate	8,000
1- Color SOS Motorcycle License Plate	500

<b>Registration Type</b>	<b>Annual Projection (#)</b>
Automobile/Trailer/Motorcycle Registration Document –with plate year decal	4.5 million
Automobile/Trailer/Motorcycle Registration Document – without plate year decal	2.45 million
Watercraft Registration Document – with registration year decal	250,000
SOS Registration Document - with registration year decal	47,000

\*\* Please note that approximately 35% of registration documents meet the “householding” criteria for the State of Indiana.

**Calendar Year 2016**

<b>Plate Type</b>	<b>Annual Projection (#)</b>
1-Color Automobile/Trailer License Plate	1.0 million
2+ Color Automobile License Plate	100,000
Motorcycle License Plate	50,000
1-Color DOR Automobile/Trailer License Plate	125,000
2+ Color DOR Automobile License Plate	5,000
1-Color SOS License Plate	8,000
1- Color SOS Motorcycle License Plate	500

<b>Registration Type</b>	<b>Annual Projection (#)</b>
Automobile/Trailer/Motorcycle Registration Document –with plate year decal	5.3 million
Automobile/Trailer/Motorcycle Registration Document – without plate year decal	1.15 million
Watercraft Registration Document – with registration year decal	250,000
SOS Registration Document - with registration year decal	47,000

\*\* Please note that approximately 35% of registration documents meet the “householding” criteria for the State of Indiana.

**Calendar Year 2017**

<b>Plate Type</b>	<b>Annual Projection (#)</b>
1-Color Automobile/Trailer License Plate	3.1 million
2+ Color Automobile License Plate	300,000
Motorcycle License Plate	60,000
1-Color DOR Automobile/Trailer License Plate	125,000
2+ Color DOR Automobile License Plate	5,000
1-Color SOS License Plate	8,000
1- Color SOS Motorcycle License Plate	500

<b>Registration Type</b>	<b>Annual Projection (#)</b>
Automobile/Trailer/Motorcycle Registration Document –with plate year decal	3.3 million
Automobile/Trailer/Motorcycle Registration Document – without plate year decal	3.46 million
Watercraft Registration Document – with registration year decal	250,000
SOS Registration Document - with registration year decal	47,000

\*\* Please note that approximately 35% of registration documents meet the “householding” criteria for the State of Indiana.

**Calendar Year 2018**

<b>Plate Type</b>	<b>Annual Projection (#)</b>
1-Color Automobile/Trailer License Plate	3.25 million
2+ Color Automobile License Plate	350,000
Motorcycle License Plate	50,000
1-Color DOR Automobile/Trailer License Plate	125,000
2+ Color DOR Automobile License Plate	5,000
1-Color SOS License Plate	8,000
1- Color SOS Motorcycle License Plate	500

<b>Registration Type</b>	<b>Annual Projection (#)</b>
Automobile/Trailer/Motorcycle Registration Document –with plate year decal	3.0 million
Automobile/Trailer/Motorcycle Registration Document – without plate year decal	3.65 million
Watercraft Registration Document – with registration year decal	250,000
SOS Registration Document - with registration year decal	47,000

\*\* Please note that approximately 35% of registration documents meet the “householding” criteria for the State of Indiana.

**Calendar Year 2019**

<b>Plate Type</b>	<b>Annual Projection (#)</b>
1-Color Automobile/Trailer License Plate	1.0 million
2+ Color Automobile License Plate	100,000
Motorcycle License Plate	50,000
1-Color DOR Automobile/Trailer License Plate	125,000
2+ Color DOR Automobile License Plate	5,000
1-Color SOS License Plate	8,000
1- Color SOS Motorcycle License Plate	500

<b>Registration Type</b>	<b>Annual Projection (#)</b>
Automobile/Trailer/Motorcycle Registration Document –with plate year decal	5.3 million
Automobile/Trailer/Motorcycle Registration Document – without plate year decal	1.15 million
Watercraft Registration Document – with registration year decal	250,000
SOS Registration Document - with registration year decal	47,000

\*\* Please note that approximately 35% of registration documents meet the “householding” criteria for the State of Indiana.

In addition to the automobile/trailer, motorcycle, and watercraft registration document types, the BMV will be adding a new category of registration document type for the resulting contract of this RFP – off-road vehicles/snowmobiles. Off-road vehicle/snowmobile registration documents are valid for a period of three (3) years and must be renewed at the end of the three (3) year period. The registration specifications for watercraft & off-road vehicles/snowmobiles can be found in **Attachments O, T, & U**. The projected number of registration documents for off-road vehicles/snowmobiles for the resulting contract of this RFP is as follows (for each concurrent calendar year):

**Calendar Year 2015**

Service Type	Annual Projection (#)
Off-road Vehicle/Snowmobile Registration – with registration year decal	20,000

**Calendar Year 2016**

Service Type	Annual Projection (#)
Off-road Vehicle/Snowmobile Registration – with registration year decal	20,000

**Calendar Year 2017**

Service Type	Annual Projection (#)
Off-road Vehicle/Snowmobile Registration – with registration year decal	20,000

**Calendar Year 2018**

Service Type	Annual Projection (#)
Off-road Vehicle/Snowmobile Registration – with registration year decal	20,000

Calendar Year 2019

Service Type	Annual Projection (#)
Off-road Vehicle/Snowmobile Registration – with registration year decal	20,000

Since this number is based on past usage and may fluctuate up or down, the State is not in a position to guarantee that future spending will be at these levels. Nevertheless, this amount is provided as an aid to suppliers in responding to this RFP.

These figures are only an estimate and are not to be construed as an amount to be offered under this RFP. **However, when completing Minority and Women’s Business Enterprises Participation Plan Form (Attachment A) as well as the Indiana Economic Impact Form (Attachment C), please use the total bid amount from the Cost Proposal (Attachment D).**

1.5 RFP OUTLINE

The outline of this RFP document is described below:

Section	Description
Section 1 – General Information and Requested Products or Services	This section provides an overview of the RFP, general timelines for the process, and a summary of the products/services being solicited by the State/Agency via this RFP
Section 2 – Proposal Preparation Instruction	This section provides instructions on the format and content of the RFP including a Letter of Transmittal, Business Proposal, Technical Proposal, and a Cost Proposal

Section 3 – Proposal Evaluation Criteria	This sections discusses the evaluation criteria to be used to evaluate respondents’ proposals
Attachment A	M/WBE Participation Plan Form
Attachment A1	IVBE Participation Plan Form
Attachment B	Sample Contract
Attachment C	Indiana Economic Impact Form
Attachment D	Cost Proposal Template
Attachment E	License Plate Production Mandatory Requirements
Attachment F	Registration Document Mandatory Requirements
Attachment G	Business Proposal Template
Attachment H	Technical Proposal Template
Attachment I	Question & Answer Template
Attachment J	Intent to Respond Form
Attachment K	Current License Plate Flow Chart
Attachment L	Current Registration Document Flow Chart
Attachment M	Current License Plate Sizing Specifications
Attachment N	Current Digital License Plate Specifications
Attachment O	Current Automobile/Trailer/Motorcycle/ Off-road/Snowmobile Registration Document Specifications

Attachment P	Current Automobile/Trailer/Motorcycle Registration Document Proof
Attachment Q	Current Watercraft Registration Document Specifications
Attachment R	Current Watercraft Registration Document Proof
Attachment S	Current Watercraft Registration Decal Proof
Attachment T	Off-road/Snowmobile Registration Document Proof
Attachment U	Off-road/Snowmobile Registration Decal Proof
Attachment V	Aluminum QPA # 12589
Attachment W	Registration House-holding Data - 2013

## 1.6 QUESTION/INQUIRY PROCESS

All questions/inquiries regarding this RFP must be submitted in writing by the deadline of **3:00 p.m. Eastern Time** on January 15, 2014. Questions/Inquiries may be submitted in Attachment I, Q&A Template, via email to [rfp@idoa.IN.gov](mailto:rfp@idoa.IN.gov) and must be received by the time and date indicated above.

Following the question/inquiry due date, Procurement Division personnel will compile a list of the questions/inquiries submitted by all Respondents. The responses will be posted to the IDOA website according to the RFP timetable established in Section 1.24. The question/inquiry and answer link will become active after responses to all questions have been compiled. Only answers posted on the IDOA website will be considered official and valid by the State. No Respondent shall rely upon, take any action, or make any decision based upon any verbal communication with any State employee.

Inquiries are not to be directed to any staff member of BMV. Such action may disqualify Respondent from further consideration for a contract resulting from this RFP.

If it becomes necessary to revise any part of this RFP, or if additional information is necessary for a clearer interpretation of provisions of this RFP prior to the due date for proposals, an addendum will be posted on the IDOA website. If such addenda issuance is necessary, the Procurement Division may extend the due date and time of proposals to accommodate such additional information requirements, if required.

#### 1.7 DUE DATE FOR PROPOSALS

All proposals must be received at the address below by the Procurement Division no later than **3:00 p.m. Eastern Time** on **March 4, 2014**. Each Respondent must submit **one original hard-copy** (marked "Original") and **one original CD-ROM (marked "Original") and six (6) complete hard copies and eight (8) CD-ROM copies** of the proposal, including the Transmittal Letter and other related documentation as required in this RFP. The **original** CD-ROM will be considered the official response in evaluating responses for scoring and protest resolution. **The respondent's proposal response on this CD may be posted on the IDOA website, (<http://www.in.gov/idoa/2462.htm>) if recommended for selection.** Each copy of the proposal must follow the format indicated in Section Two of this document. Unnecessarily elaborate brochures or other presentations, beyond those necessary to present a complete and effective proposal, are not desired. All proposals must be addressed to:

Indiana Department of Administration  
Procurement Division  
402 West Washington Street, Room W478  
Indianapolis, IN 46204

**If you hand-deliver solicitation responses:**

To facilitate weapons restrictions at Indiana Government Center North and Indiana Government Center South, as of **July 21, 2008**, the public must enter IGC buildings through a designated public entrance. The public entrance to Indiana Government Center South is located at 302 W. Washington St. (the eastern-most Washington St. entrance). This entrance will be equipped with metal detectors and screening devices monitored by Indiana State Police Capitol Police.

Passing through the public entrance may take some time. Please be sure to take this information into consideration if your company plans to submit a solicitation response in person.

**If you ship or mail solicitation responses:** United States Postal Express and Certified Mail are both delivered to the Government Center Central Mailroom, and not directly to the Procurement Division. It is the responsibility of the Respondent to make sure that solicitation responses are received by the Procurement Division at the Department of Administration's reception desk on or before the designated time and date. Late submissions will not be accepted. The Department of Administration, Procurement Division clock is the official time for all solicitation submissions.

Regardless of delivery method, all proposal packages must be **sealed** and clearly marked with the RFP number, due date, and time due. IDOA will not accept any unsealed bids. Any proposal received by the Department of Administration, Procurement Division after the due date and time will not be considered. Any late proposals will be returned, unopened, to the Respondent upon request. All rejected proposals not claimed within 30 days of the proposal due date will be destroyed.

No more than one proposal per Respondent may be submitted.

The State accepts no obligations for costs incurred by Respondents in anticipation of being awarded a contract.

**All proposals submitted to the State should be double-sided and printed on 30% post-consumer recycled content paper or tree-free paper. When possible, soy ink should be used.**

#### 1.8 PRE-PROPOSAL CONFERENCE

A pre-proposal conference will be held on January 10, 2014 at 10:00AM in Indiana Government Center South Conference Room 1. At this conference, potential respondents may ask questions about the RFP and the RFP process. Respondents are reminded that no answers issued verbally at the conference are binding on the State and any information provided at the conference, unless it is later issued in writing, also is not binding on the State.

#### 1.9 MODIFICATION OR WITHDRAWAL OF OFFERS

Modifications to responses to this RFP may only be made in the manner and format consistent with the submittal of the original response, acceptable to IDOA and clearly identified as a modification.

The Respondent's authorized representative may withdraw the proposal, in person, prior to the due date. Proper documentation and identification will be required before the Procurement Division will release the withdrawn proposal. The authorized representative will be required to sign a receipt for the withdrawn proposal.

Modification to, or withdrawal of, a proposal received by the Procurement Division after the exact hour and date specified for receipt of proposals will not be considered.

#### 1.10 PRICING

Pricing on this RFP must be firm and remain open for a period of not less than 180 days from the proposal due date. Any attempt to manipulate the format of the document, attach caveats to pricing, or submit pricing that deviates from the current format will put your proposal at risk.

Please refer to the Cost Proposal sub-section under Section 2 for a detailed discussion of the proposal pricing format and requirements.

#### 1.11 PROPOSAL CLARIFICATIONS AND DISCUSSIONS, AND CONTRACT DISCUSSIONS

The State reserves the right to request clarifications on proposals submitted to the State. The State also reserves the right to conduct proposal discussions, either oral or written, with Respondents. These discussions could include request for additional information, request for cost or technical proposal revision, etc. Additionally, in conducting discussions, the State may use information derived from proposals submitted by competing respondents only if the identity of the respondent providing the information is not disclosed to others. The State will provide equivalent information to all respondents which have been chosen for discussions. Discussions, along with negotiations with responsible respondents may be conducted for any appropriate purpose.

The Procurement Division will schedule all discussions. Any information gathered through oral discussions must be confirmed in writing.

A sample contract is provided in Attachment B. Any requested changes to the sample contract must be submitted with your response (See Section 2.3.5 for details). The State reserves the right to reject any of these requested changes. It is the State's expectation that any material elements of the contract will be substantially finalized prior to contract award.

#### 1.12 BEST AND FINAL OFFER

The State may request best and final offers from those Respondents determined by the State to be reasonably viable for contract award. However, the State reserves the right to award a contract on the basis of initial proposals received. Therefore, each proposal should contain the Respondent's best terms from a price and technical standpoint.

Following evaluation of the best and final offers, the State may select for final contract negotiations/execution the offers that are most advantageous to the State, considering cost and the evaluation criteria in this RFP.

### 1.13 REFERENCE SITE VISITS

The State may request a site visit to a Respondent's working support center to aid in the evaluation of the Respondent's proposal. Site visits, if required will be discussed in the technical proposal.

### 1.14 TYPE AND TERM OF CONTRACT

The State intends to sign a contract with one or more Respondent(s) to fulfill the requirements in this RFP.

The term of the contract shall be for a period of five (5) years from the date of contract execution. There may be one (1) five-year renewal for a total of ten (10) years at the State's option.

### 1.15 CONFIDENTIAL INFORMATION

Respondents are advised that materials contained in proposals are subject to the Access to Public Records Act (APRA), IC 5-14-3 *et seq.*, and, after the contract award, the entire RFP file may be viewed and copied by any member of the public, including news agencies and competitors. Respondents claiming a statutory exception to the APRA must place all confidential documents (including the requisite number of copies) in a sealed envelope clearly marked "Confidential" and must indicate in the Transmittal Letter and on the outside of that envelope that confidential materials are included. Confidential Information must also be clearly marked in a separate folder/file on any included CD-ROM. The Respondent must also specify which statutory exception of APRA that applies. The State reserves the right to make determinations of confidentiality. If the Respondent does not identify the statutory exception, the Procurement Division will not consider the submission confidential. If the State does not agree that the information designated is confidential under one of the disclosure exceptions to APRA, it may seek the opinion of the Public Access Counselor. Prices are not confidential information.

### 1.16 TAXES

Proposals should not include any tax from which the State is exempt.

### 1.17 PROCUREMENT DIVISION REGISTRATION

In order to receive an award, you must be registered as a bidder with the Department of Administration, Procurement Division. Therefore, to ensure there is no delay in the award all Respondents are strongly encouraged to register prior to submission of their response. Respondents should go to [www.in.gov/idoa/2464.htm](http://www.in.gov/idoa/2464.htm).

#### 1.18 SECRETARY OF STATE REGISTRATION

If awarded the contract, the Respondent will be required to register, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit corporations and limited liability companies. Information concerning registration with the Secretary of State may be obtained by contacting:

Secretary of State of Indiana  
Corporation Division  
402 West Washington Street, E018  
Indianapolis, IN 46204  
(317) 232-6576  
[www.in.gov/sos](http://www.in.gov/sos)

#### 1.19 COMPLIANCE CERTIFICATION

Responses to this RFP serve as a representation that it has no current or outstanding criminal, civil, or enforcement actions initiated by the State, and it agrees that it will immediately notify the State of any such actions. The Respondent also certifies that neither it nor its principals are presently in arrears in payment of its taxes, permit fees or other statutory, regulatory or judicially required payments to the State. The Respondent agrees that the State may confirm, at any time, that no such liabilities exist, and, if such liabilities are discovered, that State may bar the Respondent from contracting with the State, cancel existing contracts, withhold payments to setoff such obligations, and withhold further payments or purchases until the entity is current in its payments on its liability to the State and has submitted proof of such payment to the State.

#### 1.20 EQUAL OPPORTUNITY COMMITMENT

Pursuant to IC 4-13-16.5 and in accordance with 25 IAC 5, it has been determined that there is a reasonable expectation of minority and woman business enterprises subcontracting opportunities on a contract awarded under this RFP. Therefore a contract goal of 8 % for Minority Business Enterprises and 8 % for Woman Business Enterprises have been established and all respondents will be expected to comply with the regulation set forth in 25 IAC 5.

Failure to address these requirements may impact the evaluation of your proposal.

#### 1.21 MINORITY & WOMEN'S BUSINESS ENTERPRISES RFP SUBCONTRACTOR COMMITMENT

In accordance with 25 IAC 5-5, the respondent is expected to submit with its proposal a MWBE Subcontractor Commitment Form. The Form must show that there are, participating in the proposed contract, Minority Business Enterprises (MBE) and Women Business Enterprises (WBE) listed in the Minority and Women’s Business Enterprises Division (MWBED) directory of certified firms located at <http://www.in.gov/idoa/2352.htm>. If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety. The amount entered in “**TOTAL BID AMOUNT**” should match the amount entered in the Attachment D, Cost Proposal Template.

Failure to address these goals may impact the evaluation of your Proposal. The Department reserves the right to verify all information included on the MWBE Subcontractor Commitment Form.

Respondents are encouraged to contact and work with MWBED at 317-232-3061 to design a subcontractor commitment to meet established goals as referenced in this solicitation.

**Prime Contractors must ensure that the proposed M/WBE subcontractors meet the following criteria:**

- Must be listed on the IDOA Directory of Certified Firms, on or before the proposal due date
- Each firm may only serve as one classification – MBE, WBE or IVBE (see Section 1.22)
- A Prime Contractor who is an MBE or WBE must meet subcontractor goals by using other listed certified firms. Certified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.
- Must provide goods or service only in the industry area for which it is certified as listed in the directory at <http://www.in.gov/idoa/2352.htm>
- Must be used to provide the goods or services specific to the contract
- National Corporate Diversity Plans are generally not acceptable

**MINORITY & WOMEN’S BUSINESS ENTERPRISES RFP SUBCONTRACTOR LETTER OF COMMITMENT**

A signed letter(s), on company letterhead, from the MBE and/or WBE must accompany the MWBE Subcontractor Commitment Form. Each letter shall state and will serve as acknowledgement from the MBE and/or WBE of its subcontract amount subcontract amount as a percentage of the “**TOTAL BID AMOUNT**”, a description of products and/or services to be provided on this project and approximate date the subcontractor will perform work on this contract. The MWBE Subcontractor Commitment Form is to be submitted alongside the respondent’s proposal. The State may deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract

amount, subcontract amount as a percentage of the “**TOTAL BID AMOUNT**” and the anticipated period that the Subcontractor will perform work for this solicitation.

**If a respondent submits a proposal for both parts of the RFP (license plates/registration documents) separate MWBE forms must be completed for each part.**

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the regulatory processes involving the State’s M/WBE Program. Questions involving the regulations governing the MWBE Subcontractor Commitment Form should be directed to: Minority and Women’s Business Enterprises Division at (317) 232-3061 or [mwbe@idoa.in.gov](mailto:mwbe@idoa.in.gov).

## 1.22 INDIANA VETERANS BUSINESS ENTERPRISE SUBCONTRACTOR COMMITMENT

In accordance with Executive Order 13-04 and IC 5-22-14-3.5, it has been determined that there is a reasonable expectation of Indiana Veterans Business Enterprises subcontracting opportunities on a contract awarded under this RFP. Therefore, a contract goal of 3 % for Indiana Veterans Business Enterprises has been established. The IVBE Subcontractor Commitment Form is to be submitted alongside the respondent’s proposal. The Form must show that they are participating in the proposed contract and IVBE firms that meet the requirements listed at the Veteran’s Business Program website (<http://www.in.gov/idoa/2862.htm>). If participation is met through use of vendors who supply products and/or services directly to the Respondent, the Respondent must provide a description of products and/or services provided that are directly related to this proposal and the cost of direct supplies for this proposal. Respondents must complete the Subcontractor Commitment Form in its entirety. The amount entered in “**TOTAL BID AMOUNT**” should match the amount entered in the Attachment D, Cost Proposal Template.

Failure to address these goals may impact the evaluation of your Proposal. The Department reserves the right to verify all information included on the IVBE Subcontractor Commitment Form.

**Prime Contractors must ensure that the proposed IVBE subcontractors meet the following criteria:**

- Must be listed on Federal Center for Veterans Business Enterprise VetBiz registry, on or before the proposal due date
- Must qualify as a Buy Indiana Business under designation 1, on or before the proposal due date. See section 2.7 for more information
- Each firm may only serve as one classification – MBE, WBE (see Section 1.21) or IVBE
- A Prime Contractor who is an IVBE must meet subcontractor goals by using other IVBE qualified firms. Qualified Prime Contractors cannot count their own workforce or companies to meet this requirement.
- Must serve a commercially useful function. The firm must serve a value-added purpose on the engagement.

- Must provide goods or service only in the industry area for which it is certified as listed in the VetBiz directory <http://www.in.gov/idoa/2352.htm>
- Must be used to provide the goods or services specific to the contract

**INDIANA VETERAN’S BUSINESS ENTERPRISES RFP SUBCONTRACTOR LETTER OF COMMITMENT**

A signed letter(s), on company letterhead, from the IVBE must accompany the IVBE Subcontractor Commitment Form. The signed letter(s) and the IVBE Subcontractor Commitment Form are to be submitted alongside the respondent’s proposal. Each letter shall state and will serve as acknowledgement from the IVBE of its subcontract amount, subcontract amount as a percentage of the “**TOTAL BID AMOUNT**”, a description of products and/or services to be provided on this project, approximate date the subcontractor will perform work on this contract and (enter a way of stating/showing their principal place of business is in Indiana). The State may deny evaluation points if the letter(s) is not attached, not on company letterhead, not signed and/or does not reference and match the subcontract amount, subcontract amount as a percentage of the “**TOTAL BID AMOUNT**” and the anticipated period that the Subcontractor will perform work for this solicitation.

**If a respondent submits a proposal for both parts of the RFP (license plates/registration documents) separate IVBE forms must be completed for each part.**

By submission of the Proposal, the Respondent acknowledges and agrees to be bound by the policies and processes involving the State’s IVBE Program. Questions involving the regulations governing the IVBE Subcontractor Commitment Form should be directed to: [indianaveteranspreference@idoa.in.gov](mailto:indianaveteranspreference@idoa.in.gov).

1.23 AMERICANS WITH DISABILITIES ACT

The Respondent specifically agrees to comply with the provisions of the Americans with Disabilities Act of 1990 (42 U.S.C. 12101 *et seq.* and 47 U.S.C. 225).

1.24 SUMMARY OF MILESTONES

The following timeline is only an illustration of the RFP process. The dates associated with each step are not to be considered binding. Due to the unpredictable nature of the evaluation period, these dates are commonly subject to change. At the conclusion of the evaluation process, all Respondents will be informed of the evaluation team’s findings.

***Key RFP Dates***

Activity	Date
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Issue of RFP	December 18, 2013
Pre-Proposal Conference	January 10, 2014
Deadline to Submit Written Questions	January 15, 2014
Response to Written Questions/RFP Amendments	January 28, 2014
Deadline to Submit Intent to Respond	January 31, 2014
Submission of Proposals	March 4, 2014
<b><i>The dates for the following activities are target dates only. These activities may be completed earlier or later than the date shown.</i></b>	
Proposal Evaluation	TBD
Proposal Discussions/Clarifications (if necessary)	TBD
Oral Presentations (if necessary)	TBD
Best and Final Offers (if necessary)	TBD
RFP Award Recommendation	June 30, 2014

## SECTION TWO

### PROPOSAL PREPARATION INSTRUCTIONS

#### 2.1 GENERAL

To facilitate the timely evaluation of proposals, a standard format for proposal submission has been developed and is described in this section. All Respondents are required to format their proposals in a manner consistent with the guidelines described below:

- Each item must be addressed in the Respondent's proposal.
- The Transmittal Letter must be in the form of a letter. The business and technical proposals must be organized under the specific section titles as listed below.
- The electronic copies of the proposal submitted via CD-ROM should be organized to mirror the sections below and the attachments.
- Each item, i.e. Transmittal Letter, Business Proposal, Technical Proposal, Cost Proposal, etc, must be separate stand alone electronic files on the CD-ROM. Please do not submit your proposal as one large file.
- Whenever possible, please submit all attachments in their original format.
- Confidential Information must also be clearly marked in a separate folder/file on any included CD-ROM.

#### 2.2 TRANSMITTAL LETTER

The Transmittal Letter must address the following topics except those specifically identified as "optional."

##### 2.2.1 Agreement with Requirement in listed in Section 1

The Respondent must explicitly acknowledge understanding of the general information presented in Section 1 and agreement with any requirements/conditions listed in Section 1.

##### 2.2.2 Summary of Ability and Desire to Supply the Required Products or Services

The Transmittal Letter must briefly summarize the Respondent's ability to supply the requested products and/or services that meet the requirements defined in Section 2.4 of this RFP. The letter must also contain a statement indicating the Respondent's willingness to provide the requested products and/or services subject to the terms and conditions set forth in the RFP including, but not limited to, the State's mandatory contract clauses.

##### 2.2.3 Signature of Authorized Representative

A person authorized to commit the Respondent to its representations and who can certify that the information offered in the proposal meets all general conditions including the information requested in Section 2.3.4, must sign the Transmittal Letter. **In the Transmittal Letter, please indicate the principal contact for the proposal along with an address, telephone and fax number as well as an e-mail address, if that contact is different than the individual authorized for signature.**

#### 2.2.4 Respondent Notification

Unless otherwise indicated in the Transmittal Letter, Respondents will be notified via e-mail.

It is the Respondent's obligation to notify the Procurement Division of any changes in any address that may have occurred since the origination of this solicitation. The Procurement Division will not be held responsible for incorrect vendor/contractor addresses.

#### 2.2.5 Other Information

This item is optional. Any other information the Respondent may wish to briefly summarize will be acceptable.

### 2.3 BUSINESS PROPOSAL

The Business Proposal must address the following topics except those specifically identified as "optional." **The Business Proposal Template is Attachment G.**

#### 2.3.1 General (optional)

This section of the business proposal may be used to introduce or summarize any information the Respondent deems relevant or important to the State's successful acquisition of the products and/or services requested in this RFP.

#### 2.3.2 Respondent's Company Structure

The legal form of the Respondent's business organization, the state in which formed (accompanied by a certificate of authority), the types of business ventures in which the organization is involved, and a chart of the organization are to be included in this section. If the organization includes more than one product division, the division responsible for the

development and marketing of the requested products and/or services in the United States must be described in more detail than other components of the organization.

### 2.3.3 Company Financial Information

This section must include the Respondent's financial statement, including an income statement and balance sheet, for each of the two most recently completed fiscal years. The financial statements must demonstrate the Respondent's financial stability. If the financial statements being provided by the Respondent are those of a parent or holding company, additional financial information should be provided for the entity/organization directly responding to this RFP.

### 2.3.4 Integrity of Company Structure and Financial Reporting

This section must include a statement indicating that the CEO and/or CFO has taken personal responsibility for the thoroughness and correctness of any/all financial information supplied with this proposal. The particular areas of interest to the State in considering corporate responsibility include the following items: separation of audit functions from corporate boards and board members, if any, the manner in which the organization assures board integrity, and the separation of audit functions and consulting services. The State will consider the information offered in this section to determine the responsibility of the Respondent under IC 5-22-16-1(d).

The Sarbanes Oxley Act of 2002, H.R. 3763, is NOT directly applicable to this procurement; however, its goals and objectives may be used as a guide in the determination of corporate responsibility for financial reports.

### 2.3.5 Contract Terms/Clauses

A sample contract that the state expects to execute with the successful Respondent(s) is provided in Attachment B. This contract contains both mandatory and non-mandatory clauses. Mandatory clauses are listed below and are non-negotiable. Other clauses are highly desirable. It is the State's expectation that the final contract will be substantially similar to the sample contract provided in Attachment B.

In your Transmittal Letter please indicate acceptance of these mandatory contract terms (see section 2.2.2). In this section please review the rest of the contract and indicate your acceptance of the non-mandatory contract clauses. If a non-mandatory clause is not acceptable as worded, suggest specific alternative wording to address issues raised by the

specific clause. If you require additional contract terms please include them in this section. To reiterate it's the State's strong desire to not deviate from the contract provided in the attachment and as such the State reserves the right to reject any and all of these requested changes.

The mandatory contract terms are as follows:

- Duties of Contractor, Rate of Pay, and Term of Contract
- Authority to Bind Contractor
- Compliance with Laws
- Drug-Free Workplace Provision and Certification
- Employment Eligibility
- Funding Cancellation
- Governing Laws
- Indemnification
- Information Technology
- Non-Discrimination Clause
- Ownership of Documents and Materials
- Payments
- Penalties/Interest/Attorney's Fees
- Termination for Convenience
- Non-Collusion and Acceptance

Any or all portions of this RFP and any or all portions of the Respondents response may be incorporated as part of the final contract

#### 2.3.6 References

The Respondent must include a list of one (1) to three (3) clients for whom the Respondent has provided products and/or services that are the same or similar to those products and/or services requested in this RFP. Information provided should include the name, address, and telephone number of the client facility and the name, title, email address, and phone/fax numbers of a person who may be contacted for further information.

#### 2.3.7 Registration to do Business

##### Secretary of State

If awarded the contract, the Respondent will be required to be registered, and be in good standing, with the Secretary of State. The registration requirement is applicable to all limited liability partnerships, limited partnerships, corporations, S-corporations, nonprofit

corporations and limited liability companies. The Respondent must indicate the status of registration, if applicable, in this section of the proposal.

#### Department of Administration, Procurement Division

Additionally, respondents must be registered with the IDOA. This can be accomplished on-line at <http://www.in.gov/idoa/2464.htm>.

The IDOA Procurement Division maintains two databases of vendor information. The Bidder registration database is set up for vendors to register if you are interested in selling a product or service to the State of Indiana. Respondents may register on-line at no cost to become a Bidder with the State of Indiana. To complete the on-line Bidder registration, go to <http://www.in.gov/idoa/2464.htm>. The Bidder registration offers email notification of upcoming solicitation opportunities, corresponding to the Bidder's area(s) of interest, selected during the registration process. Respondents do need to be registered to bid on and receive email notifications. Completion of the Bidder registration will result in your name being added to the Bidder's Database, for email notification. The Bidder registration requires some general business information, an indication of the types of goods and services you can offer the State of Indiana, and location(s) within the state that you can supply or service. There is no fee to be placed in Procurement Division's Bidder Database. To receive an award, you must be registered as a bidder. Problems or questions concerning the registration process or the registration form can be e-mailed to Amey Redding, Vendor Registration Coordinator, [aredding@idoa.in.gov](mailto:aredding@idoa.in.gov), or you may reach her by phone at (317) 234-3542.

#### 2.3.8 Authorizing Document

Respondent personnel signing the Transmittal Letter of the proposal must be legally authorized by the organization to commit the organization contractually. This section shall contain proof of such authority. A copy of corporate bylaws or a corporate resolution adopted by the board of directors indicating this authority will fulfill this requirement.

#### 2.3.9 Subcontractors

The Respondent is responsible for the performance of any obligations that may result from this RFP, and shall not be relieved by the non-performance of any subcontractor. Any Respondent's proposal must identify all subcontractors and describe the contractual relationship between the Respondent and each subcontractor. Either a copy of the executed subcontract or a letter of agreement over the official signature of the firms involved must accompany each proposal.

Any subcontracts entered into by the Respondent must be in compliance with all State statutes, and will be subject to the provisions thereof. For each portion of the proposed products or services to be provided by a subcontractor, the technical proposal must include the identification of the functions to be provided by the subcontractor and the subcontractor's related qualifications and experience.

The combined qualifications and experience of the Respondent and any or all subcontractors will be considered in the State's evaluation. The Respondent must furnish information to the State as to the amount of the subcontract, the qualifications of the subcontractor for guaranteeing performance, and any other data that may be required by the State. All subcontracts held by the Respondent must be made available upon request for inspection and examination by appropriate State officials, and such relationships must meet with the approval of the State.

The Respondent must list any subcontractor's name, address and the state in which formed that are proposed to be used in providing the required products or services. The subcontractor's responsibilities under the proposal, anticipated dollar amount for subcontract, the subcontractor's form of organization, and an indication from the subcontractor of a willingness to carry out these responsibilities are to be included for each subcontractor. This assurance in no way relieves the Respondent of any responsibilities in responding to this RFP or in completing the commitments documented in the proposal. The Respondent must indicate which, if any, subcontractors qualify as a Minority or Women Owned Business under IC 4-13-16.5-1. See Section 1.21 and Attachment A for Minority and Women Business information.

#### 2.3.10 General Information

Each Respondent must enter your company's general information including contact information.

#### 2.3.11 Experience Serving State Governments

Each Respondent is asked to please provide a brief description of your company's experience in serving state governments and/or quasi-governmental accounts.

#### 2.3.12 Experience Serving Similar Clients

Each Respondent is asked to please describe your company's experience in serving clients of a similar size to the State that also had a similar scope. Please provide specific clients and detailed examples.

### 2.3.13 Indiana Preferences

Pursuant to IC 5-22-15-7, Respondent may claim only one (1) preference. For the purposes of this RFP, this limitation to claiming one (1) preference applies to Respondent's ability to claim eligibility for Buy Indiana points. **Respondent must clearly indicate which preference(s) they intend to claim. Additionally, the Respondent's Buy Indiana status must be finalized when the RFP response is submitted to the State.**

#### Buy Indiana

Refer to Section 2.7 for additional information.

## 2.4 TECHNICAL PROPOSAL

The Technical Proposal must be divided into the sections as described below. Every point made in each section must be addressed in the order given. The same outline numbers must be used in the response. RFP language should not be repeated within the response. Where appropriate, supporting documentation may be referenced by a page and paragraph number. However, when this is done, the body of the technical proposal must contain a meaningful summary of the referenced material. The referenced document must be included as an appendix to the technical proposal with referenced sections clearly marked. If there are multiple references or multiple documents, these must be listed and organized for ease of use by the State. **The Technical Proposal Template is Attachment H.**

**2.4.1 Data Management & Security of Data -- This section contains five (5) questions.**

**2.4.2 Proposed Solution/Technology -- This section contains seven (7) questions.**

**2.4.3 Implementation & Transition -- This section contains seven (7) questions.**

**2.4.4 Customer Service & Account Management -- This section contains twelve (12) questions.**

**2.4.5 Shipping & Delivery -- This section contains three (3) questions.**

**2.4.6 Reporting -- This section contains four (4) questions.**

**2.4.7 Joint Venture -- This section contains one (1) question.**

**2.4.8 Disaster Recovery -- This section contains two (2) questions.**

1.4 COST PROPOSAL

**The Cost Proposal Template is Attachment D.**

The baseline for the production and distribution of license plates is **\$69,775,025** for a five year contract (2015-2019 production schedules). The breakdown of the baseline cost for each license plate type is as follows:

Plate Type	5 Year Projection (#)	Per Plate (\$)	Total Cost (\$)
1-Color Automobile/Trailer License Plate	10.35 million	5.70	\$58,995,000
2+ Color Automobile License Plate	1.05 million	6.19	\$6,499,500
Motorcycle License Plate	460,000	4.59	\$2,111,400
1-Color DOR Automobile/Trailer License Plate	625,000	2.97	\$1,856,250
2+ Color DOR Automobile/Trailer License Plate	25,000	3.47	\$86,750
1-Color SOS License Plate	40,000	5.47	\$218,800
1-Color SOS Motorcycle Plate	2,500	2.93	\$7,325

All respondents who intend to submit a proposal for the production and distribution for all Indiana license plates should provide a per plate cost for each plate type (1-color, 2-color, & motorcycle) that includes the following breakdown:

- Per Plate Production/Labor Cost (PEN Products Portion)
- Per Plate Shipping/Packaging Cost
- Per Plate Materials/Equipment Cost
- Per Plate Other Services Cost

The baseline for the production and distribution of the registration documents is **\$17,210,378** for a five year contract (2015-2019 production schedules) – assuming a 35% householding rate. All respondents who intend to submit a proposal for the production and distribution for all Indiana registration documents should provide a per registration document cost that is all inclusive of decals/stickers, supplies, labor, equipment, etc required to produce and distribute the registration document. The breakdown of the baseline for the registration documents is as follows:

Registration Type	5 Year Projection (#)	Per Document (\$)	Total Cost (\$)
Automobile/Motorcycle Registration Document – with plate year decal	21.4 million	0.757	\$16,199,800
Automobile/Motorcycle Registration Document – without plate year decal	11.86 million	0.757	\$8,978,020
Watercraft/Off-Road/Snowmobile Vehicle Registration Document	1.35 million	0.76	\$1,026,000
SOS Registration Document – with registration year decal	235,000	0.757	\$177,895

The Cost Proposal must be submitted in the original format. Any attempt to manipulate the format of the Cost Proposal document, attach caveats to pricing, or submit pricing that deviates from the current format will put your proposal at risk.

## 2.6 INDIANA ECONOMIC IMPACT

All companies desiring to do business with state agencies must complete an “Indiana Economic Impact” form (Attachment C). The collection and recognition of the information collected with the Indiana Economic Impact form places a strong emphasis on the economic impact a project will have on Indiana and its residents regardless of where a business is located. The collection of this information does not restrict any company or firm from doing business with the state. The amount entered in Line 16 “Total amount of this proposal, bid, or current contract” should match the amount entered in the Attachment D, Cost Proposal Template. **If a respondent submits a proposal for both parts of the RFP (license plates/registration documents) separate IEI forms must be completed for each part.**

## 2.7 BUY INDIANA INITIATIVE/INDIANA COMPANY

It is the Respondent’s responsibility to confirm its Buy Indiana status for this portion of the process. If a Respondent has previously registered its business with IDOA, go to <http://www.in.gov/idoa/2464.htm> and click on the link to update this registration. Click the tab titled Buy Indiana. Select the appropriate category for your business. Respondents may only select one category. Certify this selection by clicking the check box next to the certification paragraph. Once this is complete, save your selection and exit your account.

Respondents that have not previously registered with IDOA must go to <http://www.in.gov/idoa/2464.htm> and click on the link to register. During the registration process, follow the steps outlined in the paragraph above to certify your business’ status. The registration process should be complete at the time of proposal submission.

**Respondent must clearly indicate which preference(s) they intend to claim in the Business Proposal, Attachment G. Additionally, the Respondent’s Buy Indiana status must be finalized when the RFP response is submitted to the State.**

### **Defining an Indiana Business:**

“Indiana business” refers to any of the following:

- (1) A business whose principal place of business is located in Indiana.
- (2) A business that pays a majority of its payroll (in dollar volume) to residents of Indiana.
- (3) A business that employs Indiana residents as a majority of its employees.

Respondents claiming this status must indicate which of the provisions above qualifies them as an Indiana business. They must also fully complete the Indiana Economic Impact Form (Attachment C) and include it with their response.

The following is the policy concerning items 4 & 5 described below. Appropriate documentation must be provided with your proposal response supporting either claim made below:

- (4) A business that makes significant capital investments in Indiana.
- (5) A business that has a substantial positive economic impact on Indiana.

**Substantial Capital Investment:**

Any company that can demonstrate a minimum capital investment of \$5 million or more in plant and/or equipment or annual lease payments of \$2.5 million or more shall qualify as an Indiana business under category #4. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

**Substantial Indiana Economic Impact:**

Any company that is in the top 500 companies (adjusted) for one of the following categories: number of employees (DWD), unemployment taxes (DWD), payroll withholding taxes (DOR), or Corporate Income Taxes (DOR); it shall qualify as an Indiana business under category #5. If a Respondent needs assistance in determining if its business qualifies under this criterion, please send an email inquiry to [buyindianainvest@idoa.in.gov](mailto:buyindianainvest@idoa.in.gov) and you will receive a response within forty-eight (48) hours. If an out of state company does not meet one of these criteria, it can submit documentation/justification to the State for review for inclusion under this category.

## SECTION THREE

### PROPOSAL EVALUATION

#### 3.1 PROPOSAL EVALUATION PROCEDURE

The State has selected a group of personnel to act as a proposal evaluation team. Subgroups of this team, consisting of one or more team members, will be responsible for evaluating proposals with regard to compliance with RFP requirements. All evaluation personnel will use the evaluation criteria stated in Section 3.2. The Commissioner of IDOA or their designee will, in the exercise of their sole discretion, determine which proposals offer the best means of servicing the interests of the State. The exercise of this discretion will be final.

The procedure for evaluating the proposals against the evaluation criteria will be as follows:

- 3.1.1 Each proposal will be evaluated for adherence to requirements on a pass/fail basis. Proposals that are incomplete or otherwise do not conform to proposal submission requirements may be eliminated from consideration.
- 3.1.2 Each proposal will be evaluated on the basis of the categories included in Section 3.2. A point score has been established for each category.
- 3.1.3 If technical proposals are close to equal, greater weight may be given to price.
- 3.1.4 Based on the results of this evaluation, the qualifying proposal determined to be the most advantageous to the State, taking into account all of the evaluation factors, may be selected by IDOA and BMV for further action, such as contract negotiations. If, however, IDOA and BMV decide that no proposal is sufficiently advantageous to the State, the State may take whatever further action is deemed necessary to fulfill its needs. If, for any reason, a proposal is selected and it is not possible to consummate a contract with the Respondent, IDOA may begin contract preparation with the next qualified Respondent or determine that no such alternate proposal exists.

#### 3.2 EVALUATION CRITERIA

Proposals will be evaluated based upon the proven ability of the Respondent to satisfy the requirements of the RFP in a cost-effective manner. Each of the evaluation criteria categories is described below with a brief explanation of the basis for evaluation in that category. The points associated with each category are

indicated following the category name (total maximum points = 103). For further information, please reference Section 3.2.3 below. If any one or more of the listed criteria on which the responses to this RFP will be evaluated are found to be inconsistent or incompatible with applicable federal laws, regulations or policies, the specific criterion or criteria will be disregarded and the responses will be evaluated and scored without taking into account such criterion or criteria.

***Summary of Evaluation Criteria:***

<b>Criteria</b>	<b>Points</b>
1. Adherence to Mandatory Requirements	Pass/Fail
2. Management Assessment/Quality (Business and Technical Proposal)	<b>35 points</b>
3. Cost (Cost Proposal)	<b>25 points</b>
4. Indiana Economic Impact	5
5. Buy Indiana	10
6. Minority (10) and Women Business (10) Subcontractor Commitment	20 (2 bonus points are available, see Section 3.2.6))
7. Indiana Veteran Business Enterprise (IVBE) Subcontractor Commitment	5 (1 bonus point is available, see Section 3.2.7)
<b>Total</b>	<b>100 (103 if bonus awarded)</b>

All proposals will be evaluated using the following approach.

Step 1

In this step proposals will be evaluated only against Criteria 1 to ensure that they adhere to Mandatory Requirements. Any proposals not meeting the Mandatory Requirements will be disqualified.

## Step 2

The proposals that meet the Mandatory Requirements will then be scored based on Criteria 2 and 3 ONLY. This scoring will have a maximum possible score of 60 points.. All proposals will be ranked on the basis of their combined scores for Criteria 2 and 3 ONLY. This ranking will be used to create a “short list”. Any proposal not making the “short list” will not be considered for any further evaluation.

Step 2 may include one or more rounds of proposal discussions, oral presentations, clarifications, demonstrations, etc focused on cost and other proposal elements. Step 2 may include a second “short list”.

## Step 3

The short-listed proposals will then be evaluated based on all the entire evaluation criteria outlined in the table above.

If the State conducts additional rounds of discussions and a BAFO round which lead to changes in either the technical or cost proposal for the short listed Respondents, their scores will be recomputed.

The section below describes the different evaluation criteria.

- 3.2.1 Adherence to Requirements – Pass/Fail  
Respondents passing this category move to Phase 2 and proposal is evaluated for Management Assessment/Quality and Price.

**The following 2 categories cannot exceed 60 points.**

- 3.2.2 Management Assessment/Quality - **35** points
- 3.2.3 Price – **25** points

Price will be measured on a pro-rata share. The vendor who proposes the lowest cost to the BMV will receive the full 25 points. All other vendors will receive a share of those points based on their relative cost. For example:

Respondent 1 = \$50,000

Respondent 2 = \$75,000

Respondent 3 = \$100,000

Respondent 1 receives 25 points for cost.

Respondent 2 receives 16.67 points for cost.

Respondent 3 receives 12.5 points for cost.

### 3.2.4 Indiana Economic Impact (5 points)

See Section 2.6 for additional information.

The total number of full time equivalent (FTE – please see Section 1.2 for a definition of FTE's) Indiana resident employees for the Respondent's proposal, to execute the scope of work proposed in this

RFP, (prime contractor and subcontractors) will be used to evaluate the Respondent's Indiana Economic Impact. Points will be awarded based on a graduated scale. The Respondent with the most Indiana FTEs will be awarded 5 points. Points will then be awarded to the remaining Respondents proportionately. Please see Attachment C, Indiana Economic Impact Form, for more detailed instructions.

### 3.2.5 Buy Indiana Initiative – 10 points

Respondents qualifying as an Indiana Company as defined in Section 2.7 will receive 10 points in this category.

### 3.2.6 Minority (10 points) & Women's Business (10 points) Subcontractor Commitment - (20 points).

The following formula will be used to determine points to be awarded based on the MBE and WBE goals listed in Section 1.20 of this RFP. Scoring is conducted based on an assigned 20-point, plus possible 2 bonus-points, scale (MBE: Possible 10 points + 1 bonus point, WBE: Possible 10 points + 1 bonus Point). Points are assigned for respective MBE participation and WBE participation based upon the BAFO meeting or exceeding the established goals.

If the respondent's commitment percentage is less than the established MBE or WBE goal, the maximum points achieved will be awarded according to the following schedule:


*NOTE: Fractional percentages will be rounded up or down to the nearest whole percentage. (e.g. 7.49% will be rounded down to 7% = 8.75 pts., 7.50% will be rounded up to 8% = 10.00 pts.)*

If the respondent's commitment percentage is 0% for MBE or WBE participation, a deduction of 1 point will be discounted on the respective MBE or WBE score.

The respondent with the greatest applicable CUF participation which exceeds the stated goal for the respective MBE or WBE category will be awarded 11 points (10 points plus 1 bonus point). In cases where there is a tie for the greatest applicable CUF participation and both firms exceed the goal for the respective MBE/WBE category both firms will receive 11 points.

3.2.7 Indiana Veteran Business Enterprise Subcontractor Commitment - (5 points).

The following formula will be used to determine points to be awarded based on the IVBE goal listed in Section 1.22 of this RFP. Scoring is conducted based on an assigned 5-point, plus possible 1 bonus-point, scale. Points are assigned for IVBE participation based upon the BAFO meeting or exceeding the established goals.

If the respondent's commitment percentage is less than the established IVBE goal, the maximum points achieved will be awarded according to the following schedule:

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*NOTE: Fractional points will be awarded based upon a graduated scale between whole points. (e.g. a 0.3% commitment will receive .5 points and a 1.5% commitment will receive 2.5 points)*

If the respondent's commitment percentage is 0% for IVBE participation, a deduction of 1 point will be assessed.

The respondent with the greatest applicable CUF participation which exceeds the stated goal for the IVBE category will be awarded 6 points (5 points plus 1 bonus point). In cases where there is a tie for the greatest applicable CUF participation and both firms exceed the goal for the IVBE category both firms will receive 6 points.

The Commissioner of IDOA or their designee will, in the exercise of their sole discretion, determine which proposal(s) offer the best means of servicing the interests of the State. The exercise of this discretion will be final.



**INTERGOVERNMENTAL AGREEMENT BETWEEN  
GEORGIA DEPARTMENT OF REVENUE  
AND  
GEORGIA CORRECTIONAL INDUSTRIES**

**THIS AGREEMENT ("CONTRACT")**, with an effective date of October 20<sup>th</sup>, 2015, (hereinafter referred to as the "Effective Date"), is made and entered into by and between the Georgia Department of Revenue, an agency of the State of Georgia (hereinafter referred to as the "Department" or "DOR") and Georgia Correctional Industries (hereinafter referred to as the "Contractor" or "GCI"). DOR and GCI may be referenced herein individually as a "Party" or collectively as the "Parties."

**WHEREAS**, pursuant to O.C.G.A § 40-2-36, the Department is obligated to furnish certain motor vehicle license plates, decals, and labels and collect related fees;

**WHEREAS**, the Department desires to engage with GCI for assistance in the manufacture, inventory management, and distribution of license plates, decals, and labels related to the Department's legal and administrative duties;

**WHEREAS**, GCI has sent the Department a proposal (hereinafter referred to as the "Proposal") to manufacture, manage inventory and distribute the items to the DOR Motor Vehicle Division ("MVD"), County Tag Offices, and directly to customers as more specifically described by the terms and conditions of this Contract and all exhibits and attachments hereto; and

**WHEREAS**, GCI represents that it has the skills, qualifications, expertise, financial resources and experience necessary to perform the services and provide the products described in the Proposal and this Contract (all such duties to be provided by GCI collectively referenced herein as the "Services"); and

**WHEREAS**, according to the laws of the State of Georgia and the Georgia Procurement Manual published by the Department of Administrative Services ("DOAS"), DOR is authorized to contract with GCI for goods and services pursuant to an intergovernmental agreement and this Contract is exempt from the competitive bidding requirements of the State Purchasing Act.

**NOW THEREFORE**, in consideration of the mutual promises, covenants and agreements contained herein, and other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, the Parties hereby agree as follows:

**1. DEFINITIONS AND TERMS** – For purposes of this Contract the following terms, abbreviations, and acronyms are defined as follows:

A. **“Agency”** shall mean an office, agency, department, board, bureau, commission, institution, authority, or other entity of the State of Georgia.

B. **“Branch”** shall mean Department Headquarters and/or County Tag Office location(s) as defined in GRATIS and by County Tax Commissioners that have the responsibility of issuing license plates, decals, and labels.

C. **“Business Day(s)”** shall mean traditional workdays, including Monday, Tuesday, Wednesday, Thursday and Friday. State Holidays are excluded.

D. **“Contract”** shall mean the written, signed agreement between DOR and GCI comprised of the executed Contract, inclusive of any addenda, appendices, attachments, exhibits or amendments thereto.

E. **“Confidential Information”** or **“Confidential Data”** shall mean any and all confidential taxpayer information and motorist personal information provided by the DOR to GCI for the purpose of performing tasks under this Contract or otherwise, including but not limited to the motorists' name, address, social security number, insurance provider and insurance policy numbers as well any proprietary Agency software.

F. **“Exhibit(s)”** shall mean any Exhibit attached to this Contract, which shall be considered a part of the Contract and binding upon the Parties. Exhibits may be added, removed or changed from time to time, only by mutual written agreement of the Parties to meet the requirements of MVD. The Exhibits to the Contract include, but are not limited to the following:

- Exhibit A – Statement of Work
- Exhibit B – Product Specifications
- Exhibit C – IT Specifications
- Exhibit D – Service Level Agreement
- Exhibit E – Required Reports
- Exhibit F – Celtic Access Agreement
- Exhibit G – GCI Statement of Warranty
- Exhibit H – Key Contacts
- Exhibit I – License Plate Specifications
- Exhibit J – IFTA Decal Specifications

G. **“GRATIS”** shall mean the Georgia Registration and Title Information System maintained by DOR.

H. **“IRP”** shall mean the International Registration Plan Information System maintained by Celtic.

I. **“MVD”** shall mean the Motor Vehicle Division of the Georgia Department of Revenue.

J. **“O.C.G.A.”** shall mean the Official Code of Georgia Annotated (State Statutes).

K. **“Subcontractor”** shall mean any third party who has an agreement with GCI to perform any part of GCI's obligation under this Contract.

## 2. SCOPE OF SERVICES

- A. GCI shall provide any and all products and Services identified in this Contract and the Exhibits for fulfillment of DOR's license plate needs, including but not limited to the manufacture, distribution, and inventory management of license plates, decals, and labels, with no minimum level of purchases. GCI shall support the entire supply chain including materials management, inventory management, on-demand plate production, and registration card fulfillment.
- B. GCI shall be responsible for inventory management and shall ensure that six (6) to eight (8) weeks supply of all products identified in Exhibit D – Service Level Agreement, as well as the top ten (10) most used plate categories as indicated in GRATIS, be available at each Branch location. An absolute minimum of four (4) weeks supply of the aforementioned products must be available at each Branch location.
- C. Standard plates, Registration Cards (which includes personal registration decal forms and Cab Cards), and Temporary Operating Plates (TOPs) in stock at the branches shall only be invoiced after being issued by the Branch. Other items shall be invoiced when received by the Branch. All items issued directly to the taxpayer shall be invoiced when issued.
- D. GCI shall maintain the inventory of Registration Cards in each Branch and invoice as issued. GCI will invoice for Registration Cards as issued by direct fulfillment. The Parties shall work together to minimize the stock of Registration Cards leftover at the time of transition to print-on-demand. At such time, the costs of the Registration Cards still in stock and unissued will be partially reimbursed by DOR at Fifty Percent (50%) of GCI's actual cost.
- E. GCI shall interface with GRATIS and the IRP System to fulfill the requirements of MVD, as further described by Exhibit C – IT Specifications
- F. GCI shall provide all reports required by Exhibit E – Required Reports attached hereto.
- G. GCI shall ensure that it fulfills all staffing requirements as indicated in Exhibit A – Statement of Work at all times during the term of this Contract. DOR shall have the right to reasonably request, and GCI shall provide additional staff from time to time.
- H. GCI shall provide to DOR at no cost to DOR certain sample/unofficial plates for special circumstances and events upon the reasonable request of DOR.
- I. By initialing each page of the Exhibits, the Parties agree to be bound to the contents of such Exhibits as of the date of initialing. In the event of a conflict in language between the Contract and the Exhibits, the Exhibits shall control.
- J. DOR shall not be obligated to pay or otherwise compensate GCI for any Services, goods, or deliverables outside of the items and pricing defined in the Contract and Exhibits, and such products and Services must meet the specifications of the samples provided by DOR to GCI.
- K. Samples and specification information provided by and agreed to by the Parties will be considered a part of this agreement. DOR shall have final approval rights of all samples

and proofs produced by GCI, and DOR shall retain ownership of such proofs or products.

### 3. COMPENSATION

- A. DOR shall compensate GCI in accordance with the payment amounts set forth in Exhibit A – Statement of Work. GCI shall send a monthly itemized invoice for payment identifying the products delivered or Services provided to DOR Contract Administrator.
- B. DOR shall pay all approved invoices in arrears and in accordance with applicable provisions of State law. Approval of invoices will be based on required reports and invoices emailed to the MVD Assistant Director of Operations, and copying MVD Director.
- C. Unless otherwise agreed in writing by the parties, all prices are firm and fixed and not subject to variation. GCI shall not be entitled to receive any other payment or compensation from DOR for any goods or services provided by or on behalf of GCI under the Contract. GCI shall be solely responsible for paying all costs, expenses and charges it incurs in connection with its performance under the Contract.
- D. GCI shall not increase any charges during the term of this Contract, except as specifically permitted herein or upon the issuance of DOR's express written authorization for GCI to increase charges.
- E. If DOR in good faith determines that GCI has failed to perform or deliver any service or product as required by the Contract, GCI shall not be entitled to any compensation under the Contract until such service or product is performed or delivered. In this event, DOR may withhold that portion of GCI's compensation which represents payment for services or products that were not performed or delivered. To the extent that the GCI's failure to perform or deliver in a timely manner causes DOR to incur costs, DOR may deduct the amount of such incurred costs from any amounts payable to GCI. DOR's authority to deduct such incurred costs shall not in any way affect DOR's authority to terminate the Contract.
- F. In the event that GCI fails to provide any products or Services and DOR must expend its own resources to meet the needs of any Branch, DOR may set off the value of such resources against any sum owed by DOR to GCI in DOR's reasonable discretion.

### 4. TERM OF CONTRACT

- A. This Contract shall begin on the Effective Date and shall continue until June 30<sup>th</sup>, 2016. DOR shall have the option to renew this Contract for additional one (1) year terms, each of which shall begin 1<sup>st</sup> of July, and end at midnight on 30<sup>th</sup> of June, of the following year, each upon the same terms and conditions of this Contract and at GCI's best and lowest price in effect at the time of renewal.
- B. Pursuant to O.C.G.A. Section 50-5-64, this Contract shall not be deemed to create a debt of the State for the payment of any sum beyond the fiscal year of execution or, in the event of a renewal, beyond the fiscal year of such renewal.
- C. DOR shall have the option, in its sole discretion, to renew the Contract for additional renewals on a year-to-year basis by giving GCI written notice of the renewal decision at

least thirty (30) days prior to the expiration of the then-current term. Each renewal term shall run from July 1<sup>st</sup> through the following June 30<sup>th</sup>. Failure to provide notice under this provision shall be deemed an election by DOR to renew for an additional year. Renewal will depend upon the best interests of the State, funding, and GCI's performance. Upon DOR's election, in its sole discretion, to renew any part of this Contract, GCI shall remain obligated to perform in strict accordance with this Contract unless otherwise agreed by DOR and GCI.

- D. In the event that this Contract shall terminate or be likely to terminate prior to the making of an award for a new contract for the identified goods and services, the Department may, with the written consent of GCI, extend this Contract for such period as may be necessary to afford DOR a continuous supply of the identified goods and services

## 5. TERMINATION

A. **Immediate Termination** – Pursuant to O.C.G.A. Section 50-5-64, this Contract will terminate immediately and absolutely if the Department determines that adequate funds are not appropriated or granted or funds are de-appropriated such that the Department cannot fulfill its obligations under the Contract, which determination is at the Department's sole discretion and shall be conclusive. Further, the Department may terminate the Contract for any one or more of the following reasons effective immediately without advance notice:

- i. In the event GCI is required to be certified or licensed as a condition precedent to providing goods and services, the revocation or loss of such license or certification may result in immediate termination of the Contract effective as of the date on which the license or certification is no longer in effect;
- ii. The Department determines that the actions, or failure to act, of GCI, its agents, employees or subcontractors have caused, or reasonably could cause, life, health or safety to be jeopardized;
- iii. GCI fails to comply with confidentiality laws or provisions; and/or
- iv. GCI furnished any statement, representation or certification in connection with the Contract or the bidding process which is materially false, deceptive, incorrect or incomplete.

B. **Termination for Cause** – The occurrence of any one or more of the following events shall constitute cause for DOR to declare GCI in default of its obligations under the Contract:

- i. GCI fails to deliver any goods or has delivered nonconforming goods or services or fails to perform, to DOR's satisfaction, any material requirement of GCI or is in violation of a material provision of the Contract, including, but without limitation, the express warranties made by GCI;
- ii. DOR determines that satisfactory performance of the Contract is substantially endangered or that a default is likely to occur;

- iii. GCI fails to provide the quality of products as described in the Exhibits and Attachments to this Contract or equivalent to the samples provided by GCI and approved by DOR;
  - iv. GCI fails to make substantial and timely progress toward performance of the Contract as dictated by the Service Level Agreement;
  - v. GCI fails to provide sufficient inventory at the Branches for continued service to customers as dictated by the Service Level Agreement;
  - vi. State law as it related to the existence and operations of GCI are changed and the changes affect whether GCI can perform and deliver under the terms of the Contract;
  - vii. GCI fails to comply with applicable federal, state and local laws, rules, ordinances, regulations and orders when performing within the scope of the Contract;
  - viii. GCI has engaged in conduct that has or may expose DOR or the State to liability, as determined in DOR's sole discretion; or
  - ix. GCI has infringed any patent, trademark, copyright, trade dress or any other intellectual property rights of DOR, the State, or a third party.
- C. **Notice of Default** – If any default event listed in above in Section 5.B occurs, DOR shall provide written notice to GCI requesting that the breach or noncompliance be remedied within the period of time specified in DOR's written notice to GCI. If the breach or noncompliance is not remedied within the period of time specified in the written notice, DOR may:
- i. Immediately terminate the Contract without additional written notice;
  - ii. Procure substitute goods or services from another source and charge the difference between GCI and the substitute contract to GCI; and/or
  - iii. Enforce the terms and conditions of the Contract and seek any legal or equitable remedies.
- D. **Termination Upon Notice** – Following 180 days' written notice, either party may terminate the Contract in whole or in part without the payment of any penalty or incurring any further obligation to the other party. Following termination upon notice, GCI shall be entitled to compensation, upon submission of invoices and proper proof of claim, for goods and Services provided under the Contract to DOR up to and including the date of termination.
- E. **Payment Limitation in Event of Termination** – In the event of termination of the Contract for any reason by DOR, DOR shall pay only those amounts, if any, due and owing to the GCI for goods and Services actually rendered up to and including the date of termination of the Contract and for which DOR is obligated to pay pursuant to the Contract. DOR is responsible for paying GCI for all safety stock at the county tag offices and GCI license plate plant on the day contract is turned over to another vendor up to

the point that GCI safety stock is within contract levels at all levels. Payment will be made only upon submission of invoices and proper proof of the GCI's claim. This provision in no way limits the remedies available to DOR under the Contract in the event of termination. DOR shall not be liable for any costs incurred by GCI in its performance of the Contract, including, but not limited to, startup costs, overhead or other costs associated with the performance of the Contract.

F. **GCI's Termination Duties** - Upon receipt of notice of termination or upon request of DOR, GCI shall:

- i. Cease work under the Contract and take all necessary or appropriate steps to limit disbursements and minimize costs, and furnish a report within thirty (30) days of the date of notice of termination, describing the status of all work under the Contract, including, without limitation, results accomplished, conclusions resulting therefrom, and any other matters DOR may require;
- ii. Immediately cease using and return to DOR, any personal property or materials, whether tangible or intangible, provided by DOR to GCI;
- iii. Comply with DOR's instructions for the timely transfer of any active files and work product produced by GCI under the Contract;
- iv. Cooperate in good faith with DOR, its employees, agents and contractors during the transition period between the notification of termination and the substitution of any replacement contractor, such transition period not to exceed six (6) months; and
- v. Immediately return to DOR any payments made by DOR for goods and services that were not delivered or rendered by GCI.

G. **Extended Performance** – Notwithstanding any other provisions herein, if termination or non-renewal occurs by either party under any provision, at the sole and exclusive request of DOR, GCI may still be required to perform its duties under this Contract at the most recent price agreed upon by both parties for a limited period as specified in the Exhibit(s).

## 6. CONFIDENTIAL INFORMATION

A. **Access to Confidential Data** – GCI's employees, agents and subcontractors will have access to Confidential Data maintained by DOR, and such Confidential Data shall be used by GCI only to the extent necessary to carry out GCI's responsibilities under the Contract. In order to protect the Confidential Data, GCI shall also abide by the following:

- i. GCI shall provide to DOR a written description of GCI's policies and procedures to safeguard Confidential Information. Policies of confidentiality shall address, as appropriate, information conveyed in verbal, written, and electronic formats;
- ii. GCI shall designate one individual who shall remain the responsible authority in charge of all Confidential Data collected, used, or disseminated by GCI in connection with the performance of the Contract;

- iii. GCI shall provide adequate supervision and training to its agents, employees and subcontractors to ensure compliance with the terms of the Contract;
  - iv. GCI shall ensure that no person with a criminal record has access to registration or personal information of customers or any other Confidential Data;
  - v. GCI shall provide a copy of their training materials to DOR to ensure compliance with all confidentiality requirements of this Contract; and
  - vi. All Confidential Data shall remain the property of DOR at all times.
- B. **Nondisclosure** – Some services performed for DOR may require GCI to sign a nondisclosure agreement. GCI understands and agrees that refusal or failure to sign such a nondisclosure agreement, if required, may result in termination of the Contract.
- C. **No Dissemination of Confidential Data** – No Confidential Data collected, maintained, or used in the course of performance of the Contract shall be disseminated except as required by law and with the written consent of DOR. The obligations and duties concerning the confidentiality of the Confidential Information obtained while performing this Contract shall survive the termination of this Contract until all Confidential Information is purged from the databases and GCI provides DOR with an affidavit that all Confidential Data has been purged.
- D. **Property of DOR** – Any data supplied to or created by GCI shall be considered the property of DOR. GCI must return any and all data collected, maintained, created or used in the course of the performance of the Contract, in whatever form it is maintained, promptly at the request of DOR.
- E. **Subpoenas** – In the event that a subpoena, Open Records request, or other legal process is served upon GCI for records containing Confidential Information, GCI shall promptly notify DOR and cooperate with DOR in any lawful effort to protect the Confidential Information.
- F. **Reporting** – GCI shall immediately report to DOR by telephone and e-mail any unauthorized disclosure of Confidential Information.
- G. **Survives Termination** – All of GCI's confidentiality obligations under the Contract shall survive termination of the Contract.

## 7. LIABILITIES

- A. Each Party shall continue its participation in the general liability and tort claims programs of the Department of Administrative Services, as provided in O.C.G.A. §§ 45-9-1, 45-9-4, 50-21-20 et seq. Each Party shall act at its own risk and responsibility. Nothing contained in this Contract shall make, or shall be construed to make, GCI or DOR liable to a third party for the debts or obligations of the other. To the extent that any liability arises under this Contract, the Parties shall rely on their constitutional sovereign immunity.

- B. This Agreement is subject to O.C.G.A. § 40-2-130 and § 40-3-23, and the Federal Driver's Privacy Protection Act of 1994, 18 U.S.C. §§ 2721-2725 et seq., and other federal and state data protection laws. Any and all personal information and vehicle information which is considered privileged and confidential under federal and Georgia law, and is contained in any record or data forwarded to GCI under this Contract shall not be released by GCI to any individual or other legal entity without prior written consent of the Department. Any release of such information by GCI to any unauthorized individual or other legal entity may result in the Department terminating this Contract immediately. If any data and/or information breach occurs, the Party who is the custodian of the data and/or information at the time of the breach is responsible for and liable for any and all fees, penalties, and costs which result pursuant to such breach.

## 8. WARRANTIES

- A. GCI provides the express warranties as provided in the Contract and Exhibits attached hereto. GCI provides no other warranties, express or implied.
- B. All goods delivered by GCI to DOR or County Tag Offices shall be free from any defects in design, material, or workmanship. If any goods offered by GCI are found to be defective in material or workmanship, or do not conform to GCI's warranty, DOR shall have the option of returning, repairing, or replacing the defective goods at GCI's expense. Payment for goods shall not constitute acceptance. Acceptance by DOR shall not relieve GCI of its warranty or any other obligation under the Contract.
- C. GCI warrants and guarantees to DOR that the goods provided under the Contract are in compliance with Sections 5 and 12 of the Federal Trade Commission Act; the Fair Packaging and Labeling Act; the Federal Food, Drug, and Cosmetic Act; the Consumer Product Safety Act; the Federal Environmental Pesticide Control Act; the Federal Hazardous Substances Act; the Fair Labor Standards Act; the Wool Products Labeling Act; the Flammable Fabrics Act; the Occupational Safety and Health Act; the Office of Management and Budget A-110 Appendix A; and the Anti-Kickback Act of 1986.
- D. GCI represents and warrants that all the concepts, materials, goods and services produced, or provided to DOR pursuant to the terms of the Contract shall be wholly original with GCI or that GCI has secured all applicable interests, rights, licenses, permits or other intellectual property rights in such concepts, materials and works. GCI represents and warrants that the concepts, materials, goods and services and the State's use of same and the exercise by DOR of the rights granted by GCI shall not infringe upon any other work, other than material provided by the Contract to GCI to be used as a basis for such materials, or violate the rights of publicity or privacy of, or constitute a libel or slander against, any person, firm or corporation and that the concepts, materials and works will not infringe upon the copyright, trademark, trade name, trade dress patent, literary, dramatic, statutory, common law or any other rights of any person, firm or corporation or other entity. GCI represents and warrants that it is the owner of or otherwise has the right to use and distribute the goods and services contemplated by the Contract.
- E. GCI represents and warrants that the goods and services provided in accordance with the Contract will appear and operate in conformance with the terms and conditions of the Contract.

- F. GCI represents and warrants that it has full authority to enter into the Contract and that it has not granted and will not grant any right or interest to any person or entity that might derogate, encumber or interfere with the rights granted to the State and DOR.
- G. GCI represents and warrants that all obligations owed to third parties with respect to the activities contemplated to be undertaken by GCI pursuant to the Contract are or will be fully satisfied by GCI so that the State and the DOR will not have any obligations with respect thereto.
- H. GCI represents and warrants that title to any property assigned, conveyed or licensed to DOR is good and that transfer of title or license to DOR is rightful and that all property shall be delivered free of any security interest or other lien or encumbrance.
- I. GCI represents and expressly warrants that all aspects of the goods and services provided or used by it shall at a minimum conform to the current standards in License Plate Industry. This requirement shall be in addition to any express warranties, representations, and specifications included in the Contract, which shall take precedence.
- J. GCI warrants that all persons assigned to perform services under this Contract are lawful employees of GCI. All persons assigned to perform services under this Contract shall be qualified to perform such services. Personnel assigned by GCI shall have all professional licenses required to perform the services. All personnel must meet DOR criminal background and tax checks, and GCI will provide criminal background and tax information upon request.
- K. GCI warrants that no DOR vehicles will be used by GCI for the performance of services under this Contract. GCI shall be responsible for providing transportation necessary to perform all services.

## 9. PRODUCT RECALL

- A. In the event that any of the goods are found by GCI, DOR, any governmental agency, or court having jurisdiction to contain a defect, serious quality or performance deficiency, or not to be in compliance with any standard or requirement so as to require or make advisable that such goods be reworked or recalled, GCI will promptly communicate all relevant facts to DOR and undertake all corrective actions, including those required to meet all obligations imposed by laws, regulations, or orders, and shall file all necessary papers, corrective action programs, and other related documents, provided that nothing contained in this section shall preclude DOR from taking such action as may be required of it under any such law or regulation. GCI shall perform all necessary repairs or modifications at its sole expense except to any extent that GCI and DOR shall agree to the performance of such repairs by DOR upon mutually acceptable terms.

## 10. NOTICES

- A. All notices under this Contract shall be deemed duly given upon delivery, if delivered by email, hand, or three (3) calendar days after posting, if sent by registered or certified mail, return receipt requested, to a party hereto at the addresses set forth below or to such other address as a party may designate by notice pursuant hereto. DOR Contract

Administrator, DOR-MVD Contact, and GCI Contacts are identified in Exhibit I – Key Contacts.

- B. It shall be the responsibility of GCI to inform the Contract Administrator of any change in address in writing no later than five (5) business days after the change.
- C. Within two (2) business days of receipt of notice, GCI shall inform DOR of any legal action, whether the action is formal, informal, administrative, mediation, arbitration, actual litigation, or proposed litigation, which is instituted against GCI by a subcontractor, sub-subcontractor, vendor, supplier, or manufacturer.
- D. GCI shall inform DOR immediately of any proposed legal action, whether the action is formal, informal, administrative, mediation, arbitration, actual litigation, or proposed litigation, that it knows, knew, or should have known would be instituted or brought against GCI by a subcontractor, sub-subcontractor, vendor, supplier, or manufacturer for work based on, arising from, or related to this Contract.

## 11. CONTRACT ADMINISTRATION

- A. **Compliance with the Law** – GCI, its employees, agents, and subcontractors shall comply with all applicable federal, state, and local laws, rules, ordinances, regulations and orders now or hereafter in effect when performing under the Contract, including without limitation, all laws applicable to the prevention of discrimination in employment and the use of targeted small businesses as subcontractors or contractors. GCI, its employees, agents and subcontractors shall also comply with all federal, state and local laws regarding business permits and licenses that may be required to carry out the work performed under the Contract. GCI and GCI's personnel shall also comply with all State and DOR policies and standards in effect during the performance of the Contract, including but not limited to DOR's policies and standards relating to personnel conduct, security, safety, confidentiality, and ethics. Further, the provisions of O.C.G.A. Section 45-10-20 et seq. have not and must not be violated under the terms of this Contract.
- B. **Drug-free Workplace** – GCI hereby certifies as follows:
  - i. GCI will not engage in the unlawful manufacture, sale, distribution, dispensation, possession, or use of a controlled substance or marijuana during the performance of this Contract; and
  - ii. If GCI shall provide for employees a drug-free workplace, in accordance with the Georgia Drug-free Workplace Act as provided in O.C.G.A. Section 50-24-1 et seq., throughout the duration of this Contract; and
- C. **Amendments** – The Contract may be amended in writing from time to time by mutual consent of the parties. Exhibits may be amended from time to time by mutual written agreement of the Parties and approval by MVD.
- D. **Third Party Beneficiaries** – There are no third-party beneficiaries to the Contract. The Contract is intended only to benefit DOR, the State, and GCI.

- E. **Choice of Law and Forum** – The laws of the State of Georgia shall govern and determine all matters arising out of or in connection with this Contract without regard to the choice of law provisions of State law. In the event any proceeding of a quasi-judicial or judicial nature is commenced in connection with this Contract, such proceeding shall solely be brought in a court or other forum of competent jurisdiction within Fulton County, Georgia. This provision shall not be construed as waiving any immunity to suit or liability, including without limitation sovereign immunity, which may be available to the State.
- F. **Parties' Duty to Provide Notice of Intent to Litigate and Right to Demand Mediation**
- i. In addition to any dispute resolution procedures otherwise required under this Contract or any informal negotiations which may occur between the parties, no civil action with respect to any dispute, claim or controversy arising out of or relating to this Contract may be commenced without first giving fourteen (14) calendar days written notice to the other party of the claim and the intent to initiate a civil action. At any time prior to the commencement of a civil action, either party may elect to submit the matter for mediation. Either party may exercise the right to submit the matter for mediation by providing the other party with a written demand for mediation setting forth the subject of the dispute. The parties will cooperate with one another in selecting a mediator and in scheduling the mediation proceedings. Venue for the mediation will be in Atlanta, Georgia; provided, however, that any or all mediation proceedings may be conducted by teleconference with the consent of the mediator. The parties covenant that they will participate in the mediation in good faith, and that they will share equally in its costs; provided, however that the cost to DOR shall not exceed five thousand dollars (\$5,000.00).
  - ii. All offers, promises, conduct and statements, whether oral or written, made in the course of the mediation by any of the parties, their agents, employees, experts and attorneys, and by the mediator or employees of any mediation service, are inadmissible for any purpose (including but not limited to impeachment) in any litigation or other proceeding involving the parties, provided that evidence that is otherwise admissible or discoverable shall not be rendered inadmissible or non-discoverable as a result of its use in the mediation. Inadmissibility notwithstanding, all written documents shall nevertheless be subject to the Georgia Open Records Act O.C.G.A. Section 50-18-70 et seq.
  - iii. No party may commence a civil action with respect to the matters submitted to mediation until after the completion of the initial mediation session, forty-five (45) calendar days after the date of filing the written request for mediation with the mediator or mediation service, or sixty (60) calendar days after the delivery of the written demand for mediation, whichever occurs first. Mediation may continue after the commencement of a civil action, if the parties so desire.
- G. **Assignment and Delegation** - The Contract may not be assigned, transferred or conveyed in whole or in part without the prior written consent of DOR. For the purpose of construing this clause, a transfer of a controlling interest in GCI shall be considered an assignment.

- H. **Use of Third Parties** – Except as expressly permitted in writing by DOR, GCI shall not subcontract, assign, delegate or otherwise permit anyone other than GCI or GCI's personnel to perform any of GCI's obligations under this Contract or any of the work subsequently assigned under this Contract. No subcontract which GCI enters into with respect to performance of obligations or work assigned under the Contract shall in any way relieve GCI of any responsibility, obligation or liability under this Contract and for the acts and omissions of all subcontractors, agents, and employees. All restrictions, obligations and responsibilities of the GCI under the Contract shall also apply to the subcontractors including DOR requests for tax and criminal background checks. Any contract with a subcontractor must also preserve the rights of DOR. DOR shall have the right to request the removal of a subcontractor from the Contract for good cause.
- I. **Integration** – The Contract and corresponding Exhibits represent the entire agreement between the Parties. The Parties shall not rely on any representation that may have been made which is not included in the Contract or an amendment thereto.
- J. **Headings or Captions** – The paragraph headings or captions used in the Contract are for identification purposes only and do not limit or construe the contents of the paragraphs.
- K. **Not a Joint Venture** – Nothing in the Contract shall be construed as creating or constituting the relationship of a partnership, joint venture, (or other association of any kind or agent and principal relationship) between the parties thereto. Each party shall be deemed to be an independent contractor contracting for goods and services and acting toward the mutual benefits expected to be derived therefrom. Neither GCI nor any of GCI's agents, servants, employees, subcontractors or contractors shall become or be deemed to become agents, servants, or employees of DOR. GCI shall therefore be responsible for compliance with all laws, rules and regulations involving its employees and any subcontractors, including but not limited to employment of labor, hours of labor, health and safety, working conditions, workers' compensation insurance, and payment of wages. No party has the authority to enter into any contract or create an obligation or liability on behalf of, in the name of, or binding upon another party to the Contract.
- L. **Supersedes Former Contracts or Agreements** – Unless otherwise specified in the Contract, this Contract supersedes all prior Contracts or Agreements between DOR and GCI for the goods and services provided in connection with the Contract.
- M. **Waiver** – Except as specifically provided for in a waiver signed by duly authorized representatives of DOR and GCI, failure by either party at any time to require performance by the other party or to claim a breach of any provision of the Contract shall not be construed as affecting any subsequent right to require performance or to claim a breach.
- N. **Cumulative Rights** – The various rights, powers, options, elections and remedies of any party provided in the Contract shall be construed as cumulative and not one of them is exclusive of the others or exclusive of any rights, remedies or priorities allowed either party by law, and shall in no way affect or impair the right of any party to pursue any other equitable or legal remedy to which any party may be entitled as long as any default remains in any way unremedied, unsatisfied or undischarged.

- O. **Severability** – If any provision of the Contract is determined by a court of competent jurisdiction to be invalid or unenforceable, such determination shall not affect the validity or enforceability of any other part or provision of the Contract. Further, if any provision of the Contract is determined to be unenforceable by virtue of its scope, but may be made enforceable by a limitation of the provision, the provision shall be deemed to be amended to the minimum extent necessary to render it enforceable under the applicable law. Any agreement of the parties to amend, modify, eliminate, or otherwise change any part of this Contract shall not affect any other part of this Contract, and the remainder of this Contract shall continue to be of full force and effect.
- P. **Time is of the Essence** – Time is of the essence with respect to the performance of the terms of the Contract. GCI shall ensure that all personnel providing goods and services to DOR are responsive to DOR's requirements and requests in all respects.
- Q. **Authorization** – The persons signing this Contract represent and warrant to the other parties that such persons:
- i. Have the right, power and authority to enter into and perform its obligations under the Contract; and
  - ii. Have taken all requisite action (corporate, statutory or otherwise) to approve execution, delivery and performance of the Contract and the Contract constitutes a legal, valid and binding obligation upon itself in accordance with its terms.
- R. **Successors in Interest** – All the terms, provisions, and conditions of the Contract shall be binding upon and inure to the benefit of the parties hereto and their respective successors, assigns and legal representatives.
- S. **Record Retention and Access to Facilities**
- i. Upon 24 hours' notice, GCI shall grant DOR access to its facilities to inspect the processes, procedures, and operations of GCI as it relates to the products and Services to be provided under this Contract.
  - ii. GCI shall maintain books, records and documents in accordance with generally accepted accounting principles and procedures and which sufficiently and properly document and calculate all charges billed to DOR throughout the term of the Contract for a period of at least five (5) years following the date of final payment or completion of any required audit, whichever is later. Records to be maintained include both financial records and service records.
  - iii. GCI shall permit anyone auditing DOR and/or any authorized representative of DOR to access and examine, audit, excerpt and transcribe any directly pertinent books, documents, papers, electronic or optically stored and created records or other records of GCI relating to orders, invoices or payments or any other documentation or materials pertaining to the Contract, wherever such records may be located during normal business hours. GCI shall not impose a charge for audit or examination of GCI's books and records.
  - iv. If an audit discloses incorrect billings or improprieties, DOR reserves the right to charge the GCI for the cost of the audit and appropriate reimbursement.

Evidence of criminal conduct will be turned over to the proper authorities. The records and documents subject to audit do not include the disclosure of GCI's manufacturing costs, processes or any other proprietary information not available to the public. These records and any and all copies remain the property of GCI. DOR representatives who review the records will maintain strict confidentiality of these records and disclose such records only to those employees, officers and agents of DOR who are required to review these records in connection with this Contract.

- T. **Immunity from Liability** – Every person who is a party to the Contract is hereby notified and agrees that DOR is immune from liability and suit for or from GCI's and/or subcontractors' activities involving third parties and arising from the Contract.
- U. **Public Records** – The laws of the State of Georgia, including the Georgia Open Records Act, as provided in O.C.G.A. Section 50-18-70 et seq., require procurement records and other records to be made public unless otherwise provided by law.
- V. **Debarred, Suspended, and Ineligible Status** – GCI certifies that GCI's subcontractors have not been debarred, suspended, or declared ineligible by any agency of the State of Georgia or as defined in the Federal Acquisition Regulation (FAR) 48 C.F.R. Ch.1 Subpart 9.4. GCI will immediately notify DOR if any subcontractor is debarred by the State or placed on the Consolidated List of Debarred, Suspended, and Ineligible Contractors by a federal entity.
- W. **Use of Name or Intellectual Property** – GCI agrees it will not use the name or any intellectual property, including but not limited to, DOR trademarks or logos in any manner, including commercial advertising or as a business reference, without the expressed prior written consent of DOR.
- X. **Taxes** – DOR is exempt from Federal Excise Taxes, and no payment will be made for any taxes levied on GCI's employee's wages. DOR is exempt from State and Local Sales and Use Taxes on the services. Tax Exemption Certificates will be furnished upon request. GCI or an authorized subcontractor has provided DOR with a sworn verification regarding the filing of unemployment taxes or persons assigned by GCI to perform services required in this Contract, which verification is incorporated herein by reference.
- Y. **Delay or Impossibility of Performance** – Neither party shall be in default under the Contract if performance is delayed or made impossible by an act of God. In each such case, the delay or impossibility must be beyond the control and without the fault or negligence of GCI. If delay results from a subcontractor's conduct, negligence or failure to perform, GCI shall not be excused from compliance with the terms and obligations of the Contract.
- Z. **Limitation of Contractor's Liability** - Except as otherwise provided in this Contract, GCI's liability to DOR for any claim of damages arising out of this Contract shall be limited to direct damages. No limitation of GCI's liability shall apply to GCI's liability for loss or damage to DOR equipment or other property while such equipment or other property is in the sole care, custody, and control of GCI's personnel. GCI hereby expressly agrees to assume all risk of loss or damage to any such DOR equipment or other property in the care, custody, and control of GCI's personnel. GCI further agrees

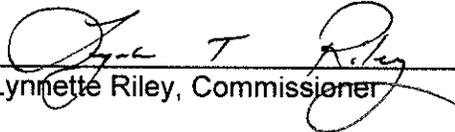
that equipment transported by GCI personnel in a vehicle belonging to GCI (including any vehicle rented or leased by GCI or GCI's personnel) shall be deemed to be in the sole care, custody, and control of GCI's personnel while being transported. Nothing in this section shall limit or affect GCI's liability arising from claims brought by any third party.

- AA. **Obligations Beyond Contract Term** – The Contract shall remain in full force and effect to the end of the specified term or until terminated or canceled pursuant to the Contract. All obligations of GCI incurred or existing under the Contract as of the date of expiration, termination or cancellation will survive the termination, expiration or conclusion of the Contract.
- BB. **Counterparts** – The parties agree that the Contract has been or may be executed in several counterparts, each of which shall be deemed an original and all such counterparts shall together constitute one and the same instrument.
- CC. **Further Assurances and Corrective Instruments** – The parties agree that they will, from time to time, execute, acknowledge and deliver, or cause to be executed, acknowledged and delivered, such supplements hereto and such further instruments as may reasonably be required for carrying out the expressed intention of the Contract.
- DD. **Transition Cooperation and Cooperation with other Contractors** – GCI agrees that upon termination of this Contract for any reason, it shall provide sufficient efforts and cooperation to ensure an orderly and efficient transition of services to the DOR or another contractor. Any additional requirements shall be set forth in the Exhibits. Further, in the event that DOR has entered into or enters into agreements with other contractors for additional work related to services rendered under the Contract, GCI agrees to cooperate fully with such other contractors. GCI shall not commit any act, which will interfere with the performance of work by any other contractor.
- EE. **Immigration Verification** - As a service provider to DOR, GCI shall provide DOR with its E-Verify Number here: \_\_\_\_\_. GCI shall provide any other information reasonably requested by DOR that may be required to verify immigration or naturalized or derived citizenship status information in order to comply with the Department of Homeland Security, U.S. Citizenship and Immigrations Services SAVE program.
- FF. **Background Checks** – GCI shall conduct a criminal background check on all GCI employees and third party contractors who will be providing any Services under this Contract. GCI shall provide proof of such background checks to DOR upon request. Further, GCI shall provide DOR with sufficient information of all employees and third party contractors who will be providing any Services under this Contract to allow DOR to conduct a tax background check. DOR shall submit the findings of such tax background checks upon request from GCI, subject to all state and federal confidentiality laws. If any employee or third party contractor fails either the tax or criminal background check, such employee or third party contractor may be banned from working on or providing any Services under this Contract.
- GG. **Entire Agreement**  
Inclusive of the Exhibits, this Agreement constitutes the entire agreement between the Parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby.

**SIGNATURES OF THE PARTIES**

IN WITNESS WHEREOF, the Parties hereto have caused this Contract to be executed in two counterparts, each to be considered as an original by their authorized representative, the day and date hereinabove written:

**STATE OF GEORGIA  
DEPARTMENT OF REVENUE**

  
\_\_\_\_\_  
Lynnette Riley, Commissioner

10/20/15  
\_\_\_\_\_  
Date

**GEORGIA CORRECTIONAL INDUSTRIES, INC**

  
\_\_\_\_\_  
Norman Wilson, Executive Director

10/20/15  
\_\_\_\_\_  
Date

**EXHIBIT A  
STATEMENT OF WORK**

Periodically, the Legislature approves new license plates for issuance, approves modifications to existing license plates and sponsors modify license plates. GCI is responsible for working with Department staff at no additional cost to implement new license plate designs by any deadlines established by the Legislature or DOR. All images and graphics for license plates are considered Department property and must remain property of the DOR after termination of the contract.

**1. DUTIES OF GCI (License Plates and Registration Cards).**

GCI shall perform all the services and duties of this Contract (the "Services" or the "Project") as detailed in the statement of Work (the "SOW") set forth in this exhibit.

GCI's manufacturing and distribution must include the printing, distribution, and fulfillment of all registration cards so that the license plate and registration cards can be printed, processed, matched, and mailed in a single package directly to the customer, if required based on transaction type. Registration cards without plates are mailed separately.

GCI shall notify DOR immediately if there are subcontractors working for GCI, or if there are any changes to the roles of subcontractors. DOR has a right to review and approve such changes and subcontractor(s) before being implemented by GCI. All such approval must be in writing and/or confirmed by email. The DOR has the right to approve or disapprove any subcontracting decisions.

GCI must provide a plan for producing license plates and must provide samples for approval of the license plates once testing production begins. All products identified in this contract must meet or exceed DOR's standards and meet or exceed the quality of the samples of current license plates provided to GCI by DOR. Sample plates must be approved by DOR prior to production and use. License Plates must be mailed or shipped within three (3) business days of receipt of order.

GCI must provide a plan for producing registration cards, and must provide samples of the registration card. The registration cards design must meet Department standards, meet or exceed the quality of the sample provided to GCI, and must be approved by DOR prior to use. Registration cards printed by GCI without a license plate must be mailed to the customer within one (1) business day of the receipt of the order by GCI. Registration cards printed by GCI with license plates must be produced contemporaneously with the license plate and mailed to the customer within three (3) business day of the receipt of the order by GCI.

	Initials	Date
DOR	<i>CTR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Exhibit A – STATEMENT OF WORK

For audit, tracking and investigative purposes, a signature must be captured by the carrier for orders shipped to DOR and County Tag Offices with ability to track shipments.

GCI will supply detail information on how all items covered in this contract will be packaged and shipped including bulk shipments to DOR and County Tag Offices as well as directly to the Customer.

GCI will provide a detailed plan on how GCI will meet additional volume demands through the life of the contract.

2. CONSIDERATION

As the total number of license plates and vehicle decals that will be produced pursuant to this Contract can only be estimated, DOR agrees to pay the below stated prices\* on the following basis:

- per "Transaction" which is herein defined as the moment when a license plate and/or decal is issued to the taxpayer
- Invoiced on a monthly basis for the Transactions occurring in the previous month

LICENSE PLATES					
Type	Standard (AA & A1)	Specialty	Trailer (TR)	Commercial (PT)	Motorcycle (CY)
Cost Per Plate – shipped to County Tag Offices	\$2.15	\$2.30	\$2.18	\$2.18	\$1.64
Cost Per Plate – Direct Mail – Plates shipped individual (includes postage)	\$3.80	\$3.96	\$3.83	\$3.83	\$3.35
DECALS WITH FORM					
Laser Printed Registration Cards at Branches					\$0.125
Thermal Printed Direct fulfillment from plant with plate					\$0.23
Thermal Printed Direct fulfillment from plant without plate printed					\$0.81
Thermal Printed Registration Cards at Branches					\$0.25
OTHER ITEMS					
IFTA Stickers (Safety seal) – Subject to Exhibit J					\$1.48
IFTA Stickers (hologram) – Subject to Exhibit J					\$2.92
County Name, IGWT, Municipality (or similar) Stickers					\$0.088
Temporary Operating Permit Labels					\$0.70
Temporary Operating Permit Card Stock					\$0.03
Handicap Placards					\$0.23
Handicap Placard Labels (printed via thermal printer)					TBD

Any changes to the above prices must be approved in writing by both Parties.

The unit prices listed above includes; materials, packaging, shipping, labor, equipment,

	Initials	Date
DOR	<i>JTR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Exhibit A – STATEMENT OF WORK

such hardware and software related to the production of license plates, vehicle decals and forms. All costs associated with the supply of registration cards and license plates must be borne by GCI.

GCI shall maintain the inventory of Registration Cards in each Branch and invoice as issued. GCI will invoice for Registration Cards as issued by direct fulfillment. The Parties shall work together to minimize the stock of Registration Cards leftover at the time of transition to print-on-demand. At such time, the costs of the Registration Cards still in stock and unissued will be partially reimbursed by DOR at Fifty Percent (50%) of GCI's actual cost.

In the event DOR requires a change in scope, character or complexity of the Project after it has begun, adjustments in compensation to GCI shall be determined as mutually agreed by DOR and GCI. GCI shall not commence any additional work or change in the scope of work until authorized in writing by a designated representative of DOR. No claim for additional compensation shall be made in the absence of a prior written approval executed by all parties hereto.

In the event DOR directs GCI to mail license plates, decals or forms to motorists and the package is found to be undeliverable, and it is determined by the parties to be the fault of GCI, DOR shall be offered a credit for the affected package. Undeliverable packages shall be returned to GCI and said party shall be responsible for the postage costs to resend such packages. DOR will be responsible for updating motorists' mailing address data and processing undeliverable items.

If any license plate or vehicle decal reflective sheeting does not achieve its performance life as defined in the License Plate Reflective Sheeting Specification (Attachment A) and also defined in the statement of Warranty (Attachment G), the Contractor shall incur a maximum liability assessment of Five Dollars (\$5.00) per plate for failed plate or decal. DOR shall be reimbursed, in its sole discretion, in dollars or materials equal to the total liability.

If new reflective materials become available that meet or exceed the DOR's current specification performance requirements, GCI may substitute the materials with written authorization from DOR. Performance levels that exceed current requirements are allowed with written authorization from DOR. Similarly, if new license plate printing methods become available that meet or exceed DOR's requirements, GCI may employ such printing methods with approval from DOR. In no instance may GCI require DOR to substitute materials or methods (including printing).

On occasion by special request by MVD, GCI may be required to ship plates or other completed items to the Southmeadow location for MVD distribution.

	Initials	Date
DOR	<i>CMR</i>	<i>10/20/15</i>
GCI	<i>MGW</i>	<i>10/20/15</i>

GCI will supply a reduced rate to produce license plates during a replacement cycle when a replacement cycle is identified and approved by DOR. Price must be negotiated and identified 60 (sixty) days prior to replacement cycle beginning.

3. OVERVIEW OF WORK PERFORMED PUSUANT TO THIS CONTRACT (the "Project")

This Project consists of manufacturing license plates and registration cards, as well as distributing these items directly to a motorist or to CTA offices. Additionally, GCI shall manage inventory of finished goods at pre-determined and mutually agreed to levels with DOR. GCI will provide all appropriate space for production and operations, utilities for such space, materials, packaging supplies, shipping, equipment, hardware, software, integration, labor and overall project management. DOR shall provide networking to DOR.

The implementation plan will be jointly developed between DOR and GCI.

The project shall involve the issuance of general issue standard plates, specialty plates, prestige plates, commercial plates, trailer plates, motorcycle plates, temporary operating permits, decals with forms, stickers, and handicap placards. GCI acknowledges that the DOR number is an approximation because the list of special group recognition license plates varies yearly. No additional charges will be imposed for any fluctuation in the number of license plate types issued during the term of this contract.

All work performed pursuant to the contact must be reviewed by the MVD Assistant Director and/or MVD Director, commencing upon execution of the contract. GCI must submit a written status report to the MVD Assistant Director showing project tasks completed and tasks planned for completion during the next reporting period. Work determined by DOR to be in non-compliance with the contract must be brought into compliance at no expense to DOR within ten (10) calendar days of written notice from DOR unless a longer time period for compliance is contained in the written notice from DOR.

4. CONFIDENTIALITY AND SECURITY PLAN

- All financial, statistical, personnel, customer and/or technical data supplied by DOR to GCI are confidential. GCI must secure all data from manipulation, sabotage, theft or breach of confidentiality. GCI is prohibited from releasing any financial, statistical, personnel, customer, and/or technical data supplied by DOR that is deemed confidential. Any use, sale, or offering of this data in any form by GCI, or any individual or entity in GCI's charge or employ, will be considered a violation of this Contract and may result in Contract termination and GCI's suspension or debarment from Department contracting. In addition, such conduct may be reported to the State Attorney General for possible criminal prosecution.

	Initials	Date
DOR	STR	10/24/15
GCI	NEW	10/20/15

Exhibit A – STATEMENT OF WORK

- GCI must provide a security plan. The document must describe the administrative, physical, technical, and systems controls to be used by the systems and/or services.
  - GCI's security plan must, at a minimum, provide security measures for the following areas:
    - Facilities Physical Security
    - System Security
    - System Data Security
    - Administrative and Personnel Security
  - The security plan must provide for review of GCI's Operations and control system. GCI must have the capability to detect and report attempted unauthorized entries into the facility and system. All security requirements for GCI apply to development, testing, production, and backup systems.
  - GCI must provide a summary overview of the security document and describe how it has been incorporated into a larger security program for automated data processing. In the plan, GCI must highlight security features of the system.

5. GCI KEY PERSONNEL AND CONTACT PROTOCOL – The following GCI Account Management Team (“Team Members”) personnel are considered essential to the success of the Contract. As such, GCI commits to keeping these key personnel assigned to this Contract’s contractual obligations and performance requirements delineated in this SOW.

- Project Support Manager
- Account Manager
- Hardware Services Supervisor/Technical Lead
- Plant Manager

GCI Operations Director

- Contract Administrator and Customer Service
- On-site Supervisor – GCI is responsible for hiring an “on-site supervisor”, who will be responsible for the day to day production and operations.
- GCI Customer Support – (229) 868-3361 and [tags@gci-ga.com](mailto:tags@gci-ga.com) – GCI Customer Support will be available 7:00 AM to 5:00 PM Eastern Standard Time.

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DOR	<i>DTR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Exhibit A – STATEMENT OF WORK

- At no additional cost to the DOR, GCI shall provide additional personnel and equipment as needed to adequately and sufficiently perform its obligations pursuant to this Contract.
- All GCI employees or subcontractors shall be required to pass a tax and criminal background check as required by DOR.

DOR’s reliance on Team Members - Each of the above listed Team members’ level of experience and expertise meets DOR’s reasonable expectations for the work done pursuant to this Contract. GCI acknowledges that an incentive for the DOR to enter into this Contract is GCI’s commitment to assign the Team Members to perform work pursuant to this Contract. Therefore, GCI shall ensure that any individuals who replace any of the Team members have similar levels of experience and expertise as the Team Member being replaced.

TEAM MEMBERS LOCATED AT PRODUCTION FACILITY

GCI must perform the work required pursuant to this SOW at the below listed locations (“Sites”), which may be changed subject to the DOR’s prior written approval:

- License Plate Production will occur at Telfair State Prison.
- GCI Fulfillment Center is the location at which the license plates, registration cards are manufactured. For items being mailed to motorists, Fulfillment Center employees will place the appropriate registration cards with the applicable license plates. GCI shall provide equipment, materials, shipping, labor and support project management.
- Mail sorting and preparation work (“Mailing”) that is done pursuant to this SOW will be done at GCI expense. GCI will shrink wrap the license plate packages and include a form/decal for each plate. The form/decal will contain the address of the taxpayer and will be placed in plastic envelope with only the address showing over the licenses plate number for mailing.

CONTACT COMMITMENTS - GCI commits to providing personnel for the DOR to contact regarding any aspect of the work to be performed pursuant to this SOW.

- GCI’s Project Manager will be the primary point of contact for DOR for all items related to the Project planning phase and may also be contacted through the life of the contract if deemed necessary
- Upon completion of the Project planning phase, the On-site Supervisor shall become the primary point of contact for the DOR for all items related to the Production Operations phase.

	Initials	Date
DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>nw</i>	<i>10/26/15</i>

Exhibit A – STATEMENT OF WORK

- GCI's Georgia Account Manager will be a secondary contact for all Project related items in both the Project planning and production operations phases.
- GCI's customer support is the primary contact for on-going service related issues.
- GCI's On-site Supervisor shall work at the Fulfillment Center to supervise the day-to-day production operations. The On-site supervisor as well as all other employees or subcontractors working at the Fulfillment Center.

6. DOR KEY PERSONNEL AND CONTACT PROTOCOL – DOR's key personnel for purposes of work done pursuant to this SOW are as follows:

- MVD Assistant Director, Operations
- MVD Director

7. GENERAL TERMS

GCI is responsible for the physical security of raw materials and finished documents including license plates and registration cards until the time they are accepted by the United States Postal Service ("USPS") or GCI's Outside Postage Carrier.

GCI is responsible for acquiring, at no expense to the DOR, all hardware and software, office furniture and storage racks necessary for the license plate and decal portions of the Project.

GCI shall permit DOR's key personnel or their designees to have access to and inspect any of the facilities that GCI or its subcontractors are using for any part of this Project at any time during normal State of Georgia operating hours.

GCI shall invoice once per month for finished plates, registration cards for Transactions that occurred in the previous month. Terms are 1% net 30. Payment to GCI shall be by electronic means.

8. PROJECT PLANNING

GCI shall serve as the Project Planner with the obligations that follow:

- Assign the above listed account management team to manage all of GCI's work done pursuant to this Contract.
- Provide and identify individuals who are assigned to be in charge of GCI's and sub-contractors' contractual obligations pursuant to this Contract and will be the contact people for the DOR to address any questions or issues related to this Contract.

	Initials	Date
DOR	CYTR	10/20/15
GCI	NEW	10/20/15

Exhibit A – STATEMENT OF WORK

- As needed, develop any proposed changes to the Project plan with key milestones that are contained in this SOW, such changes are subject to the DOR's written approval.
- As needed, develop any proposed changes to the testing plan with key milestones that are delineated in the Project plan contained in this SOW, such changes are subject to the DOR's written approval.
- Conduct Project meetings with all personnel who are pertinent to the topics addressed in each meeting. Provide an itinerary to all attendees sufficiently prior to the meeting to inform the attendees of the items being discussed and time for the attendees to adequately prepare for the discussions.
- Maintain daily communication with the DOR Project Manager regarding the day-to-day status of the work done pursuant to this SOW and any related issues that arise each day.
- Work expeditiously to resolve any issues that develop during the Contract. The standard for the timing and quality of the resolution are those normal for the industry.
- Supervise and inspect subcontractors' performance done pursuant to this Contract to ensure the quality meets the criteria established in this Contract. Serve as the first contact point for subcontractors' communications regarding the work done pursuant to this Contract.
- Prepare necessary change orders for the DOR's review and approval, which must occur prior to GCI implementing any changes to the work delineated in this SOW or any other DOR approved change orders.
- Ensure all necessary training occurs for all appropriate Project participants. The training shall occur prior to the start of production operations.

Contractor shall provide an IT consultant to assist DOR in designing and implementing the necessary interfaces in regard to GRATIS and VIMS to manage inventory and issuance of license plates, decals and forms as set forth in this Exhibit.

9. PROJECT PLANNING - DOR's obligations are as follows:

- Provide a single point of contact for GCI
- Maintain frequent communication with GCI Project Manager on items related to the Project

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DOR	<i>CTR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Exhibit A – STATEMENT OF WORK

- Respond in a timely manner to requests for approval for change orders
- Assign key DOR stakeholders and resources to be involved in the Project on an as needed basis
- Provide the requested information and data required for GCI to complete the required work.
- Provide the appropriate file formats and data transfer mechanisms and processes as agreed upon by GCI and DOR pursuant to this SOW.
- Work expeditiously to resolve any issues that develop during the Contract. The standard for the timing and quality of the resolution are those normal for the industry.
- The testing plan will be mutually agreed upon by GCI and DOR.

10. PRODUCTION OPERATIONS

Unless otherwise mutually agreed to in writing, the following processes must be followed for the production and handling of license plates and registration cards for this Project. This phase of the Project will be called "Production Operations."

- DOR generates an order in a text file format and places the order file on a secure server each business day, which is Monday through Friday except for state of Georgia designated holidays. The text file shall contain the information for creation of both license plates and registration cards that GCI will need for Production Operations.
- GCI's system retrieves the order file daily and creates two (2) unique production files.
  1. The License Plate Production File is sent to GCI's license plate production system five days per week (Monday through Friday).
  2. The Registration Cards Production File is sent directly to registration card printers located at GCI's Fulfillment Center. This file, and the data contained therein, will always be in the DOR's license plate production facility to ensure security of the data.
- GCI's system processes plate production file data to begin license plate production.

	Initials	Date
DOR	JTR	10/20/15
GCI	MEW	10/20/15

**Exhibit A – STATEMENT OF WORK**

1. GCI produces license plates according to the specification contained below in the section entitled "License Plate Specifications," which shall be named "Finished Plates" for purposes of this SOW.
  2. Inventory Management System
    - a. Inventory management system monitors and tracks license plates entering and leaving inventory.
    - b. License plates will be managed for branch replenishment and mailed to motorist from GCI's Fulfillment Center.
    - c. Inventory tracking with suggested reorder points and reorder quantities is maintained at a field office level for a more automated inventory replenishment process.
  3. GCI, where applicable, prints registration cards within the GCI's Fulfillment Center.
  4. GCI, where applicable, matches each of the Finished Plates and with its corresponding printed registration cards and packages them together. No personal data, other than the motorists name and mailing address will appear on the outside of the package.
- GCI boxes the packaged plates and transports the boxes to Mail Service Provider for delivery to County Tag Agent offices, or ships the plates or decals directly to the customer.
    1. Plate inventory will be based on volume at various CTA offices as mutually agreed upon by the parties in order to conserve DOR and GCI resources. Plate inventory at CTA offices will be based on the number of plates distributed at each office. Plate inventory will be maintained at a 4-6 week level, not to exceed more than two month supplies unless mutually agreed upon by the parties.
    2. GCI provides agreed upon reports and data daily.
    3. GCI shall ship plates destined for CTO offices via Mail Service.
  - License Plate Digital Format
    1. Internal artwork used to prepare the sheeting remains the property of DOR.
    2. GCI's Fulfillment Center manager will also be responsible for securing any design approvals as required by the DOR.

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DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>NSW</i>	<i>10/20/15</i>

3. DOR will provide an FTE who shall be responsible for graphic design of plates into GCI's system.

GCI must provide a process and methodology for communicating and resolving unplanned outages that result in the failure to carry out the terms of the contract.

#### 10. INVENTORY MANAGEMENT SYSTEM

Inventory management system monitors and tracks license plates entering and leaving inventory. The inventory management and all reporting and auditing system must be available at all times with the exception of planned maintenance. All planned maintenance windows must be approved in advance, in writing or via email and should take place between 8:00pm and 6:00am.

License plates will be managed for branch replenishment and mailed to motorist at the Fulfillment Center. Inventory tracking with suggested reorder points and reorder quantities is maintained at a field office level for a more automated inventory replenishment process.

Ability for CTO to request inventory Now Online Ordering Tool. Online Tool should allow for special orders but restrict CTO ability to build up plates in inventory.

#### 11. INSPECTIONS AND QUALITY REQUIREMENTS – GCI shall conduct inspections during the Production Operations according to the following requirements:

- License Plate Quality Control Checkpoints
  1. The respective retro-reflective sheeting, clear laminate and proper set of thermal transfer ribbons are checked as they are mounted onto the Digital License Plate system ("DLP") printer.
  2. While the printer is printing, the DLP operator visually inspects the printed graphics for any defects. The DLP operator also confirms correct color matching to the gold standard approved graphic designs.
  3. While the roll of reflective sheeting is printing, the DLP operator inserts a license plate into the roll when a defect is noticed. This procedure helps the operator on the blanking line in the next step of the process.
  4. The blanking line operators visually inspect the complete blanking process for possible defects, and visually inspect for any defects involving the license plates that were placed on the license plates. An additional inspection is performed by a separate inspector who visually inspects each license plate for any defects as they leave the blanking production line. Both of these

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DOR	<i>DTR</i>	<i>10/20/12</i>
GCI	<i>NEW</i>	<i>10/20/12</i>

Exhibit A – STATEMENT OF WORK

inspections take place in the same license plate production facility. License plates will be shrink-wrapped.

5. Finished license plates are inspected as they are inserted into the appropriate boxes to verify quality and correct.
  6. The inspectors must check to ensure that the graphics adhered to aluminum correctly, that no jagged edges are on any license plate, that the four (4) holes are drilled in the correct location, that no part of a license plate's contents, such as the license plate's message, GEORGIA at top, expiration year, or other information, was removed by holes, and no other no visual defects appear on any license plates.
- Registration Cards Quality Control Checkpoints
    1. Blank registration cards are visually inspected as they are loaded into the printer.
    2. Printed registration cards are visually inspected as they are removed from the printer.
    3. Registration cards are produced and merged with license plates and accuracy is verified.
  - Registration Decals
    1. Blank registration cards are visually inspected as they are loaded into the printer.
    2. Printed registration cards are visually inspected as they are removed from the printer.
    3. Registration cards are printed in the same order the license plates are produced and boxed to ensure they can be matched correctly when the license plates are processed.
  - License Plate and Registration Cards Matching Process Quality Control Checkpoints
    1. Each license plate and registration cards is visually checked during the matching process.
    2. Registration cards and license plates are packaged in matching quantities to help insure that counts are correct.

	Initials	Date
DOR	<i>AR</i>	<i>10/20/15</i>
GCI	<i>HW</i>	<i>10/20/15</i>

3. Message printed on the license plates is visually verified to the message printed on the registration cards to verify a correct match.

“Turn-around time” is defined as the amount of time that elapses between DOR sending an accurate order file to the secure server and the completed package entering the mail stream. For this Project, the required turn-around time is estimated at two to three business days subject to force majeure. If however, GCI’s turn-around time exceeds five (5) business days (“Late Transaction”) GCI shall forfeit payment for that Late Transaction.

DOR reserves the right to conduct audits and inspection of the production process and plates produced by GCI’s system. In the event that plates are found to be defective, the system and business processes proposed by GCI must trace defective plates down to the source of raw materials.

## 12. CONTINGENCY PLAN

In the event of a disaster to the production site and/or distribution facilities, DOR reserves the right to inspect the disaster recovery site. GCI’s system will be held accountable for data recovery to the point of failure with no data loss from any scheduled or unscheduled outages. Production and order fulfillment must pick up where it left off with no loss of integrity of the business transaction from any type of outage. The burden and costs associated with the disaster recovery/backup will be the full responsibility of GCI.

Prior to the execution of this Agreement, GCI shall provide to DOR a detailed written Contingency Plan, acceptable to DOR, detailing the backup and recovery of information and services hereinafter and heretofore known as (Contingency Plan). The Contingency Plan shall be attached this Agreement. Failure to attach the Contingency Plan will result in this Agreement being null and void. The Contingency Plan must include the following minimum components:

- DISASTER RECOVERY.
- Essential Machinery is inoperable.
- Inability to print license plates for more than five (5) business days.
- Inability to supply each branch with 4 to 6 weeks of inventory.
- TERMINATION BY DOR - If at any time during this Agreement DOR desires to terminate this Agreement within the terms contained herein, DOR may provide notice of such intent to terminate (hereinafter Notice of Intent to Terminate) to GCI however GCI shall be obligated to continue performance under the terms of this

	Initials	Date
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GCI	NEW	10/20/15

Agreement for a maximum six (6) months from the effective date of termination if DOR so requests.

- **TERMINATION BY GCI** - If GCI desires to terminate this Agreement as provided for herein, GCI must provide a minimum of 30 days written notice to DOR. GCI, at the sole discretion of DOR may be obligated to continue performance under the terms of this Agreement for a period of no more than six (6) months from the date of termination if DOR so requests.
- **NON – RENEWAL** - If DOR or GCI choose not to renew this Agreement, GCI shall be obligated to continue performance under the terms of the original Agreement for a period of six (6) months after the date of expiration of the Agreement, or until DOR provides written notice to GCI, whichever occurs earlier.
- **BACKUP AND RECOVERY** - GCI must move to a complete backup and recovery location covering any circumstance that would cause GCI to be unable to perform its obligations under the terms of this Agreement for a period greater than twenty-four (24) hours upon mutual agreement. As part of such demonstration, GCI shall include a secure secondary location that may be used for fulfilling GCI's obligations under the terms of this Agreement should any situation arise that would prevent GCI from using the facilities.

13. **PRICING** – DOR agrees to discuss price increases based on a mutual agreed upon economic indicator such as the CPI, PPI and other common indices. Aluminum prices shall be adjusted quarterly if the market moves more than +/- 5%

14. **LIQUIDATED DAMAGES**

- DOR may impose liquidated damages up to a one percent (1%) reduction of the total, monthly invoice amount for each incident in which GCI has failed to meet a deadline as specified in this contract and exhibits, not to exceed five percent (5%) per month.
- Except where otherwise specified, liquidated damages of \$50.00 per day may be imposed on GCI for each calendar day that the approved CAP is not implemented to the satisfaction of DOR.

15. **PRODUCTS**

- GCI is responsible for providing all consumables and supplies necessary to print and assemble a finished license plate that meets current State standards for reflectivity, durability, and performance as described in the Exhibits and equivalent to samples provided.

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DOR	JTR	10/20/15
GCI	NEW	10/20/15

Exhibit A – STATEMENT OF WORK

- Standard License Plates Registration Cards (including Personal Registration Decal Forms and Cab Cards), and Temporary Operating Permits (TOPs) shall be provided per “transaction”, which is herein defined as the moment:
  - Taxpayer is issued any of these items by a Branch
  - Confirmation of shipment directly to the taxpayer
- Alternative License Plates (A1) also used for Prestige and Sponsor Plates, Trailer License Plates (TR), Private Motorcycle Plates (CY), Disabled Person Plates (DP), Disabled Veterans Plates (DV), and Permanent Trailer Plates (PT) are paid as issued to the customer or the County Tag Office.
- County labels may be printed directly on the license plate when the county of destination is known for both specialty plates and plates being shipped to the counties or as agreed upon mutual agreement by GCI and DOR.
- In God We Trust (IGWT) labels are the same size and material as the County labels. IGWT labels are printed individually and provided to counties as needed.
- Municipality labels – are printed vertically and can be printed directly on the license plate when known and requested by County Tag Offices. Municipality label include but are not limited to: Board, Government, State, County, City, Authority
- Handicap Placards consist of three types including Permanent (Blue), Temporary (Red), and Special Equipment (Gold). The current design is card stock laminated at the time of sale. It is desire of DOR to change the design to a plastic card that will not need laminating, new design will be agreed upon by DOR and GCI.
- OTHER PRODUCTS - GCI and DOR may mutually agree to amend the Contract to include the production of T-Series Plates, boat decals, ATV decals and other decals that are germane to DOR’s business or changes made legislatively to DOR’s business.
- GCI must properly dispose of any hazardous waste material resulting from the plate production process, in compliance with any applicable Federal and/or State rules and regulations. GCI is responsible for any costs related to hazardous waste handling and disposal.

ENTIRE AGREEMENT - Concerning the subject matter of this Exhibit, this Exhibit, together with the Contract, constitutes the entire agreement between the Parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby. Agreement by both parties is confirmed by initials on each page of this Exhibit.

	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/20/15

**EXHIBIT B  
PRODUCT SPECIFICATIONS  
DIGITAL LICENSE PLATE AND VEHICLE REGISTRATION CARDS**

\*GCI shall submit samples of all Products to DOR for approval. DOR has final approval right with respect to the Products meeting the specifications contained in this Exhibit B\*

GCI will provide digital license plates that are equivalent or better than the current license plates, renewal decals, labels, temporary operating permits, and placards currently being provided by current vendor. Requirements include:

- GCI must obtain a License Plate (LP) Reader and provide details back to MVD on plate readability.
- GCI must provide a tracking tool on plates mailed to County Tag Offices and Customers.
- Tamper evident material with stretch release adhesive
- Sheeting with a security feature – for license plate material there must be a proprietary security feature with anti-counterfeiting properties viewable head on and at a distance of up to fifty feet. Security feature must be approved by DOR prior to production of any plates. In addition, all sheeting shall include a seal that must be customized for the State of Georgia and viewable only at certain angles for documentation of warranty lot numbers
- Renewal decals and cab cards must be embedded with a manufacturing lot and date code.
- Disability Placards with security features similar or better than current placards.
- International Fuel Tax Administration (IFTA) decals with security features.
- Look for ways to increase security features and work with DOR to implement changes which positively affect the products.
- Have the ability to add decals or license plates as legislation requirements change requirements for any current products or similar products including but not limited to boat registration cards.
- Have the ability to provide additional equipment and software in a timely manner and at no additional cost to DOR should production levels require such.

License Plate Specifications:

- Retro-reflective license plate shall consist of retro-reflective sheeting that is digitally printed with thermal transfer ribbons and then laminated to a special aluminum substrate according to the sheeting manufacturer's recommendations. The reflective sheeting shall consist of lens elements enclosed within a transparent resin and shall

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DOR	<i>JTR</i>	<i>10/20/15</i>
GCI	<i>NER</i>	<i>10/20/15</i>

have a pre-coated pressure sensitive adhesive backing protected by a removable liner.

- Reflective sheeting shall also have a security mark that runs vertically or horizontally through standard vehicle plates for purposes of security and anti-counterfeiting in accordance with these specifications. The security mark shall be buried beneath the surface of the sheeting and shall consist of a DOR approved design. The security mark shall be durable for the service life of the license plate.
- The security mark shall be verifiable under both daylight and retro-reflective light, shall not interfere or conflict with the plate legibility, and shall not reduce sheeting brightness below minimum specified brightness levels when measured in accordance with ASTM E 808 and ASTM E 809.
- The security mark shall be visible in the unprinted areas of the plate from within a standard police vehicle under high beam headlight illumination, as well as outside of the vehicle, on a license plate properly affixed to the vehicle's designated mounting area, from an approximate distance of zero to forty feet (zero to twelve meters) at a head-on viewing angle. The two wave images shall be visibly distinct from an approximate distance of zero to twenty feet.
- Pre-printed reflective sheeting shall conform to the design, colors, and sheeting type as approved by DOR, based on proofs of license plate designs.
- Sheeting shall be laminated to .027 for Commercial plates and .022 for all other plates gauge aluminum substrate.
- The pre-coated adhesive shall form a durable bond to flat conversion coated license plate surfaces.
- The protective liner attached to the adhesive shall be removable by peeling without soaking in water or other solvents and shall be easily removed after accelerated storage for four hours at 150°F (66°C) under weight of 2.5 lbs. per square inch (1.14KG per 6.45 sq. cm). The liner shall be non-printed to permit reuse.
- The reflective sheeting shall be printable with thermal transfer ribbons supplied by GCI.
- GCI shall provide a complete line of thermal transfer ribbons, in process and spot colors that allow the license plate shop to print the graphic designs and variable information required by the DOR.
- GCI shall provide a protective clear film that will be laminated to the sheeting in-line with the thermal transfer printing process.
- To assist the license plate shop with inventory control problems, the sheeting manufacturer shall mark the sheeting with an integral image that incorporates the lot number so that the license plate shop can employ first in – first out principles.

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DOR	<i>JR</i>	<i>10/20/15</i>
GCI	<i>NSW</i>	<i>10/20/15</i>

- The coefficient of retro-reflection for the sheeting shall be measured on flat, clean, finished license plates and shall be conducted in accordance with ASTM E-810, which is entitled "Standard Test Method for Coefficient of Retro-reflection of Retro-reflective Sheeting".
- The sheeting shall be weather resistant and show no appreciable discoloration, crazing, cracking, blistering, lifting or dimensional change and the surface shall continue to be essentially smooth to allow for direct application of validation stickers.
- To assist in positive daytime and nighttime identification of license plates, the color of the reflective background of the sheeting, including the pre-printed design or digitally printed design, shall be similar in daylight and by illumination at night.
- The sheeting shall, when correctly applied to treated aluminum, conform to the minimum and maximum tolerances for a debossed rim.
- Finished license plates shall show no appreciable wrinkling, cracking, or squirming at or around the debossed rim.
- Failure of the reflective sheeting to meet any requirement specified herein shall be cause for refusal to accept materials until evidence has been provided by GCI that corrective action has been taken to eliminate deficiencies.
- Reflective sheeting applied and processed into finished license plates according to the specifications provided in this SOW shall be considered to perform effectively for the service life specified (excluding those plates showing mechanical damage) if:
  - The plates show no fading, cracking, blistering or peeling which will significantly impair the intended visibility or legibility of the plate, and if
  - The clean rear plate retains at least nine (9) candlepower per foot-candle per plate for five (5) years). Such measurements shall be taken in clean, white, unprinted areas of rear plates and conducted at 0.2° observation angle and -4° entrance angle. Coefficient of Luminous Intensity shall be measured using the test method outlined in ASTM E-810 except that the coefficient of Luminous Intensity shall be determined in accordance with ASTM E-808 Para. 4.2.1 and ASTM E-809 Para. 12.1.1
- The sheeting shall be imaged with an integral warranty mark, so as to be traceable to GCI's production run numbers from which the material originated. If at any time during the specified performance life of the reflective material provided from a given production run (identified by the integral warranty mark) reveals that ten percent (10%) or more of that sample are found to be defective in visual or brightness performance requirements as defined herein, GCI shall be responsible for replacement of all plates manufactured from that specific lot of material.
- GCI is responsible for the quality of all sheeting materials from the place of manufacture to the point of delivery. All over-run materials remaining in GCI's

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DOR	CTR	10/20/15
GCI	NEW	10/20/15

Exhibit B – PRODUCT SPECIFICATIONS

possession after discontinuation of any design or the contract’s cancellation, shall be destroyed and used for no other purpose.

- Finished license plates shall be capable of being easily cleansed of normal dirt accumulation by washing with water and mild detergent.
- License plate panels shall be sufficiently solvent resistant to withstand exposure to mineral spirits and turpentine without wrinkling, puckering or edge lifting in accordance with Fed. Spec. LS-300C
- Passenger, Commercial, Trailer, and Specialty Plates measure six (6) inches in height and twelve (12) inches in width, size and measurements of holes per provided sample.
- Motorcycle Plates measure four (4) inches high and seven (7) inches wide
- Digital numbers and letters up to seven (7) alpha-numerical characters for Regular plates and six (6) alpha-numerical characters for motorcycles.
- Service life of retro-reflective sheeting is no less than five years against fading, cracking, blistering, or peeling that would significantly impair the visibility, legibility, or reflectivity of the assembled plate.
- Sheeting with a security feature, the feature must be a security feature viewable head-on and at a distance of up to fifty (50) feet. All sheeting must include a seal that must be customized for Georgia
- The sheeting must be weather resistant and show no appreciable discoloration, crazing, cracking, blistering, lifting or dimensional change and the surface must continue to be essentially smooth to provide direct application of any future validation stickers, determined after the following accelerated weathering tests:
  - Outdoor accelerated testing – Samples must be placed in a 24 month unprotected outdoor exposure, facing the equator and positioned vertically. Retro-reflective measurements, taken after cleaning, must result in 70% or more retention of the retro-reflective values.
- The Coefficient or retro-reflection of the same finished license plate test panels must be machine readable to identify the jurisdiction and license plate number. Features such as bar codes, embedded identifiers, holograms, and “invisible” images must be proposed for the purposes of on-vehicle traceability and anti-counterfeiting in accordance with these specifications. The security feature must not interfere or detract from the graphic design or reduce sheeting brightness and must be durable for the service life of the license plate.
- Please refer to AAMVA’s Best Practices Guide for Improving Automated License Plate Reader Effectiveness through Uniform License Plate Design and Manufacture located at

	Initials	Date
DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

<http://www.aamva.org/WorkArea/linkit.aspx?LinkIdentifier=id&ItemID=2911&libID=2897> for more information.

- All finished plates must have a debossed rim flange that provides structural support and rigidity to the plate. The rim must be at least 1/8" around the perimeter the finished plate and should maximize the sheeting printable surface.
- Specialty issue plates for vehicles and motorcycles include college, commemorative organizations, and military.
- New design turn-around time on Specialty plates must be no more than five (5) business days.
- Specialty plates may have text across the lower portion of the plate.
- County names will be printed directly on the license plate when shipping directly to the county.

Registration Card Specifications:

- Registration cards with silicon patch assembled decal per supplied sample in the current size.
- Silicon patch decal is retro-reflective capable of being printed on thermal printer so that the ink adheres to the retro-reflective decal without fading or distorting when exposed or cleaned. The reflective sheeting must be printable with thermal transfer ribbons supplied by GCI.
- Retroreflective Validation Decal Film with security mark or equivalent shall be utilized
- Tamper resistant sheeting equivalent to the quality being provide by the current vendor. Sheeting should be designed for the economical and convenient production of retro-reflective high security labels for application to the smooth outside surfaces of vehicles, such as windshields, vehicle bodies, or license plates. The sheeting should be pre-coated with pressure-sensitive adhesive produced on a removable paper liner. The sheeting should be designed for thermal-transfer printing to produce various color and design combinations on finished validation stickers using a Thermal Transfer Imaging System. The label should remain firmly adhered under typical heat and humidity conditions and resist fading. The labels should be visible under daylight and retro-reflected light, and remain highly retro-reflective when viewed at wide entrance angles.
- Sheeting should contain security marks that are integral part of the sheeting. These features make unauthorized label reproduction, removability, and transferability extremely difficult. The marks are spaced no further than .75 inches (1.91 cm) from each other so that a part of one mark is visible on each 1 inch x 1.5 inch (2.54 cm x 3.81cm) validation sticker. These marks are available in reverse image print. Customized marks will be mutually agreed upon by MVD and GCI.

	Initials	Date
DOR	<i>DR</i>	<i>10/20/15</i>
GCI	<i>HEW</i>	<i>10/20/15</i>

Exhibit B – PRODUCT SPECIFICATIONS

- The security marks facilitate effective visual verification of validation sticker authenticity, when properly applied to vertically mounted license plates on an automobile as follows:
  - The mark will be visible to a viewer standing directly in front of the sticker at distance of 4-8 feet (1.2-2.5 cm).
- The security mark will be visible in either diffuse daylight or by retroreflective light at night and will not alter the color or reduce the sticker brightness below the minimum specified levels. The marks will not interfere with appearance and legibility of the finished validation stickers. The security marks cannot be removed by chemical or physical means from the finished validation sticker, applied or unapplied, without visibly damaging the sticker’s reflectivity.
- The sheeting shall have properties that cause stickers to be rendered unusable and permanently altered, with a distinctive visible verification pattern, when removed from application surface. When removing the sticker from an application surface, the sticker shall be destroyed and split apart between the sticker and the adhesive in the same pattern as the verification marks. If optional stretch-release adhesive is used, any adhesive remaining on the application surface shall be readily removable from the surface without using tools or chemicals, and without leaving adhesive residue on the application surface.
- Decals should be designed for multi-year applications. Labels should perform effectively without appreciable fading, cracking, blistering, or peeling for a minimum of three years.
- Decal contains custom security mark, which must be approved by DOR prior to production.
- Decal is one or more colors with a different color for each calendar year as identified by DOR measuring 1” high x 1 1/2” wide
- Registration card must have static information on the reverse side provided by DOR
- Registration card measures 4x8.5” and is perforated in equal dimensions horizontally (per sample provided by MVD to GCI).
- Registration cards are currently being printed using thermal transfer by GCI and laser by County Tag Office. A Data Max E-Class Printer – 4 seconds per foot with 300 dpi will be utilized or equivalent.

County Name Labels:

- Labels may be printed directly on the license plate upon mutual agreement by GCI and DOR or printed as separate labels measuring 3/4” x 6” Size may be changed with the consent of DOR.

	Initials	Date
DOR	<i>STR</i>	<i>10/24/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Exhibit B – PRODUCT SPECIFICATIONS

- The county name label is retro-reflective sheeting printed with one of 159 county names, "In God We Trust," or variable text as required
- Number of labels will be determined by the need of the county
- County name labels measure 3/4" high x 6" wide

Temporary Operating Permit (TOP) Specifications:

- Material shall be security marks or equivalent, tamper-evident material, and security hologram bearing an outline of the State of Georgia on each TOP
- The ability to print TOPs at each county with the resources that are currently available at such counties including but not limited to laser or thermal printers.
- The ability for law enforcement to verify TOPs from registration system.

GCI must have the capability of direct mailing of license plates and renewal decals and registration cards directly to the taxpayer.

In the event Print-On-Demand Registration Cards are implemented, Thermal Printers will be provided to County Tag Offices by GCI. GCI shall supply each Branch with a minimum of one thermal printer per terminal and two thermal printers for every ten terminals to print current year and last year Registration Cards being printed at the time (i.e., as of October 20, 2015, the workstation would print 2016 Registration Cards and the back-up printers would print 2015 and 2017). Regardless of the number of terminals at the Branch, GCI shall supply a minimum of three printers to each Branch. As agreed upon by the Parties, High Volume Branches will be supplied additional thermal printers that allow for printing without causing delays in customer service as needed.

ENTIRE AGREEMENT - Concerning the subject matter of this Exhibit, this Exhibit, together with the Contract, constitutes the entire agreement between the Parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby. Agreement by both parties is confirmed by initials on each page of this Exhibit.

	Initials	Date
DOR	<i>TR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

**EXHIBIT C**  
**INFORMATION TECHNOLOGY (IT) SPECIFICATIONS**  
**Interfaces with DOR Information Systems**

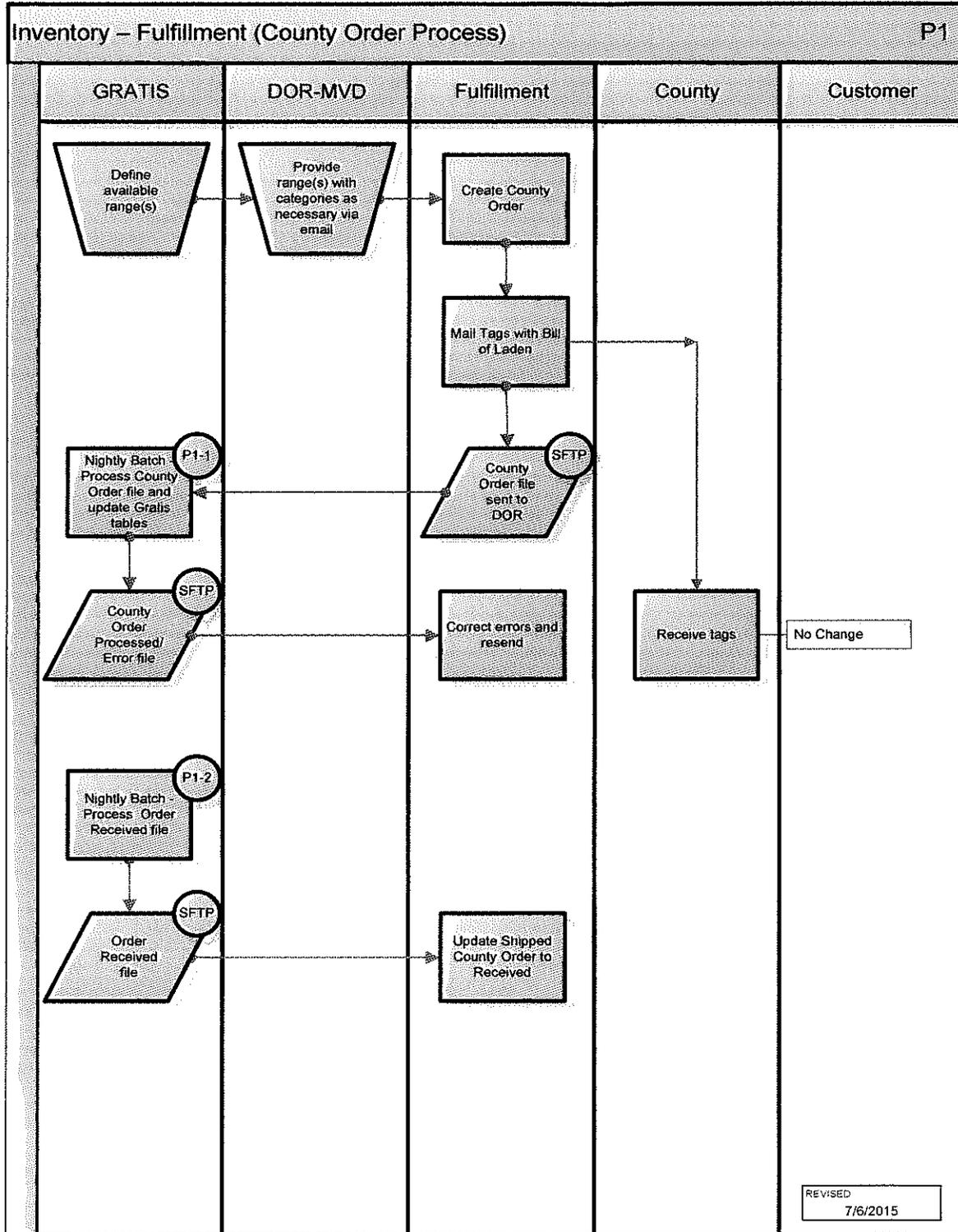
- Only uniquely identified, authenticated, and authorized users are allowed access to DOR SFTP server. Access control mechanisms must be utilized to ensure that users can access only that data to which they have been granted explicit access rights.
- GCI will assume total financial liability incurred by GCI associated with any breach of confidentiality.
- GCI and all project staff including any subcontractors must complete and sign confidentiality and non-disclosure agreements provided by DOR and require all staff to view yearly security awareness and confidentiality training modules provided by GCI. It is GCI's responsibility to ensure that any new staff sign the confidentiality agreement and complete the security awareness and confidentiality training modules within one (1) month of the employee's start date.
- GCI must provide a detailed system design document showing a Network Plan, Disaster Contingency Plan and Security Plan. Logical and physical diagrams are required.
- GCI's License Plate Information System must interface with DOR's existing vehicle title and registration system (GRATIS) through a secure File transfer protocol (SFTP) using DOR SFTP server. DOR is providing more specific details in Exhibit C – IT Specifications for processing different files between DOR & GCI systems. The GCI system must process all the files through scheduler and notify DOR in case of any issues while processing the files to avoid delays in shipping the License Plates & Registration Cards. The system must create electronic orders based on counties inventory levels and effectively manage these orders through shipping. The system must provide DOR with all the information about new county orders. The GCI system must provide production reports and inventory management summary reports. Inventory system must include all components for GCI to employ an inventory method where plates being assembled, stocked at minimum levels and married to registration cards printed for the same customer and vehicle.
- GCI must maintain a network security that at a minimum includes: network firewall provisioning, intrusion detection and prevention, vulnerability assessments and regular independent third party penetration testing. Network security must conform to one of the following:
  - Current standards set forth and maintained by the National Institute of Standards and Technology (NIST), including those at: <http://web.nvd.nist.gov/view/ncp/repository>
  - OR**
  - Any recognized comparable security standard that GCI then applies to its own infrastructure and is approved by DOR's Information Technology Division's Security Team. Industry standards such as ISO 27002, PCI Data Security Standard and ISSF Standard of Good Practice, align with security best practices from SANS and CISecurity.

	Initials	Date
DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>YELW</i>	<i>10/20/15</i>

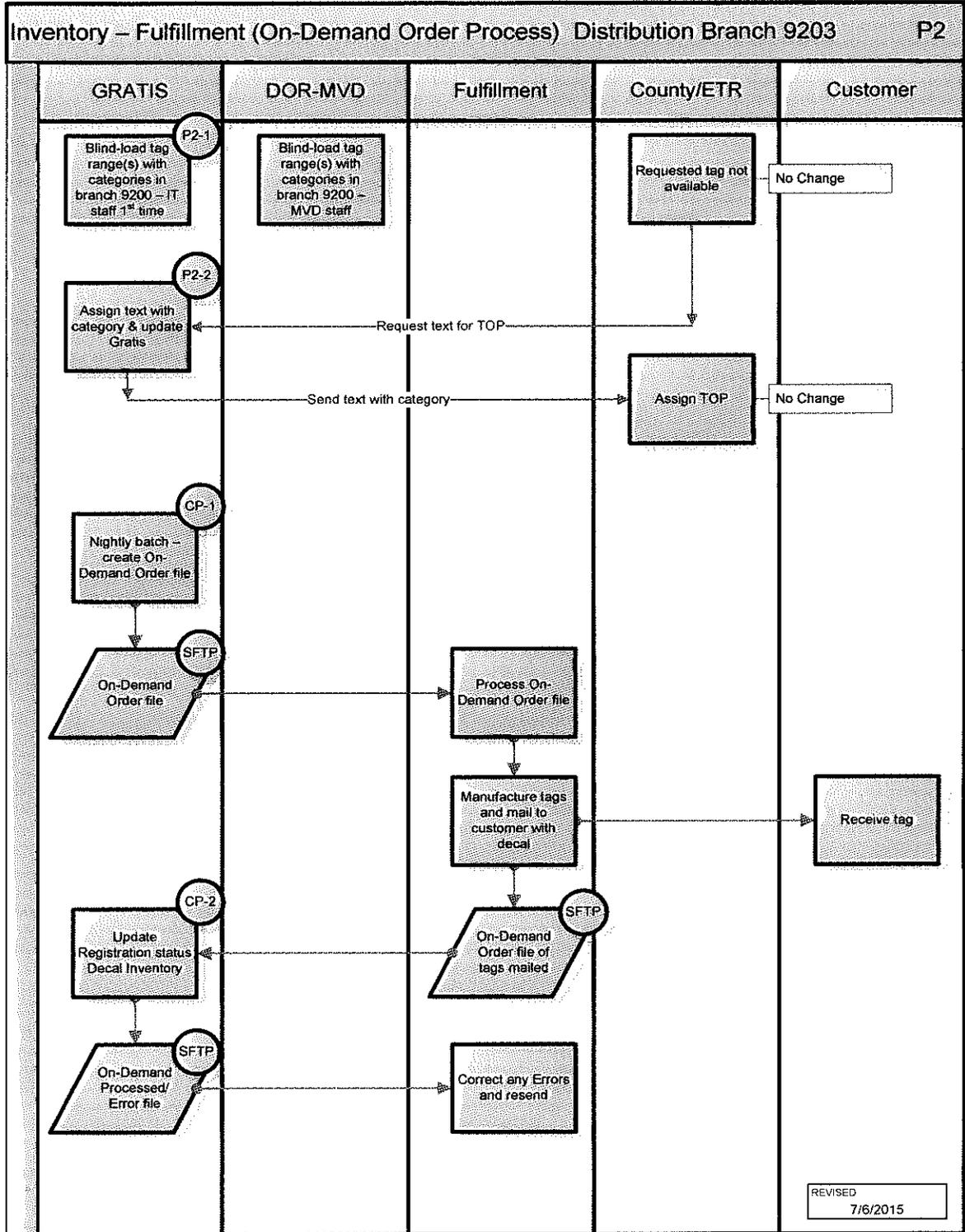
**Exhibit C – IT SPECIFICATIONS**

- GCI must be subject to same security and infrastructure review processes that are required by the State of Georgia and its partner Departments and Agencies. GCI must submit relevant documentation and participate in DOR’s System Architecture Review process.
- If GCI is not using “dedicated” hardware resources to host the DOR applications and data, GCI must demonstrate its strategy to maintain application and/or stack isolation using commercially available security devices to maintain security zones, routing isolation and access control to infrastructure devices and access/security logging (AAA) within its infrastructure.
- GCI is responsible for all aspects of system installation, configuration, testing and start up at their location. GCI must submit a project description and project plan for system installation, configuration, testing, and startup.
- DOR is attaching the process flows for the following.
  - County Inventory Order
  - On-Demand Order process
  - On-Demand Prestige Text Update
  - Inventory Update Process
  - Order received process
  - Branch Update Process
  - Fulfillment Request – New Plate & Cab Card Process ( IRP )

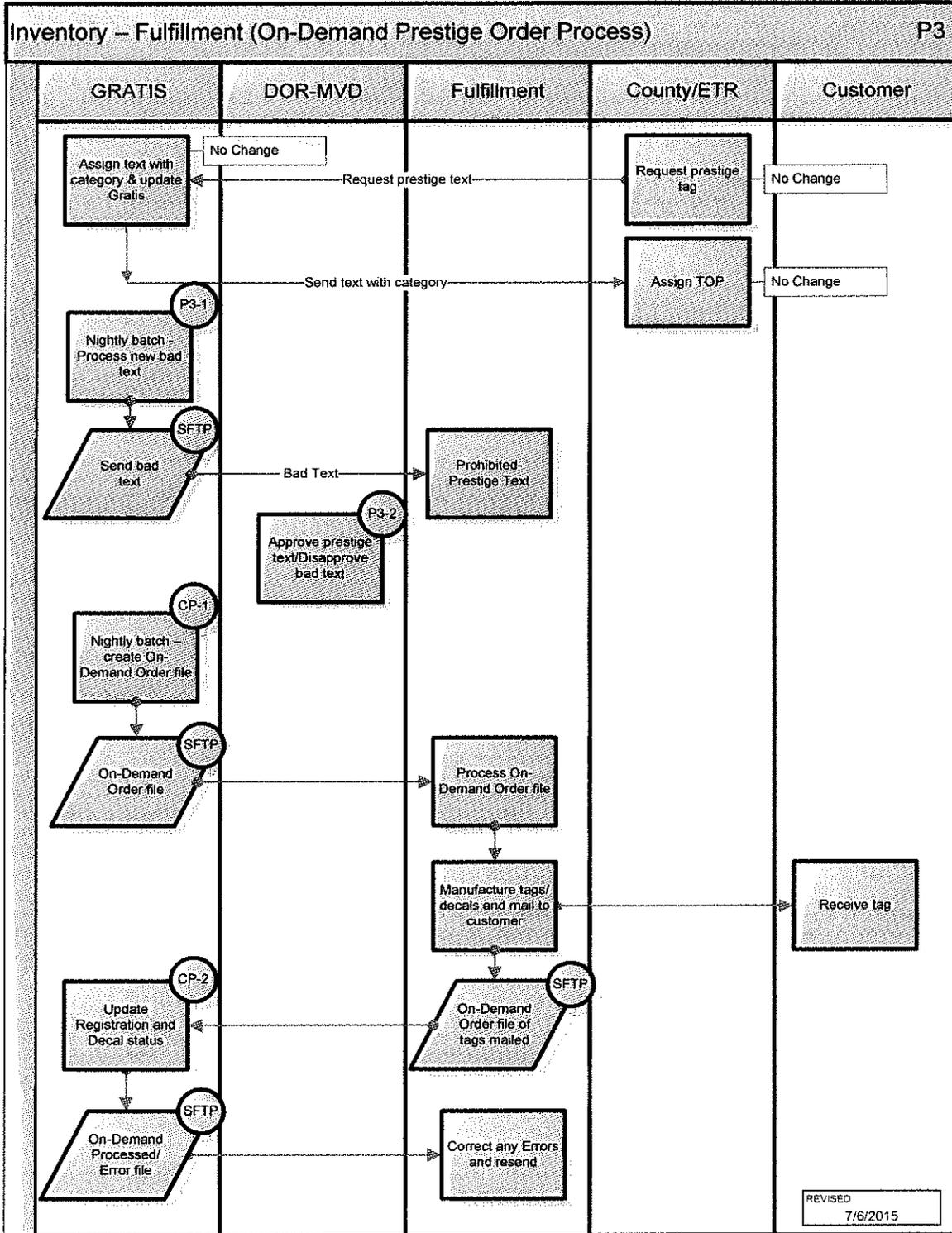
	Initials	Date
DOR	<i>DTR</i>	<i>10/20/15</i>
GCI	<i>MSW</i>	<i>10/20/15</i>



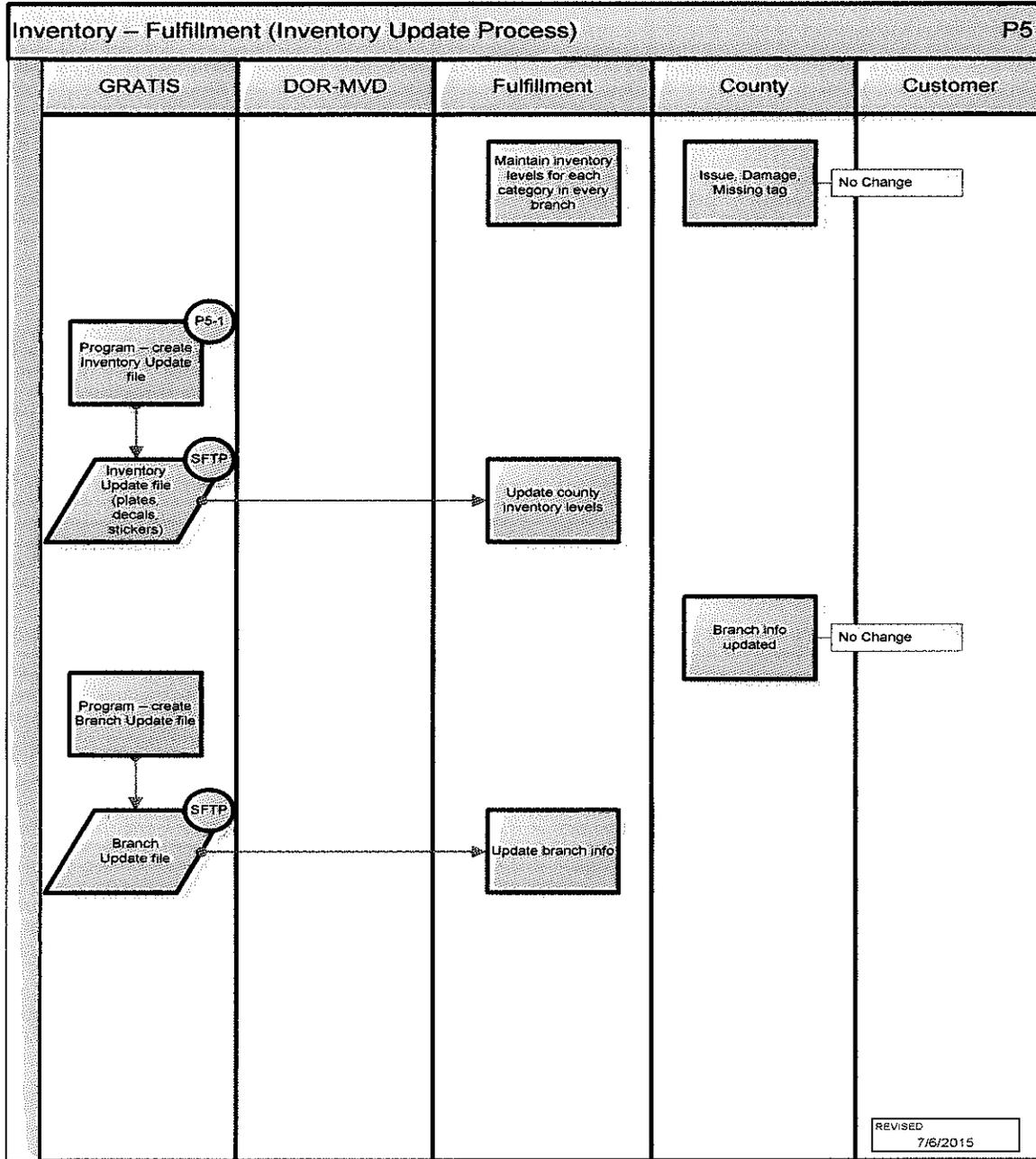
	Initials	Date
DOR	<i>STR</i>	10/20/15
GCI	<i>NEW</i>	10/20/15



	Initials	Date
DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>HW</i>	<i>10/20/15</i>



	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/20/15



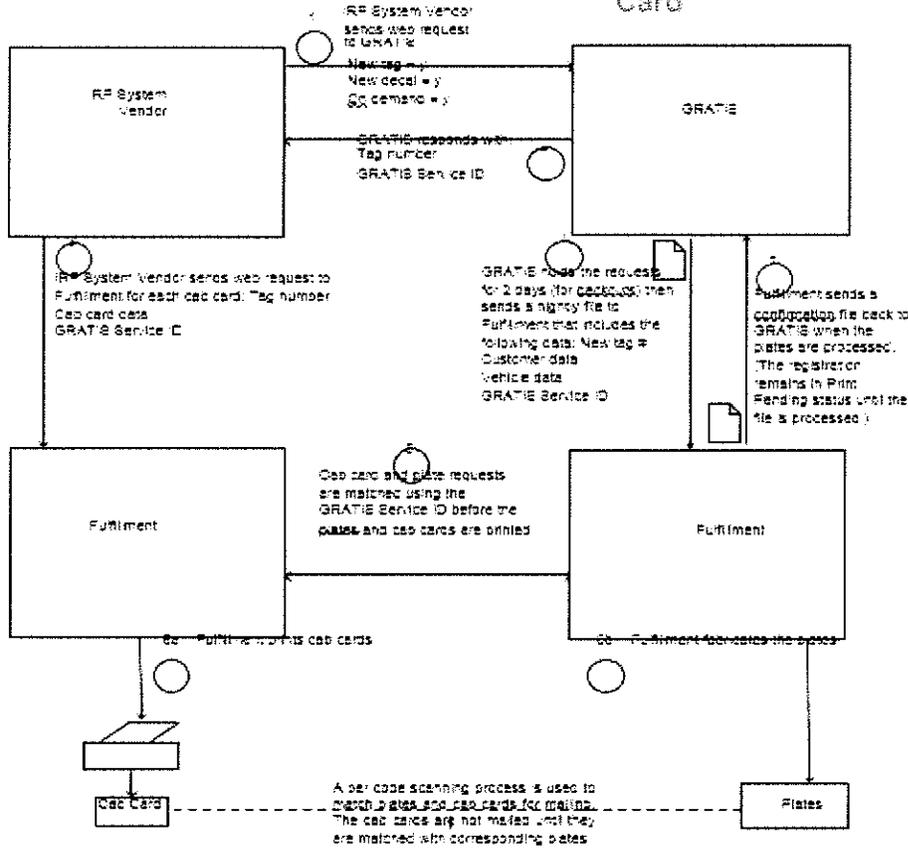
Process flow for ITI/Fulfillment Request – New Plate & Cab Card Process (IRP): Attached as pages 7-9



IRP Process.docx

	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/20/15

### Fulfillment Request – New Plate and Cab Card



**Functional Changes:**

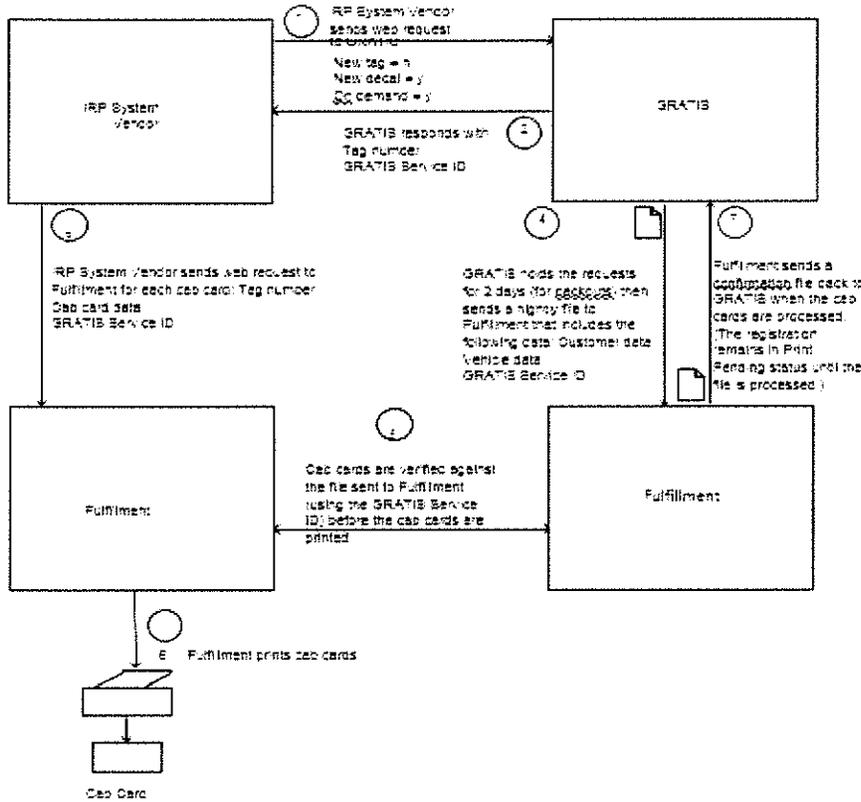
- Plates and Cab Cards will be matched using the GRATIS Service ID.
- This change is requested for consistency with the proposed modifications for the Cab Card with Decal process (page 2).

**System Changes:**

- IRP System Vendor must pass the GRATIS Service ID to Fulfillment
- Fulfillment must receive the GRATIS Service ID from IRP System Vendor.

	Initials	Date
DOR	<i>JTR</i>	10/24/15
GCI	<i>NEW</i>	10/20/15

### Fulfillment Request – Cab Card and Decal (No Plate)



**Functional Changes:**

- Cab cards will be matched with requests in the Fulfillment system using the GRATIS Service ID
- Cab cards will remain in the Print Pending status until the confirmation file from Fulfillment is processed by GRATIS.

**System Change:**

- The GRATIS Fulfillment file interface will change to include two IRP related requests for cab cards w/decals but no plates. The two requests are:
  - A 'Y' request (Indicates IRP plate and cab card w/decals (existing request))
  - A 'C' request (Indicates cab card w/decals but no plate (new request))
- GRATIS will hold both types of requests for 2 days (to allow for gaggle), before they are sent to Fulfillment.
- GRATIS currently generates a report that lists pending tag requests sent to Fulfillment. This report must be updated to include requests for cab cards w/decals (but no plate).
- IRP System Vendor must pass the GRATIS Service ID to Fulfillment.
- Fulfillment must receive the GRATIS Service ID from IRP System Vendor.

	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/20/15

## Fulfillment Request – Cab Card w/o Decal (No Plate)

Requests for Cab Cards (w/o decal) will not be sent to Fulfillment. Cab cards (w/o decal) do not need to be held for 2 days.  
They can be mailed immediately.

	Initials	Date
DOR	JTR	10/20/15
GCI	MEW	10/20/15

## EXHIBIT D SERVICE LEVEL AGREEMENT

1. For the entire term of the contract, GCI will be responsible for the mailing and distribution of license plates and registration cards to customers and all branches identified in GRATIS including the MVD location and all County Tag Office locations. This includes providing all packaging, labeling, and systems to manage and account for all shipments. GCI must provide all required hardware, software, consumables, and systems to mail license plates and registration cards directly to the customer.

### 2. Motor Vehicle Credentials Covered in this Agreement

- Stocked Inventory
  - Registration cards for County Tag Offices
  - Stocked License Plates in Branch Offices
    - A1 – Alternate Passenger Plate
    - AA – Primary Passenger Plate
    - CY - Private Motorcycle Plate
    - DP – Disabled Person Plate
    - DV – Disabled Veteran Plate
    - PT – Permanent Trailer (Semi) Plate
    - TR – Private Trailer
  - Temporary Operating Permits (TP)
  - Temporary Operating Permit Card Stock
  - Handicap Placards
    - DPP – Disabled Placard Permanent
    - DPT – Disabled Placard Temporary
    - DPS – Disabled Placard Special
  - T-Serial Plates (TSP)
  - Labels
    - County Name (and Educator)
    - In God we Trust
    - Municipality (State, County, City, Board, Authority)
  - Cab Cards
- On-Demand License Plates
  - ETR’s (Electronic Title and Registration transactions)

	Initials	Date
DOR	<i>JTR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

- On Demand (All Specialty plates not stocked in the branch offices)
- Government Plates

○

**3. Operational and Service Levels**

○ On Demand Production

- For all ETR orders GCI will process the order, manufacture the credential and deliver it into the mail stream within three (3) business days. Since GCI will receives the order file overnight the two business days will begin the following business day. Any plates delivered into the mail stream after four (4) business days will not be billed by GCI on the monthly invoice. Delivery dates are subject to the Delay or Impossibility of Performance clause.
  - Example: An order file transfers at 2:40 AM on a Thursday. The order time would start the next business day, so GCI would have Friday, Monday and Tuesday to produce the plate and deliver into the mail stream.
- For On-Demand specialty plate orders GCI will process the order, manufacture the credential and deliver it into the mail stream within 5 business days. Since GCI receives the order file overnight the 5 business days will begin at following business day. Any plates delivered into the mail stream after 7 business days will not be billed by GCI on the monthly invoice. Delivery dates are subject to the Delay or Impossibility of Performance clause.

○ Stocked inventory

- For credentials inventoried in branch offices and MVD Southmeadow – GCI will provide a minimum safety stock for each item using a calculation for each credential that will maintain a minimum 99% fill rate based on projections using historical usage data. GCI will manage all inventories at the branch level based on reorder points and historical data.
- Forms and Decals – GCI shall strive, at all times to keep a minimum reserve stock of 500,000 current year county forms and decals and 500,000 of the next two years county forms and decals at the Fulfillment Center. After September 1st of the current year the parties mutually agree to reduce the current year stock below 500,000 decal and forms and will incrementally replace the reserve stock with 500,000 decals and forms for the year. During this transition the combined total of decals and forms will be 500,000 for

	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/23/15

the first two years and 250,000 of the third year as the current year's reserve stock is exhausted and the coming year's reserve stock inventories are replenished. GCI will maintain enough inventory of current year decals for usage through the following November for new car purchases (i.e. 2016 and 2017 decals are needed for new car sales through November of 2015). New car owners have the option of purchasing a one-year or two-year registration. This decal stock will also be used for cab cards and appropriate inventories will be needed throughout the year.

- Subject to the Delay or Impossibility of Performance clause, GCI will process all emergency orders, manufacture the credential and deliver it into the mail stream within 3 business days. If the order is received during the business day, the 3 business day delivery requirement will begin immediately. If the order file is received overnight the 3 business day delivery requirement will begin at the start of the next business day.
  - For emergency orders GCI will pay for all expedited courier or shipping charges.
- GCI will ship stocked license plates in boxes containing 100 plates, with all plates in the box being the same plate type. Boxes will be selected based on the plate reorder level by county office. GCI will ship Registration cards to the Branches/Counties in quantities of 1000, GCI will ship handicap placards in quantities of 100 and GCI will ship Temporary Operating Permits & Temporary Operating Permit Card Stock in matching quantities.
- GCI is responsible for shipping costs on both stocked and on demand orders.

Standard Plates, Registration Cards, and Temporary Operating Permits (TOPs) that are inventoried at the County level will be invoiced per transaction as issued. Items in stock will remain the property of GCI until issued. All other items and all items shipped directly to the taxpayer will be invoiced when shipped.

**4. Data and Metrics**

- GCI will provide weekly production reports that track On-Demand license plate production and provides information on all inventoried vehicle credentials. This report will be delivered every Friday by end of business day and will include:
  - % of files received
    - Information on any FTP data fallout issues

	Initials	Date
DOR	STR	10/20/15
GCI	NEK	10/20/15

- # of On-Demand credentials outside of mandatory turnaround time
- Current stocking levels of credentials
- Details of all shipped items
- Cycle counts for stocked items

**5. Resources and Staffing**

- GCI will maintain appropriate staffing levels to fulfill its service level requirements. This includes a minimum of two GCI employees, a site supervisor and a supply chain analyst. GCI will also make available an IT resource located offsite for emergency issues and on-going support. All production employees will be managed through contingent staffing models to assure GCI can manage costs associated with scaling up and down due to production volume changes. Any personnel substituted during the term of this contract must be able to conduct the required work to industry standards and be equally qualified as the personnel originally assigned.
- GCI will conduct all background checks on its employees who will work on-site and GCI will require contingent staffing firms to conduct all necessary background checks for any workers onsite in accordance with Georgia Department of Revenue policies: "Department of Revenue's – Office of Special Investigations (OSI) completes background and tax checks on all contractors. If GCI does the background check, it is forwarded to and reviewed by OSI. Tax checks will still be performed by OSI."

**6. Production disruption plans**

- GCI will maintain a written Contingency Plan and Disaster Recovery Plan to assure minimal disruptions to production due to unforeseen events. These plans will be attached to the contract and change as contact information changes and reviewed annually.
- GCI and MVD will have a mutually agreed upon process for documenting and reviewing issues arising during the course of this contract. Issues are discussed during the standing meeting between GCI Site Manager and MVD Assistant Director. If an issue cannot be resolved during these meetings, an analysis will be completed by the GC I site manager and presented to the Executive Steering Committee for appropriate actions.

**7. Communication plan**

- MVD's Role and Responsibility

MVD's Call Center will be responsible for all inquiries relating to Gratis and all direct communication with Georgia motorists. MVD may field calls

	Initials	Date
DOR	JTR	10/20/15
GCI	NEW	10/20/15

regarding inventories or credential orders and may handle these calls through reviewing information in Gratis or GCI Fulfillment Center. GCI must also provide tool to look up county specific information including order tracking.

- GCI's Role and Responsibility
  - The GCI Fulfillment Center will be responsible for timely responses to counties, or the MVD regarding questions relating to credential inventory levels, credentials in process of being manufactured or issues related to credentials that have been issued. GCI will have no direct contact with any Georgia motorists and will forward any calls relating to Gratis to the MVD Call Center.
    - The GCI Fulfillment Center will be available for calls and emails from 7:00 AM to 5:00 PM Eastern Standard Time during business days.
    - Calls and Emails will be handled and responded to based on severity.

Severity Level	Description	Target Initial Response Time
1	As determined by MVD, emergency situation when a failure occurs that affects customers that are waiting.	Immediate
2	As determined by MVD, Issue has a critical impact on motorists or branch operations due to a missing credential or a credential issue/failure.	1 business hour
3 – Inquiry	Inquiry from branch office, MVD or the MVD Call Center on an inventoried vehicle credential or a credential in process of being manufactured.	4 business hours
Change Request	Issue is a change to the existing contract for GCI services.	10 business days

- Any phone calls or emails received after 5:00 EST will be answered based on severity level starting the next business day.
  - For emergencies relating to branches completely out of stock and occur after hours, MVD or County staff should reach out directly to GCI's site manager via cell phone.

	Initials	Date
DOR	<i>STR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

- GCI will make commercially reasonable efforts to provide an initial response to any request within the Target Response Times set forth above. It may not be possible for an initial response to fully resolve an issue, but the initial response will be an indication that GCI resources are actively engaged in resolving the issue. If a workaround is possible prior to identifying a more complete fix to the issue, it will be communicated as part of the initial response.
- Escalation Process
  - If an issue is not moving forward in an appropriate timeframe to resolution, and/or an issue requires managerial attention due to the potential impact on GCI, MVD, Georgia County Offices or Georgia Motorists, immediate escalation can be made through the designated contacts below
    - Georgia Correctional Industries (GCI)
      - 1<sup>st</sup> Level –GCI Plant Manager
      - 2<sup>nd</sup> Level- GCI Operations Director
      - 3<sup>rd</sup> Level- GCI Executive Director
    - Georgia Department of Revenue, Motor Vehicle Division (MVD)
      - 1<sup>st</sup> Level – MVD Assistant Director, Operations
      - 2<sup>nd</sup> Level – MVD Director
      - 3<sup>rd</sup> Level –Deputy Commissioner
- Executive communication and program reviews
  - GCI and MVD will create an executive steering committee to oversee the project and to resolve any contract or project issues. The steering committee will meet quarterly to review the project status and address outstanding issues. It is GCI’s responsibility to schedule these meetings.
    - GCI Steering Committee Members
      - GCI Plant Manager
      - GCI Operations Director
      - GCI Purchasing/Contract Manager
      - GCI Executive Director
    - MVD Steering Committee Members
      - MVD Assistant Director, Operations
      - MVD Director
      - DOR Chief Information Officer
      - DOR Chief Financial Officer

	Initials	Date
DOR	JTR	10/20/15
GCI	NSW	10/20/15

- DOR Deputy Commissioner

**8. Corrective Action Plan (CAP)**

If DOR determines that GCI is out of compliance with any of the provisions of this contract or exhibits, DOR may require GCI to submit a Corrective Action Plan (CAP) within a specified timeframe. The CAP shall provide an opportunity for GCI to resolve deficiencies without DOR invoking more serious remedies, up to and including termination.

- In the event DOR identifies a violation of this Contractor or other non-compliance with this Contract or Exhibits, DOR shall provide GCI with a timeframe for corrections to be made.
- GCI shall respond by providing a CAP to DOR within the timeframe specified by DOR.
- GCI shall implement the CAP only after Department approval.
- DOR may require changes or a complete rewrite of the CAP and provide a specific deadline.
- If GCI does not meet the standards established in the CAP within the agreed upon timeframe, GCI shall be in violation of the provisions of the contract and shall be subject to liquidated damages.

**9. Definitions**

**“Business Day”** means normal working day (7 am – 5 pm) in Eastern Standard Time and exclude weekends and State of Georgia holidays.

**“Contingency Plan”** means a plan for production disruptions including any event or assembly malfunction that freezes production of license plates or any other production service.

**“Emergency Orders”** means an order for a stocked credential which is being placed due to lack of agreed upon stock in a branch office.

**“Disaster Recovery Plan”** means a plan for major production disruptions, which could be referred to as catastrophic, such as hurricane, tornado or other acts of God which would cripple or impede facility operations.

**“Mail Stream”** means when the plates have been delivered to UPS custody.

**“Response Time”** means the amount of time elapsed between the initial contact to the GCI Fulfillment Center and the initial returned response by GCI support staff.

	Initials	Date
DOR	JR	10/20/15
GCI	NEW	10/20/15

**Exhibit D – SERVICE LEVEL AGREEMENT**

ENTIRE AGREEMENT - Concerning the subject matter of this Exhibit, this Exhibit, together with the Contract, constitutes the entire agreement between the Parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby. Agreement by both parties is confirmed by initials on each page of this Exhibit.

	Initials	Date
DOR	<i>JR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

## EXHIBIT E - REQUIRED REPORTS

GCI agrees to submit statistical and shipping reports on a weekly basis no later than Tuesday of the following week and monthly summary reports no later than five (5) working days after the end of each month during the term of this contract. The report formats and information must be approved by MVD. Failure to submit the monthly summary report will result in a delay of payment of invoice.

GCI shall deliver the following reports or items to MVD:

**A. Daily Report**

- List of Plate/Decal Request indicating the date GCI receives ETR file and the date the Plate/Decal is shipped.

**B. Weekly Reports**

- Detailed Report with separate spreadsheet for
  - Registration Cards for each year stocked (three years)
  - IFTA Stickers
  - TP – Temporary Operating Permits
  - AA – Standard Plate
  - A1 – Alternative Plate
  - TR – Trailer Plate
  - DP – Disabled Person Plate
  - DV – Disabled Veteran Plate
  - PT – Permanent Trailer (Semi)
  - CY – Motorcycle
- These columns on this report should include:
  - Inventory Type
  - Branch Code
  - Branch Description
  - Estimated weeks remaining in inventory
  - Planned Shipment, Shipped to Date (by Fiscal Year)
  - Amount Shipped
  - Estimated Status including shipped
  - Planned shipped
- These reports should highlight:
  - Any Branches that have less than 4 weeks inventory highlighted in red
  - Any Branches that have between 4 and 6 weeks inventory highlighted in yellow
- Overall report on the Health of the top 25 plate program

	Initials	Date
DOR	AR	10-20-15
GCI	MSW	10-20-15

**Exhibit E – REQUIRED REPORTS**

- Detailed Report of items shipped including:
  - Date Shipped
  - Location Code
  - Location (Branch)
  - Description Type
  - Shipment status
  - Quantity Shipped

**C. Monthly Reports**

- Billing Report including:
  - Item description
  - Transaction type (point of delivery or transaction)
  - Price per item
  - Quantity shipped or issued (depending on type of transaction)
  - Total line item cost
  - Grand total of all items
  - Include as a separate item any credits received for scrap aluminum
- Monthly reports with separate spreadsheet for
  - Decals for each year stocked
  - IFTA Stickers
  - TP – Temporary Operating Permits
  - AA – Standard Plate
  - A1 – Alternative Plate
  - TR – Trailer Plate
  - DP – Disabled Person Plate
  - DV – Disabled Veteran Plate
  - PT – Permanent Trailer (Semi)
  - CY – Motorcycle
- These columns on this report should include:
  - Inventory Type
  - Branch Code
  - Branch Description
  - Amount Shipped
  - Amount in stock

**D. Yearly Reports**

- Annual Billing Report summary including:
  - Item description
  - Transaction type (point of delivery or transaction)
  - Price per item
  - Quantity shipped or sold (depending on type of transaction)
  - Total line item cost
  - Grand total of all items
  - Include as a separate item any credits received for scrap aluminum

	Initials	Date
DOR	<i>STR</i>	<i>10-20-15</i>
GCI	<i>NEW</i>	<i>10-20-15</i>

Exhibit E – REQUIRED REPORTS

- Annual Reports with separate spreadsheet for
  - Decals for each year stocked
  - IFTA Stickers
  - TP – Temporary Operating Permits
  - AA – Standard Plate
  - A1 – Alternative Plate
  - TR – Trailer Plate
  - DP – Disabled Person Plate
  - DV – Disabled Veteran Plate
  - PT – Permanent Trailer (Semi)
  - CY – Motorcycle
  
- These columns on this report should include:
  - Inventory Type
  - Branch Code
  - Branch Description
  - Amount Shipped
  - Amount in stock

ENTIRE AGREEMENT - Concerning the subject matter of this Exhibit, this Exhibit, together with the Contract, constitutes the entire agreement between the Parties with respect to the subject matter; all prior agreements, representations, statements, negotiations and undertakings are superseded hereby. Agreement by both parties is confirmed by initials on each page of this Exhibit.

	Initials	Date
DOR	<i>JR</i>	<i>10-20-15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

**EXHIBIT F  
CELTIC SYSTEMS, INC.  
GCI FIREWALL ACCESS RELEASE AND INDEMNIFICATION AGREEMENT**

The Georgia Department of Revenue (DOR) has entered into a contact with Celtic Systems, Inc. (Celtic) wherein Celtic will provide International Registration Plan (IRP) services to DOR as contemplated in State Contract E 47400-060-DOR0000047-00001 (Celtic Contract). In support of these IRP service, Celtic will require access to ITI servers which are located behind GCI's firewalls (Celtic Access).

The provisions of this Firewall Access Release and Indemnification Agreement are only relevant as it specifically pertains to Celtic's Access.

The term of this Firewall Access Release and Indemnification Agreement shall be in effect for the term of DOR contracts with GCI and Celtic.

To facilitate Celtic's performance of its contract with DOR. DOR has directed GCI to provide Celtic access to ITI servers located behind GCI's firewalls. To adequately address and appropriately allocate the risks associated with Celtic's access to ITI servers, GCI, Celtic and DOR agree as follows:

- GCI shall provide Celtic access to ITI servers behind GCI firewalls.
- DOR expressly consents to GCI providing Celtic access to DOR data and grants GCI an exception and waives GCI's contractual requirements in the GCI Contract prohibiting the dissemination of Confidential Information only as it pertains to Celtic's Access. DOR expressly acknowledges that GCI is not responsible for Celtic's services or Celtic's performance of these services associated with Celtic's Access.
- Celtic shall exercise reasonable care in performing its duties associated with Celtic's Access. Celtic shall not access the ITI servers located behind GCI firewalls for any purpose other than to fulfill its duties under the Celtic Contract.
- Celtic agrees that Confidential Information, including personally identifiable information, passwords, user names, or similar provided to Celtic during the course of Celtic's Access shall not be disseminated except as authorized by GCI in writing. The obligations and duties concerning the confidentiality of this confidential information shall survive the termination of this Firewall Access Release and Indemnification Agreement.
- Celtic for itself, its officers, directors, employees and agents, releases GCI and tis respective owners, subsidiaries, affiliated companies, employees, officers, directors, successors and assigns from any and all claims and causes of action that may occur relating in any way to, or arising out or connected with Celtic's

	Initials	Date
DOR	<i>JR</i>	<i>10/20/15</i>
GCI	<i>NEW</i>	<i>10/20/15</i>

Access. Celtic agrees not to bring, directly or indirectly, or cause or allow to be brought any legal action or suit related to Celtic Access. The parties expressly agree that this release further applies to service disruptions in GCI's production or compromised data as a result of Celtic's Access. This release does not apply to any claims or causes of actions to the extent such claims or causes of action may arise from the actions or inactions of GCI or its agents.

- Celtic agrees to indemnify, defend and hold harmless GCI and its respective officers, directors, owners and employees (collectively, the "Indemnitee(s)") from all third party claims actions, suits, damages, liabilities, losses, judgments, penalties, liens and costs, including reasonable attorney's fees and litigation expenses arising out of or connected with Celtic's Access. Celtic shall have no obligation under this section to the extent that any such third party claims, actions, suits, damages, liabilities, losses, judgments, penalties, liens or costs are caused by the actions or inactions of GCI or its agents.

IN WITNESS WHEREOF, the Parties hereto have caused this release to be executed in two counterparts, each to be considered as an original by their authorized representative, the day and date herein written.

**CELTIC SYSTEMS, INC.**

\_\_\_\_\_  
Joe McCormick, President

\_\_\_\_\_  
Date

**GEORGIA CORRECTIONAL INDUSTRIES, INC**

*Norman Wilson*  
\_\_\_\_\_  
Norman Wilson, Executive Director

*10/20/15*  
\_\_\_\_\_  
Date

**STATE OF GEORGIA  
DEPARTMENT OF REVENUE**

*Lynnette Riley*  
\_\_\_\_\_  
Lynnette Riley, Commissioner

*10/20/15*  
\_\_\_\_\_  
Date

	Initials	Date
DOR	<i>JRM</i>	<i>10/20/15</i>
GCI	<i>NW</i>	<i>10/20/15</i>

**EXHIBIT G**

**Georgia Correctional Industries, Inc. Statement of Warranty**

Georgia Correctional Industries (“GCI”) warrants the reflective sheeting used for license plate production will retain its effectiveness as a component of a license plate for a period of five (5) years from the date of purchase if processed, applied, installed and maintained according to the Procedures defined below. If within five (5) years from the date of purchase, the sheeting deteriorates, due solely to normal use and wear conditions, e.g. the license plates shows fading, cracking, blistering or peeling which may significantly impair the intended visibility or legibility of the plate, GCI will furnish a replacement plate at no cost. It is expressly agreed and understood that GCI’s sole obligation and Purchaser’s exclusive remedy under this warranty, under any other warranty, express or implied, or otherwise, shall be limited to repair or replacement of defective Product without charge at GCI’s plant or at the location of Product (at GCI’s election), or in the event replacement or repairs is not commercially practical, GCI would issue Purchaser a credit reasonable in light of the defect in the Product.

**WARRANTY CONDITIONS.** The foregoing warranty shall be contingent on GCI’s satisfactory conclusion that the following conditions are met: The product failure must have resulted solely from a manufacturing defect or deterioration of the sheeting due to normal wear and use conditions and not from subsequent processing, handling, manipulation or application of the product. Without limiting the generality of the foregoing, there is no warranty or liability for the failure of the sheeting or resulting license plate due to improper application, improper storage, handling, installation, maintenance, failure of the substrate, vandalism, accidents, fire, exposure to high levels of industrial pollutants, fuel spills, engine exhaust, or mischief. Slight color fading, cracking, chalking, blistering, peeling or slight reduction in gloss or reflectivity will not materially detract from appearance and does not constitute a claim under this warranty for replacement product.

**WARRANTY/LIABILITY LIMITATIONS.** The remedies provided under this warranty are exclusive. GCI shall not be liable for any direct, indirect, incidental or consequential damages or specific relief, including costs of procurement of substitute goods or services, arising in any way or under any cause of action whether or not GCI has been advised of the possibility of such damages. These limitations will apply notwithstanding the failure of the essential purpose of any limited remedy. Except as specifically provided herein, in no event shall GCI’s liability hereunder exceed the remedies specifically set forth in this warranty or shall GCI’s liability exceed the replacement value of the Products purchased.

**THIS WARRANTY IS GIVEN IN LIEU OF ALL OTHERS, EXCEPT FOR THOSE WARRANTIES GIVEN IN THE CONTRACT WHICH ARE HEREBY INCORPORATED HEREIN. ANY AND ALL OTHER WARRANTIES, WHETHER EXPRESS OR IMPLIED, INCLUDING IMPLIED WARRANTIES OF MERCHANTABILITY AND FITNESS FOR A PARTICULAR PURPOSE, ARE HEREBY EXPRESSLY DISCLAIMED.**

	Initials	Date
DOR	JTR	10/20/15
GCI	JFW	10/20/15

**EXHIBIT H – KEY CONTACTS**

**NOTICES**

All notices under this Contract shall be deemed duly given upon delivery, if delivered by email, hand, or three (3) calendar days after posting, if sent by registered or certified mail, return receipt requested, to a party hereto at the addresses set forth below or to such other address as a party may designate by notice pursuant hereto.

**DOR Contract Administration:**

Arnaz Fanning, Purchasing and Procurement Specialist  
 Georgia Department of Revenue  
 1800 Century Center # 14207  
 Atlanta, Georgia 30345  
 Phone: 404-417-2188  
 Email: [arnaz.fanning@dor.ga.gov](mailto:arnaz.fanning@dor.ga.gov)

**DOR - MVD Contact:**

Janie Brodnax, Assistant Director, Operations  
 Georgia Department of Revenue, Motor Vehicle Division  
 P. O. Box 740381  
 Atlanta, Georgia 30349  
 Phone: 404-724-7658  
 Cell: 404-599-6232  
 Email: [janie.brodnax@dor.ga.gov](mailto:janie.brodnax@dor.ga.gov)

**GCI Contact:**

Norman Wilson, Executive Director  
 Georgia Correctional Industries  
 2984 Clifton Springs Road  
 Decatur, Georgia 30034  
 Phone: 404-989-3877  
 Email: [newilson@gci-ga.com](mailto:newilson@gci-ga.com)

**AFTER HOURS CALLS**

Any phone calls or emails received after 5:00 EST will be answered based on severity level starting the next business day.

**EMERGENCIES**

For emergencies relating to branches completely out of stock and occur after hours, MVD or County staff should reach out directly to GCI’s site manager via cell phone (Dana Grinstead at 470-426-5374).

**ESCALATION PROCESS**

If an issue is not moving forward in an appropriate timeframe to resolution, and/or an issue requires managerial attention due to the potential impact on GCI, MVD, Georgia

	Initials	Date
DOR	JRF	10/22/15
GCI	NW	10/30/15

County Offices or Georgia Motorists, immediate escalation can be made through the designated contacts below:

- GCI
  - 1<sup>st</sup> Level – Dana Grinstead- GCI Plant Manager
  - 2<sup>nd</sup> level- Larry Defloria- GCI Operations Director
  - 3<sup>rd</sup> level- Norman Wilson- GCI Executive Director
- Georgia Department of Revenue, Motor Vehicle Division (MVD) & Information Technology Division (ITD)
  - 1<sup>st</sup> Level – Janie Brodnax (Assistant Director, Operations) or Michael From (ITD Assistant Director)
  - 2<sup>nd</sup> Level – Georgia Steele (Director, Motor Vehicle Division)
  - 3<sup>rd</sup> Level – Scott Graham (Deputy Commissioner)

**EXECUTIVE COMMUNICATION AND PROGRAM REVIEWS**

GCI and MVD will create an executive steering committee to oversee the project and to resolve any contract or project issues. The steering committee will meet quarterly to review the project status and address outstanding issues. It is GCI's responsibility to schedule these meetings.

- GCI Steering Committee
  - Dana Grinstead- GCI Plant Manager(GCI Site Manager)
  - Larry Defloria (GCI-Operations Director)
  - Ashley Renk (GCI- Purchasing/Contracts Manager)
  - Norman Wilson (GCI-Executive Director)
- MVD Committee
  - Janie Brodnax (Assistant Director, Operations)
  - Georgia Steele (Director, Motor Vehicle Division)
  - Jeff Dalrymple (Acting Chief Information Officer)
  - Becky East (Chief Financial Officer)
  - Scott Graham (Deputy Commissioner)

	Initials	Date
DOR	JTR	10/20/15
GCI	NW	10/20/15

## Exhibit I - Digital License Plate (DLP) Design Guidelines

### DLP Printing Process:

- DLP uses CMYK 4-Color Process printing (Cyan, Magenta, Yellow, and Black inks).
- PANTONE colors can be submitted for reference, but will be converted to CMYK. Not all PANTONE colors can be matched using Process Color printing, but will be printed using the 4-color equivalent. Metallics and fluorescent colors cannot be reproduced using CMYK printing.
- Graphics cannot “bleed” off the edge of the license plate. DLP requires a 1/4” white or clear border around the entire design. All graphics must fit within these dimensions: 5.5” (h) x 11.5” (w) (license plate blanks approximately 6” x 12”).

### Preferable File Formats:

- We prefer vector based artwork (Adobe Illustrator).
- If a layout is designed in Photoshop, please provide layered Photoshop document (.psd).
- Preferred file format in order of preference: eps, ai, pdf, & psd.
- All digital images (photos, scans, etc) must be at least 300 DPI at actual size.
- Outline all fonts, or include them with artwork.

### Design Elements:

- Please reference the Georgia Specialty Digital License Plate Template for the standard font, size and placement of “GEORGIA” and the license plate alpha-numerics (ABC123). The standard color is 100% Black (K).
- Both “GEORGIA” and the alpha-numerics must be legible in light and dark conditions, so there should be a high contrast between them and the background image.
- Avoid heavy coverage of color in the alpha-numerics area. Design elements such as text, logos or illustrations that are dark in color should be spaced away from the alphanumeric.

**Design Example:**

**Georgia 2012 General Issue Plate**



**Georgia Specialty Digital License Plate Template**

The standard color for "GEORGIA" and the alpha-numerics (ABC123) is 100% Black (K).



Background Image - 11.5" (W) x 5.5" (H)

## Exhibit J – IFTA Decal Specifications

Decals are to be based on IFTA international specifications which are released on an annual basis – for reference puposes the 2016 specifications are included in this exhibit. The Parties shall adhere to any changes to these international specifications as may be released by IFTA from time to time.

6.25

DIE LINE  
3" x 3"  
DOES NOT  
PRINT

Sheeting  
at  
3.125

**DECAL DISPLAY**

1. Apply to clean, smooth, wax-free surface at moderate temperature.
2. Peel decal from the paper backing by bending backward at corner and lifting edge.
3. Position decal (see Placement below) on surface and rub firmly.
4. **WARNING: AVOID HIGH PRESSURE WASHING IN DECAL AREA.**

**PLACEMENT OF DECALS**

Each qualified motor vehicle will be issued two (2) decals. One decal must be placed on the exterior portion of both the passenger and driver side of each vehicle. Failure to display these decals in this general location may result in the issuance of a citation and/or in having to purchase a 5-Day Trip Permit.

Place GA FTA decals on qualifying vehicles traveling in other IFTA jurisdictions. Place GA Non-IFTA decals on GA based qualifying vehicles traveling exclusively in GA.

**PLACE DECAL HERE ON BOTH SIDES OF VEHICLE**

## **IFTA DECAL SPECIFICATIONS FOR IFTA LICENSING YEAR 2016**

**Issued by the International Fuel Tax Association, Inc.  
October 21, 2014**

The IFTA Procedures Manual, Section P320, provides in part:

### **P320 DECALS**

#### **.100 Contents**

Decals will be approximately 3 inches x 3 inches (7.5 centimeters x 7.5 centimeters) with white letters and a background color as specified for the current year. The letters "IFTA" are to be a minimum of 3/4 inch (1.88 centimeters) in height and are to be incorporated into the decal with the letter I in the upper lefthand corner, the letter A in the lower right-hand corner, and the letters F and T to be incorporated in such a way as to constitute a diagonal design on the decal. The two-letter jurisdiction designation shall be displayed in the lower left-hand corner, and at least the last two numbers of the appropriate year are to be displayed in the upper right-hand corner. Decals shall be serialized. The serial number of each decal shall be no less than 3/16" high (0.47625 centimeters) and shall be displayed between the two-letter jurisdiction designation and the letter "A" of "IFTA".

The coloring of the numbering shall be compatible with the background color as determined by IFTA, Inc. There shall be no other printing on the decal unless authorized by the IFTA, Inc. Board of Trustees.

#### **.200 Materials**

IFTA, Inc. shall set the standards for quality of ink, vinyl, type of font, and other pertinent standards to insure uniformity and consistency among the jurisdictions. IFTA, Inc. shall provide samples to all jurisdictions on an annual basis. Standards must be set and samples distributed by IFTA, Inc. no later than one full year prior to implementation by the jurisdictions.

This document contains:

- A. the required elements of the IFTA Decal Specifications bid;
- B. the recommended elements of the IFTA Decal Specifications;
- C. an example decal for the year 2016; and
- D. optional provisions of an IFTA Decal Specification bid.

### **A. REQUIRED ELEMENTS**

#### **MATERIAL:**

Material is to be designed for use as annual decals on a smooth surface. The sheetings are to be precoated with pressure sensitive adhesive protected by a removable paper liner which, if packaged as single decals, will be scalloped or straight scored slit to facilitate removal and of stock from breakage. If packaged as two (2) decals per liner, the required slit to facilitate removal and protection of stock from breakage may be between the two decals on the front of the liner.

**EFFECTIVE PERFORMANCE LIFE:**

Properly color printed and applied, the decals will perform well for an 18-month period. All transparent ink colors and printing shall be guaranteed for a period of 18 months.

**APPLICATION:**

Pressure sensitive adhesive is convenient, vandal resistant application, using finger pressure to areas that are properly prepared, i.e., smooth, dry and clean surfaces. Selection and use are dependent on temperature conditions existing at the time of application.

**FABRICATION:**

**A. Color and print processing**

The background color fields and IFTA logo will be processed by Offset, screen-print, flexography, rotogravure, digital, or other similar method of printing. Additionally, it is required that the decals be numbered consecutively.

**B. Clear Coating**

Decals may be clear coated with a Coating Clear U10V or R101 or equivalent, which will guarantee surface exposure to the elements for a period of 18 months. A minimum dry thickness of .0004 inches (.4mil) should be obtained.

**C. Adhesive**

The adhesive shall not exude from edges of the sheeting when processed into finished decals so as to cause stacked pieces to stick together during shearing, cutting, printing, handling, or packaged in shipment and distribution.

**D. Appearance**

Decal sets shall be free from ragged edges, crack, and blisters. Decals shall be moisture resistant.

**E. Border**

Decals are to have a white border approximately 1/8 inch thick.

## **CLEANING:**

The surface shall be sufficiently solvent resistant to permit cleaning with solvents such as VM&P naphtha, mineral spirits, turpentine or other solvents commonly used on vehicle finishes. Rinsed and dried, the surface shall show no appreciable change following cleaning when compared to a new clean decal.

## **COLOR:**

The color of the background will be blue as specified to match Sunfast inks using Pantone® 299C.

The color of the border will be white.

Over lamination is not acceptable. All inks used must have a minimum life of 18 months without fading, peeling, or cracking.

## **COPY:**

The letters **I F T A** are to be printed in a minimum height of 3/4" (1.88 centimeters) with the letter **I** located in the upper left hand corner, the letter **A** to be located in the lower right corner, with the letters **F, T** evenly spaced between to form a diagonal design from the upper left to lower right corner.

The letters **I F T A** are to be printed in Arial Black 72 font in the color white. The two-letter jurisdiction designation shall be displayed in the lower left-hand corner, and the last two numbers of the appropriate year are to be displayed in the upper right-hand corner. The two-letter jurisdiction designation and the last two numbers of the appropriate year are to be printed in Arial Black 36 font in the color white.

The geographical outline of the jurisdiction is optional and if used shall be centered behind the letters **I F T A** and the outline shall be white.

The consecutive number shall be located on the bottom of the decal between the two-letter jurisdiction designation and the letter **A**.

## **B. RECOMMENDED ELEMENTS**

### Reflective Material

Reflective material is recommended and not required and may have a counterfeit-deterrent mark integral in the sheeting, making unauthorized reproduction extremely difficult. The marks should be visible during daylight, but disappear by reflected light at night. The day and night color of the sheeting are similar and they will remain highly reflective when viewed at wide entrance angles\*. The sheetings may be press printed with transparent ink colors to produce the IFTA color and design combinations.

**RECOMMENDED REFLECTIVE BRILLIANCE:**

The table below states recommended reflectivity values of reflective sheetings in terms of candlepower per foot-candle per square foot (candelas per lux per square meter) of reflective material when measured according to reflective intensity testing procedures, Paragraph 4.3.7 of Federal Specifications LS-300S. The sheetings may have a brilliance of 90% of these values when totally wet by rain. The following are recommended

	<b>OBSERVATION ANGLES**</b>					
	<b>.2°</b>			<b>.5°</b>		
Entrance Angles*	-4°	20°	40°	-4°	20°	40°

**ENTRANCE ANGLE \***

The angle formed by a light beam striking a surface at some point and a line perpendicular to the surface at that same point.

**OBSERVATION ANGLE \*\***

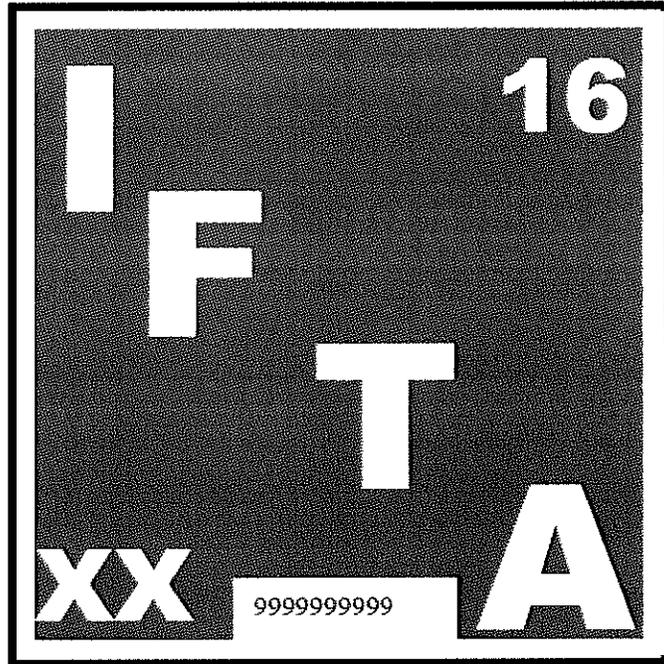
The angle between the line formed by a light beam striking a reflective surface and the line formed by its reflected beam.

**C. EXAMPLE OF DECAL**

**THE COLOR SHOWN IS NOT PANTONE® 299C AND IS INTENDED ONLY AS AN EXAMPLE.**

**THE FONT SHOWN IS ARIAL BLACK 72.**

**THE BORDER HAS BEEN OUTLINED IN BLACK TO MORE CLEARLY INDICATE THE REQUIRED WHITE BORDER.**



#### **D. OPTIONAL PROVISIONS**

The bidder must submit with the bid a notarized letter stating that all art work, composition, plate making, printing, numbering, coating, die cutting, slitting and packaging will be done on the vendor's premises and no portion of it will be sublet. The user will reserve the right to enter the vendor's premises at any time during the production of the decals to inspect the method of production in full compliance with all provisions of the contract.

All bidders must furnish with their bid evidence of capacity and experience for completing the job including a detailed list of all cameras, plate making equipment, presses, numbering machines, coating and drying machinery, slitting machines, die cutting machines and packaging facilities. Ten (10) completed numbered decal samples that the bidder has produced for other users as evidence of material and quality must accompany the bid. A list of five users for whom the vendor has produced decals of similar complexity and quantity must accompany the bid, as well as the name of the person that the user can contact to inquire as to their satisfaction with the vendor's product and service.

A performance bond is required.

Decals have a monetary value and the bidder must take every precaution to protect them from all hazards. Proper security measures and adequate supervision must be provided to assure that all decals printed are delivered and that only one copy of each

Exhibit J – IFTA DECAL SPECIFICATIONS

decal will be produced. A complete description of the plant security precautions must accompany the bid.

The successful bidder must have an assigned account representative available to assist agency in coordinating all phases in the production and delivery of these decals. This representative may be required to travel to the agency's location at no additional expense for any meeting, transporting of proofs, sample test and/or additional services, which are in direct relation to the printing of these decals. Telephone and/or mail order representation will not be considered.

Inadequate facilities to comply with all of the above provisions and all specifications will constitute grounds for rejection of this bid.

Award of contract will be based on all or none.

**EXHIBIT F  
CELTIC SYSTEMS, INC.  
GCI FIREWALL ACCESS RELEASE AND INDEMNIFICATION AGREEMENT**

The Georgia Department of Revenue (DOR) has entered into a contact with Celtic Systems, Inc. (Celtic) wherein Celtic will provide International Registration Plan (IRP) services to DOR as contemplated in State Contract E 47400-060-DOR0000047-00001 (Celtic Contract). In support of these IRP service, Celtic will require access to ITI servers which are located behind GCI's firewalls (Celtic Access).

The provisions of this Firewall Access Release and Indemnification Agreement are only relevant as it specifically pertains to Celtic's Access.

The term of this Firewall Access Release and Indemnification Agreement shall be in effect for the term of DOR contracts with GCI and Celtic.

To facilitate Celtic's performance of its contract with DOR. DOR has directed GCI to provide Celtic access to ITI servers located behind GCI's firewalls. To adequately address and appropriately allocate the risks associated with Celtic's access to ITI servers, GCI, Celtic and DOR agree as follows:

- GCI shall provide Celtic access to ITI servers behind GCI firewalls.
- DOR expressly consents to GCI providing Celtic access to DOR data and grants GCI an exception and waives GCI's contractual requirements in the GCI Contract prohibiting the dissemination of Confidential Information only as it pertains to Celtic's Access. DOR expressly acknowledges that GCI is not responsible for Celtic's services or Celtic's performance of these services associated with Celtic's Access.
- Celtic shall exercise reasonable care in performing its duties associated with Celtic's Access. Celtic shall not access the ITI servers located behind GCI firewalls for any purpose other than to fulfill its duties under the Celtic Contract.
- Celtic agrees that Confidential Information, including personally identifiable information, passwords, user names, or similar provided to Celtic during the course of Celtic's Access shall not be disseminated except as authorized by GCI in writing. The obligations and duties concerning the confidentiality of this confidential information shall survive the termination of this Firewall Access Release and Indemnification Agreement.
- Celtic for itself, its officers, directors, employees and agents, releases GCI and tis respective owners, subsidiaries, affiliated companies, employees, officers, directors, successors and assigns from any and all claims and causes of action that may occur relating in any way to, or arising out or connected with Celtic's

	Initials	Date
DOR	<i>STR</i>	<i>10-20-15</i>
GCI	<i>NSW</i>	<i>10/20/15</i>

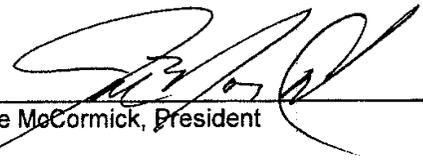
Exhibit F – CELTIC ACCESS AGREEMENT

Access. Celtic agrees not to bring, directly or indirectly, or cause or allow to be brought any legal action or suit related to Celtic Access. The parties expressly agree that this release further applies to service disruptions in GCI's production or compromised data as a result of Celtic's Access. This release does not apply to any claims or causes of actions to the extent such claims or causes of action may arise from the actions or inactions of GCI or its agents.

- Celtic agrees to indemnify, defend and hold harmless GCI and its respective officers, directors, owners and employees (collectively, the "Indemnitee(s)") from all third party claims actions, suits, damages, liabilities, losses, judgments, penalties, liens and costs, including reasonable attorney's fees and litigation expenses arising out of or connected with Celtic's Access. Celtic shall have no obligation under this section to the extent that any such third party claims, actions, suits, damages, liabilities, losses, judgments, penalties, liens or costs are caused by the actions or inactions of GCI or its agents.

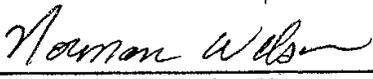
IN WITNESS WHEREOF, the Parties hereto have caused this release to be executed in two counterparts, each to be considered as an original by their authorized representative, the day and date herein written.

**CELTIC SYSTEMS, INC.**

  
 \_\_\_\_\_  
 Joe McCormick, President

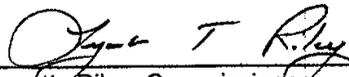
11/4/2015  
 \_\_\_\_\_  
 Date

**GEORGIA CORRECTIONAL INDUSTRIES, INC**

  
 \_\_\_\_\_  
 Norman Wilson, Executive Director

10/20/15  
 \_\_\_\_\_  
 Date

**STATE OF GEORGIA  
DEPARTMENT OF REVENUE**

  
 \_\_\_\_\_  
 Lynnette Riley, Commissioner

10/20/15  
 \_\_\_\_\_  
 Date

	Initials	Date
DOR	DR	10.20.15
GCI	NEW	10/20/15





GEORGIA CORRECTIONAL INDUSTRIES

ADMINISTRATIVE OFFICES

2984 CLIFTON SPRINGS ROAD, DECATUR, GA 30034

4 04.244.5 100 800.282.7130 FAX 04 .244.5141

HOMER BRYSON

COMMISSIONER, CEO

AMY PATALUNA

INTERIM EXECUTIVEDIRECTOR

BRAD HOOKS

ASST. EXECUTIVE DIRECTOR

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**SCHEDULE OF EVENTS FOR SHEETING RFO #34078**

- **Post Sheeting Bid - Thursday, October 6, 2016**
- Criminal/Driver History Consent Forms and Site Release & Waiver Forms completed and due to Ashley Renk by 5:00 P.M. EST - Thursday, October 13, 2016
- All questions must be submitted in writing, in a Word or Excel document to Ashley Renk, due by 5:00 P.M. EST - Thursday, October 13, 2016
- All responses to questions will be answered and posted by 5:00 P.M. EST - Monday, October 17, 2016
- Pre-Bid Conference Meeting at Telfair State Prison - Thursday, October 20, 2016 at 10:00 A.M. EST
- Pre-Bid Conference Meeting minutes posted by 5:00 P.M. EST - Monday, October 24, 2016
- Sheeting Bid closes - Thursday, October 27, 2016 at 1:00 P.M. EST

**Questions must be directed in writing to:**

**Ashley Renk, Purchasing  
Manager Georgia Correctional  
Industries 2984 Clifton Springs  
Road Decatur, Georgia 30034  
PH: 404-244-5131**

FAX: 404-244-5134

Email: [arenk@gci-ga.com](mailto:arenk@gci-ga.com)



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**Pre-bid Conference**

**Mandatory Entrance Requirement and Instructions**

GCI will be conducting a mandatory pre-bid meeting on Thursday, October 20, 2016 at 10:00 A.M. E.S.T. in the plant conference room of Telfair State Prison located at 210 Longbridge Road, Helena, GA 31037. **Please allow sufficient time for the security process.**

**Please pre-register and complete criminal/driver history consent form and site release & waiver form by Thursday, October 13, 2016 at 5:00 P.M. EST. Notify Ashley Renk, GCI Purchasing Manager, if you plan to attend this mandatory pre-bid conference. See below for contact information.**

**State Prison Entrance Instructions:**

1. **All visitors are subject to search and pass through an X-Ray body scanner.**
2. You must have a government issued picture ID.
3. Leave all personal items locked in vehicle. This includes any mobile/cellular devices.
4. This is a Tobacco Free facility. All sources of tobacco, lighters, etc. are prohibited and cannot be on premises.
5. All weapons are prohibited on GDC property.
6. Please refer to Georgia Department of Corrections web site for proper dress code for entering a prison. Please follow all guidelines. Failure to do so could prevent you from being granted entrance to the facility.
7. **Cameras, cell phones and other smart devices are prohibited.**
8. **You cannot have over \$40 in your wallet.**
9. All bidders shall bring a minimum of 2 business cards with them to be turned in to meeting administrator.
10. Pre-bid conference is mandatory to be able to bid.

**Questions must be directed in writing to:**

**Ashley Renk, Purchasing  
Manager Georgia Correctional  
Industries 2984 Clifton Springs  
Road Decatur, Georgia 30034**

FAX: 404-244-5134

Email: [arenk@gci-ga.com](mailto:arenk@gci-ga.com)

**GEORGIA CORRECTIONAL INDUSTRIES****CRIMINAL/DRIVER HISTORY CONSENT**

I hereby authorize GDC/Georgia Correctional Industries to receive all criminal history information pertaining to me anytime during the course of my employment with the Department.

I understand that convictions revealed from these background investigations may impact my certification with P.O.S.T. and my employment with the Department.

Please Print

Full Name: \_\_\_\_\_  
(Last) (First) (Middle)

Address: \_\_\_\_\_  
(Street)  
\_\_\_\_\_  
(City) (State) (Zip) (County)

Telephone I: (Where you can be reached between 8:00 am and 4:00 pm)

Social Security #: \_\_\_\_\_ Driver's License# & State: \_\_\_\_\_

Date of Birth: \_\_\_\_\_ Place of Birth \_\_\_\_\_  
(mm/dd/yy) (City) (State) (Country)

Race: \_\_\_\_\_ Sex: \_\_\_\_\_ Height: \_\_\_\_\_ Weight: \_\_\_\_\_ Eyes: \_\_\_\_\_ Hair: \_\_\_\_\_

Signature :

Date: \_\_\_\_\_

**One of the following must be checked:**

This authorization is valid for \_\_\_\_\_ (circle one) days from date of signature.  
90/180/\_\_\_\_\_

I, \_\_\_\_\_ give consent to the above named to perform periodic criminal history background checks for the **duration** of my employment with this agency.

RETENTION SCHEDULE: Retain for two years in hiring/selection package; if hired, retain permanently in the official HR file.

**SITE VISIT RELEASE AND WAIVER**

**Release and Waiver:** Prospective Vendor ("**Vendor**") agrees to accept and assume all risks arising directly or indirectly out of any visit or entry by Vendor or its Authorized Persons to any of the Georgia Correctional Industries ("**GCI**") properties (hereinafter, called "**Facilities**"). Vendor agrees that GCI and its agents, employees and consultants shall have no duty of care to keep the Facilities safe for entry or use. Vendor agrees that GCI does not grant its permission, assume responsibility or incur liability for any injury, death, loss or damage to any person or property arising out of the activities of Vendor or its Authorized Persons on the Facilities, and Vendor hereby releases GCI and its employees, consultants and other agents from any and all actions, causes of action, suits, claims, liabilities, losses, damages, judgments and executions of any kind arising from any visit, entry, inspection, study, test or other action by Vendor or its Authorized Persons.

**Indemnity:** Notwithstanding any general liability or other insurance that may be maintained by Vendor, Vendor shall defend, indemnify and hold GCI harmless (using counsel reasonably satisfactory to GCI) from any and all actions, causes of action, suits, claims, liens, demands, liabilities, losses, costs, expenses (including, without limitation, reasonable attorneys' fees) and damages of any kind or nature that GCI sustains or incurs by reason of or in connection with any visit, entry, inspection, study, test or other actions by Prospective Vendor or its Authorized Persons; provided, however, that the indemnity obligations of Vendor shall not apply to any liability of damages arising out of bodily injury to persons or damage to property caused by or resulting from the sole negligence or willful misconduct of GCI and its agents or employees.

**Confidential Information:** Vendor recognizes that their employees and/or agents may be exposed to Confidential Information and that GCI desires to prevent unauthorized disclosure of such information. Except as required by law or by a court of competent jurisdiction, each party agrees that it will not disclose any Confidential Information of the other party and further agrees to take appropriate action to prevent such disclosure by its employees or agents.

Company Name: \_\_\_\_\_

Name: \_\_\_\_\_

Title: \_\_\_\_\_

Date: \_\_\_\_\_

Telephone Number: \_\_\_\_\_

E-mail Address: \_\_\_\_\_

Fax Number: \_\_\_\_\_



# GEORGIA CORRECTIONAL INDUSTRIES

INVITATION TO BID

FOR CONTRACT

---

Bid Number . . . . . 34078

Bid Note . . . . . LICENSE PLATE SHEETING AND  
OVER-LAMINATE

Bids Received Until 10/27/16 1:00 PM

Purchasing Agent . . . Ashley Renk

Phone Number . . . . 4042445131

Bids should be returned by Fax or Email

Fax: 4042445134

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**Vendor submission should include completion of the entire bid packet with all documents and any supporting document. If bid submission does not include all supporting documents, your bid submission may not be considered.**

Any questions related to this bid document should be directed to the above listed Purchasing Agent or be forwarded by email to:





## GENERAL BID INFORMATION

1. **Agreement:** The bidder agrees to furnish and deliver the goods and/or services at the prices indicated. It is agreed that this bid shall constitute an offer, when accepted in writing by Georgia Correctional Industries and subject to the terms and conditions of such acceptance, shall constitute a binding contract between the undersigned and Georgia Correctional Industries. Bid must be typewritten or in ink. Bids must be signed and the signature must be in ink. **The person signing the bid should show title or authority to bind his firm in a contract. Unsigned bids will be disqualified. Each bid should be placed in a separate envelope completely and properly identified. Late bids will not be considered under any circumstances.** This bid is effective for thirty (30) days. Any contract entered into pursuant to this invitation for bid is not assignable nor the duties thereunder delegable by either party without the written consent of the other party of the contract.
2. **Bid Award:** In awarding the bid, Georgia Correctional Industries reserves the right to:
  - 2.1. Award to vendor accessible by phone or email between the hours of 8:00 a.m. and 4:30 p.m., Monday through Friday.
  - 2.2. Award bids received, on the basis of individual items or group of items, entire list of items or vendor's performance on current contracts (i.e. quality issues, delivery, problem resolution).
  - 2.3. Reject any or all bids or any part thereof.
  - 2.4. Evaluate delivery time offered as a factor in awarding bid.
3. **Bid Tabulations:** Bid tabulations are only available on [www.gci-qa.com](http://www.gci-qa.com). Must be a registered vendor on website to access. Bid tabulations are not given by phone.
4. **Freight:** All items are to be quoted F.O.B. Destination.
5. **Variance:** Allowed variance of zero over and no less than **3%** under [0+/-3%] per each line item.
6. **Delivery Hours:** Monday through Thursday, 8:00 a.m. to 2:30 p.m. (No deliveries on Friday, weekends or State of Georgia Holidays).
7. **Vendor Performance Standards:**
  - 7.1. *Delivery Time:* Invitations to Bid contain specific delivery time requirements. As well as being part of the bid evaluation, penalties for noncompliance with delivery requirements are a part of the contract. Should a vendor not be able to offer delivery as required, the vendor should indicate an exception to the requirement and indicate the delivery time that he offers. Time is of the essence and failure to make timely delivery shall be a material breach of Vendor's contract.
    - 7.1.1. *Georgia Correctional Industries reserves the right to refuse shipments received after specified delivery date.*
  - 7.2. *Identification:* The applicable Purchase Order number must be indicated on all invoices, packing lists, packages, shipping notices and other written documents affecting any Georgia Correctional Industries order. A packing list, indicating the content therein, shall be enclosed in each shipment.
  - 7.3. *Inspection* Delivery does not constitute acceptance. All supplies, materials and equipment delivered to Georgia Correctional Industries shall be subject to inspection and testing. Georgia Correctional Industries shall have such reasonable time after delivery to make such inspection or test as is deemed necessary or advisable by it. Items that do not meet specifications will be rejected. Failure to reject upon receipt, however, does not relieve the Vendor of his liability. If test, subsequent to delivery reveal a failure to meet specifications, the Vendor shall be deemed to have breached his contract. Georgia Correctional Industries may reject items that are damaged or do not meet specifications. Such inspection and/or test by Georgia Correctional Industries shall not relieve Vendor from any responsibility regarding defects or other failure to meet contract requirements which may be subsequently discovered.
  - 7.4. *Default* In the event of a default by the vendor for failure to deliver, failure to meet specifications, or for any other reason, Georgia Correctional Industries may, by written notice of default to the Vendor, terminate, at its option, the whole of vendor's contract or any single order placed thereunder in any one of the following circumstances:
    - 7.4.1. If the Vendor fails to make delivery on any order, or perform any required services within the time specified in its contract or any written extensions thereof; or
    - 7.4.2. If the Vendor fails to perform any of the above provisions of its contract and does not rectify such failure within a period of seven (7) days after receipt of notice specifying such failure; or
    - 7.4.3. If the Vendor fails to perform any of the above provisions of its contract and does not rectify such failure within a period of forty-eight (48) hours for Food or Farm orders due to possibility of spoilage/ou tage etc



In the event Georgia Correctional Industries terminates a Vendor's contract, or terminates any individual order or orders made thereunder, as stated above, Georgia Correctional Industries may procure, upon such terms and in such manner as may be deemed appropriate by Georgia Correctional Industries, goods or services similar to those terminated; and the Vendor shall be liable to Georgia Correctional Industries for any excess in the cost incurred in procuring such similar goods or services over the contract prices.

Provided, that in the event Georgia Correctional Industries elects not to terminate the contract in its entirety, the Vendor shall continue the performance of his contracts as to all other orders, past and future. Cancellation of an order or orders by Georgia Correctional Industries Administration made subsequent to Vendor's default by failure to make timely delivery shall not act to relieve Vendor of the liability of excess cost imposed by this paragraph

**8. Indemnification:**

- 8.1. Vendor, for itself and on behalf of its subsidiaries, parents and affiliates as well as the employees, vendors, agents and assigns of each (the "Vendor" under this section) hereby waives, releases, relinquishes, discharges and agrees to indemnify, protect and save harmless the State of Georgia, Georgia Correctional Industries and their officers and employees (hereinafter collectively referred to as "Indemnitees"), of and from any claims, demands, liabilities, losses, costs or expenses (including reasonable attorneys fees and court costs) caused by or resulting from any act or omission of the Vendor, any breach by Vendor of this Agreement or violation by Vendor of federal, State or local law. This indemnity obligation does not apply to the extent of the intentional misconduct or sole negligence of the Indemnitees, their officers, or employees.
- 8.2. To the extent such cost of expense is covered by the State or Georgia Tort Claims Fund ("the Fund"), the Vendor agrees to reimburse the Fund. To the full extent permitted by the Constitution and laws of the State and the terms of the Fund, the Vendor and its insurers waive any right of subrogation against the State, the Indemnitees, and the Fund and insurers participating thereunder.
- 8.3. Vendor shall, at its expense, be entitled to and shall have the duty to participate in the defense of any suit against the Indemnitees. No settlement or compromise of any claim, loss or damage entered into by Indemnitee shall be binding upon Vendor unless approved in writing by Vendor. No settlement or compromise of any claim, loss or damage entered into by Vendor shall be binding upon Indemnitees unless approved in writing by Indemnitees.

**9. Drug Free Workplace**

- 9.1. If Vendor is an individual, he or she hereby certifies that he or she will not engage in the unlawful manufacture, sale, distribution, dispensation, possession or use of a controlled substance or marijuana during the performance of any contract resulting from this Invitation to Bid.
- 9.2. If Vendor is an entity other than an individual, it hereby certifies that:
  - 9.2.1. A drug free workplace will be provided for the Vendor's employees during the performance of any contract resulting from this Invitation to Bid; and
  - 9.2.2. It will secure from any subvendor hired to work in a drug free workplace the following written certification: As a part of the subcontracting agreement with (vendor's name, subvendor's name) certifies to the vendor that a drug free workplace will be provided for the subvendor's employees during the performance of this contract pursuant to paragraph 7 of subsection B of Code Section 50-24-3.
- 9.3. Vendor may be suspended, terminated or debarred if it is determined that:
  - 9.3.1. The Vendor has made false certification hereinabove or

9.3.2. The Vendor has violated such certification by failure to carry out the requirements of Official Code of Georgia Section 50-24-3.

**GENERAL BID INFORMATION**

1. The provisions of the Georgia Vendor Manual are incorporated herein by reference and made part hereof just as if it had been fully set out herein. Provided however that in the event of a conflict between terms and conditions contained therein and the terms and conditions of this Contract, the latter shall be controlling. Also, any special terms and conditions attached to this contract that is in conflict with the standard terms and conditions, the special terms and conditions shall apply.
2. Any reference to quantities or dollar amounts (except where noted) is provided as an *ESTIMATE* only, and shall not serve to obligate Georgia Correctional Industries Administration to purchase any minimum amount. Nor shall any such reference serve to establish any maximum amount which Vendor is required to furnish.



3. Bidders are requested to quote net prices. Cash discounts must be clearly shown in the space provided. Please note that no cash discount will be considered for evaluation purposes if the payment period is less than 20 days, but in the event of award, any such discount will be taken if earned.
4. Bidders should provide all of the information required on the bid form in the space provided
5. All bids shall be binding for 30 days to allow for contract award. After the contract has been awarded, specified prices shall be firm for the term of the contract except where escalation/de-escalation clauses apply.
6. "I certify that this bid is made without prior understanding, agreement, or connection with any corporation, firm, or person submitting a bid for the same materials, supplies, or equipment, and is in all respects fair and without collusion or fraud. I understand collusive bidding is a violation of State and Federal law and can result in fines, prison sentences and civil damage awards. I agree to abide by all conditions of this bid and certify that I am authorized to sign this bid for the Bidder. **I certify that Official Code of Georgia Annotated, Sections 45-10-20 through 26 have not and will not be violated in any respect"**

Name & Title: --- - ----=  
-----  
-  
(Please Print)

BY: \_\_\_\_\_  
*Authi gnature) d*

Date: \_\_\_\_\_



**Contract Open Terms and Conditions** - In consideration of the mutual covenants and promises contained herein the parties agree as follows:

1. The vendor shall sell to Georgia Correctional Industries Administration the goods; In accordance with the attached Specifications and the Invitation to Bid; for a period of 12 months. All orders received by the Vendor during the contract period shall be filled at the contract price.
2. Georgia Correctional Industries Administration shall pay the amounts set out on the attached Item Schedule for any goods purchased. Such prices shall be firm for the term of this Contract. Payments shall be made according to invoice, for each lot shipped.
3. Georgia Correctional Industries Administration shall not be required to purchase any minimum quantity, nor shall Georgia Correctional Industries Administration be limited in quantity, during the term of this agreement.
4. Title to the goods and liability for risk of loss shall remain with Vendor until delivery to and acceptance by Georgia Correctional Industries Administration.
5. Shipments shall be made only after receipt of a Purchase Order Release from Georgia Correctional Industries Administration.
6. Deliveries: Delivery hours are Monday through Thursday, 8:00 a.m. to 2:30 p.m. No deliveries on Fridays, weekends or State of Georgia holidays.
7. The goods shall be delivered by the Vendor to Georgia Correctional Industries Administration at the destination indicated on the Purchase Order.
8. The goods shall be delivered F.O.B. Destination as shown on the Purchase Order.
9. Georgia Correctional Industries Administration shall not be bound by any terms and conditions included in Vendor's packages invoices catalogs brochures technical data sheets, or other documents which attempt to impose any condition at variance with the Terms and Conditions contained herein.
10. The Vendor shall comply with all laws, ordinances, rules and regulations pertaining to the supply of any goods to Georgia Correctional Industries Administration.
11. Georgia Correctional Industries Administration and the Vendor are the only parties to this Contract. The officers and employees of Georgia Correctional Industries Administration have acted exclusively as agents of Georgia Correctional Industries Administration for the award, consummation and administration of this Contract, and are not personally liable for any performance or non-performance by Georgia Correctional Industries Administration.
12. This Contract shall be governed in all respects by the laws of the State of Georgia.
13. This Contract does not and will not violate the provisions of the Official Code of Georgia Annotated Section 45-10-20- et. sec.
14. Georgia Correctional Industries Administration reserves the right to cancel this Contract by giving Vendor thirty (30) days written notice of its intent to do so.
15. Georgia Correctional Industries Administration may, at its sole discretion, and with the written consent of the Vendor, renew this Contract under the same terms and conditions for one or more additional terms. In the event that this Contract shall terminate or be likely to terminate prior to the making of an award for a new Contract for this commodity, Georgia Correctional Industries Administration may, with the written consent of the Vendor, extend this Contract for such a period as may be necessary to afford Georgia Correctional Industries Administration a continuous source of supply.
16. This Contract shall not be assigned by either party without the express written consent of the other.
17. Boycott of Israel: Vendor certifies that Vendor is not currently engaged in, and agrees for the duration of this Contract not to engage in, a boycott of Israel, as defined in O.C.G.A. 50-5-85.
18. Items covered are exempt from Federal Excise Tax and from Georgia Sales and Use Tax.
19. For good cause and as consideration for executing this Contract or placing this order, vendor acting herein by and through its duly authorized agent hereby conveys, sells, assigns, and transfers to Georgia Correctional Industries Administration all rights, title, and interest in and to all causes of action it may now or hereafter acquire under the antitrust laws of the United States and the State of Georgia relating to the particular goods or services purchased or acquired by Georgia Correctional Industries Administration pursuant hereto.
20. By signing this Contract, the bidder agrees to furnish and deliver the goods and/or services at the prices indicated herein if awarded this Contract. Vendor's signature on this Contract shall constitute an offer which, when accepted in writing by Georgia Correctional Industries Administration and subject to the terms and conditions contained herein, shall constitute a binding

Contract between the undersigned and Georgia Correctional Industries Administration.



Vendor: \_\_\_\_\_  
(Print Company Name)

Georgia Correctional Industries Administration

**BY:** \_\_\_\_\_  
(Authorized Signature):

**BY:** \_\_\_\_\_  
(Authorized Signature):

Date: \_\_\_\_\_

Date: \_\_\_\_\_



Vendor Information - **No Bid will be considered unless the below information is completed.** PLEASE PRINT.

COMPANY NAME: \_ \_ \_ \_ \_

COMPANY ADDRESS: \_ \_ \_ \_ \_

**SEND ORDERS TO:**

Company Name: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_ \_ \_ \_ \_ FAX: \_ \_ \_ \_ \_

Email: . . . . .

**REMIT TO ADDRESS:**

Company Name: \_\_\_\_\_

**Address** \_\_\_\_\_

Accounting Contact: \_\_\_\_\_

**Ph: ne** \_\_\_\_\_ **FAX:** \_\_\_\_\_

Email: \_\_\_\_\_

**CONTRACT ADMINISTRATOR**

Name : . . . . .

Title: \_\_\_\_\_

Address: \_\_\_\_\_

Phone: \_\_\_\_\_ Cell: \_\_\_\_\_

FAX: \_\_\_\_\_

**E t a**

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**Ⓢ** will be delivered within \_\_\_\_\_ **Calendar Days** after receipt of purchase order.

Payment Terms: \_\_ \_ % \_\_\_\_ days will apply.

BidNumber: 34078

Bids Received Until: 10/27/16 1:00 PM

Vendor's Name:



SHIP TO: GCI- Telfair SP Tag Plant  
DANA GRINSTEAD

210 Longbrige Road

Helena GA 31037

Line	Item Description	Quantity	UOM	BIDDER'S RESPONSE AREA	
				Unit Price Delivered to GCI Location	Extension

1	<p>LICENSE PLATE SHEETING AND OVER-LAMINATE</p> <p>PLEASE SEE ATTACHED DETAILED SPECIFICATIONS ON ATTACHMENTS "A" &amp; "B" SEE ALL BID DOCUMENTS, FORMS AND MANDATORY SUBMITTALS</p> <p>CONTRACT TERM WILL BE FOR ONE (1) YEAR PERIOD SUBJECT TO UP TO FOUR ONE (1) YEAR RENEWALS UPON MUTUAL AGREEMENT BETWEEN GCI AND VENDOR</p>	1.00	EA		
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# COST SHEET MANDATORY

## SUBMITTAL

	PRICE PER ROLL	PRICE PER ROLL
DESCRIPTION	License Plate Sheeting - WITH Security Mark	License Plate Sheeting - WITHOUT Security Mark
AA Standard vehicle with Peach and Tree		
AI Standard alternate vehicle Peach only		
Standard Vehicle plain White w/ Tick Marks		
Motorcycle AI standard Peach only		
Motorcycle plain White w/Tick Marks		
Standard Clear 12" Overlamine		
Clear Motorcycle Overlamine		



## GEORGIA CORRECTIONAL INDUSTRIES

ADMINISTRATIVE OFFICES

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404.244.5100 800.282.7130 FAX 404.244.5141

HOMER BRYSON  
COMMISSIONER, CEO

AMYP ATALUNA  
INTERIM EXECUTIVE DIRECTOR

BRAD HOOKS  
ASST. EXECUTIVE DIRECTOR

### **License Plate Sheeting and Over-Laminate**

#### **Scope of Work**

**October 06, 2016**

#### **Overview:**

Georgia Correctional Industries (GCI) is the sole provider for all license plates for the state of Georgia. All license plates are printed at Telfair State Prison in Helena GA. This covers all 159 counties and provides all plates for all tag offices and direct fulfillment. The estimate is Three (3) million to Five (5) million plates per year printed as per the demand & forecast. This includes all commercial plates, motorcycle, specialty and standard designs. There are approximately 380+ unique graphic designs for license plates.

#### **Deliverables for this Contract**

GCI is soliciting a single vendor to provide all sheeting and clear over-laminate for GCI to produce license plates for the State of Georgia.

Upon contract award, the successful vendor must work with GCI and Department of Revenue (DOR) to print all 380+ unique plates, obtain approval from the DOR and the designated specialty organization within six (6) months of contract award. The awarded vendor must demonstrate its sheeting and clear over-laminate, meet all of the state of GA License Plate specifications.

GCI has coordinated a site visit of Telfair State Prison for vendors interested in submitting a bid for License Plate Sheeting in response to this Request for Quote (RFQ). Attendance is mandatory. Any vendor that does not have a representative present during the date and time arranged by GCI, will be deemed ineligible to provide a bid for this solicitation. Please submit

confirmation of interest by sending an email to the Issuing Officer, Ashley Renk (email: [arenk@gci:9a.com](mailto:arenk@gci:9a.com)). In the email, please include the name of the company, the name & title of the representative, along with a completed Site Release Waiver form and a Criminal/Driver History Consent Form for each individual attending the Bid Meeting, no later than 5 PM EST, October 13<sup>th</sup>, 2016. (refer to Timeline Doc in RFQ)

**GCI produces the following types of plates:**

- A. AA is the current Standard Vehicle tag design (AA Standard w/Peach & Tree) as designated by the Department of Revenue.
- B. A1 is the Standard Alternate Vehicle tag (A1 Standard Alternate Peach only) design as designated by the Department of Revenue.
- C. Motorcycle Standard Tag design (Motorcycle Standard A1 peach only) design as designated by the Department of Revenue.

**Note:** Pre-printed is defined as full color printing excluding the serial numbers and county designation.

This includes pre-printed materials with the following **Material Specifications:**

- **(AA)\*, standard vehicle with tick marks - Pre-printed w/Peach & Tree**
- (A1)\*, standard alternate vehicle with tick marks - Pre-printed Peach only
- 11.9375 inches standard vehicle white with tick marks - Pre-Printed Tick Marks
- 11.9375 inches in clear standard over-laminate
  
- (A1)\* Motorcycle standard sheeting - Pre-printed Peach only
- 6.9375 inches Motorcycle white with tick marks - Pre-printed Tick Marks
- 6.9375 inches in clear Motorcycle over-laminate

(\* See **Appendix A** for sample pictures of the Products)

- D. **All sheeting requires black tick marks designated within tolerances defined by GCI. (See Appendix B for Tick Marks sizes).**
- E. The pre-printed full color graphic files may be designated with exact sizes and ratios for printing along with color designations as defined by the DOR. Currently only AA and A1 are preprinted.
- F. Specialty designs may come with **PMS or Pantone** color designation (See **Appendix C**) and requirements as defined by the association or club. Currently printed on White with Tickmarks.

## Overview of RFQ Process

- A. The objective of the RFQ is to select a qualified vendor to provide the goods and/or services outlined in this RFQ to the State Entity. This RFQ process will be conducted to gather and

evaluate responses from vendor for potential award. All qualified vendors are invited to participate by submitting responses, as further defined below. After evaluating all vendors' responses received prior to the closing date of this RFQ and resolution of any contract exceptions. The preliminary results of

the RFQ process will be publicly announced, including the names of all participating vendors and the evaluation results. Subject to the protest process, the final contract award(s) will be publicly announced thereafter.

- B. Award will be made to the responsive, responsible bidder and with the best combined price to the state. This is a single vendor award.

GCI will issue a notice of intent to award to all vendors, allowing 10 calendar days for a potential protest.

**Note:** If the awarded vendor fails to work with GCI to obtain approval of all plates within the specified timeframe, GCI reserves the right to move to the next qualified vendor to fulfill the terms of this agreement

- C. All questions concerning this RFQ must be submitted in writing via email to the Issuing Officer. No questions other than written communication will be accepted. No response other than written will be binding upon the State. All vendors must submit questions by the deadline identified in the **Schedule of Events** for submitting questions. Vendors are cautioned that the State Entity may or may not elect to entertain late questions or questions submitted by any other method than as directed by this section. All questions about this RFQ must be submitted in the following format:

Company Name  
Point of Contact

Question #1, Citation of relevant section of the RFQ

Question #2, Citation of relevant section of the RFQ

## Mandatory Requirements

(Items listed below to be included with the bid)

- A. Vendor will provide reflective sheeting with over-laminate material for digital license plates that are equivalent or better than the current specifications.
- B. Vendor must provide 10 samples of the Plain white sheeting with over-laminate with Tick marks for Vehicle (size 11.9375 inches x 5.966 inches per sample).
- C. Vendor must provide 10 samples of the Plain white sheeting with over-laminate with Tick marks for Motorcycle (size 6.9375 inches x 3.966 inches per sample).
- D. Vendor must provide a certified '3<sup>rd</sup> Party Verification' with product specifications for performance and warranty duration as noted in the Detailed Specifications sheet.
- E. Vendor must acknowledge in writing that they will meet the below requirements:

- a. From the date of the contract award, vendor shall provide 380+ plates samples including A1, AA, Standard white with tick marks, Motorcycle A1, Motorcycle white with tick marks, within Six months.
- b. All 380+ tags must be 100% approved and signed off by the DOR prior to GCI transitioning to the new sheeting contract.

Examples of plate designs currently offered via GCI/DOR can be found at:

<https://mvd.dor.ga.gov/motor/plates/plateselection.aspx>

- c. GCI will not start transitioning printing any plates until all requirements are met and all plates are signed-off by DOR, despite the contract being awarded by GCI.
  - d. The reflective sheeting shall be printable with thermal transfer ribbons designed for a Matan 1650 printer.
  - e. Over laminate must be applied via Matan 1650 printer and be warrantied along with the sheeting for a minimum of 5 years.
- F. Vendor must provide pricing for **ALL** material listed in the Bid document. Incomplete bid will be considered nonresponsive and not evaluated.

**G. Transition Plan:**

- a. Vendor must provide a transition plan with timelines and bench marks (which will be effective immediately upon award) to support the six (6) month printing and approval requirements established by GCI.

**Note:** GCI will provide access to graphic files with the direct consent and approval from the DOR for testing and the formal approval process. These files are the property of the DOR and due to the sensitive nature must be maintained in a secure environment and not used for any purpose beyond testing and approvals.

## Mandatory Submittals:

- Pre-Bid Conference attendance acknowledgement via email
- Site Release and Waiver Form for Pre-Bid
- Criminal/ Driver History Consent Form
- Cost Sheet
- All Signature pages with Bid Document
- Detailed Specifications for Attachment A for Vehicle and Attachment B for Motorcycle
- 3<sup>rd</sup> Party performance testing certificate - requirements as specified in the detailed specifications in RFQ
- Immigration form (HB87 - House Bill 87)
- Reference sheets from three current customers
- Vendor Acknowledgement Letter for the 6-month deadline
- Transition Plan
- Sheeting Samples

## Post Award Information

A. GCI will provide printer access at Telfair State Prison for printing samples. This access must be requested 15 days prior to printing and is at the discretion of the GCI plant manager depending on plant demands and outside plant production time.

8. GCI will coordinate & approve for the dates and times for the sampling.

- C. During the sampling phase, vendor shall submit 10 samples each of the 380+ designs directly to GCI who will coordinate with DOR for approval.
- D. DOR has the final approval right with respect to the products meeting the specifications and the graphic approval process.
- E. All visitors must submit and pass Criminal/ Driver History Consent checks as specified by the prison - GCI will coordinate the Criminal/ Driver History Consent process.

**Note:** Criminal/ Driver History Consent process is required to be done again for the testing period.

**Note:** Appendixes Below.

## Appendix A

### Specifications:

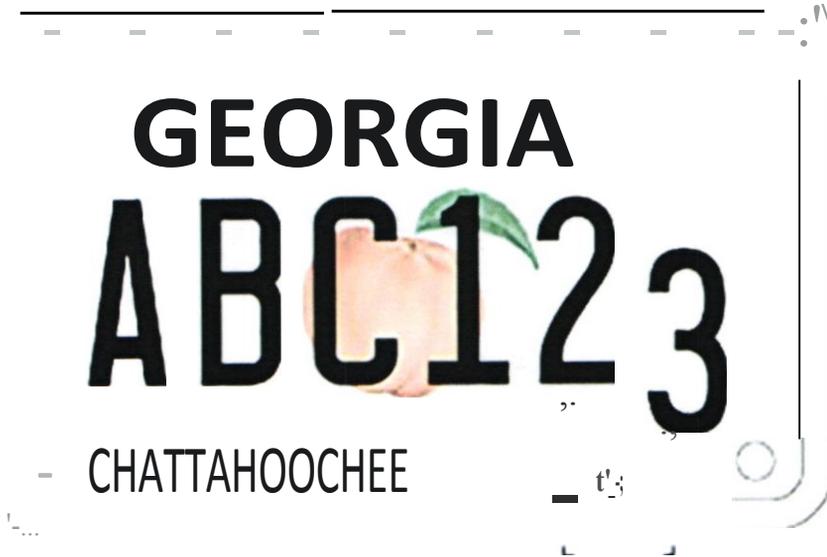
All tags must be printed with ABC123 or ABC1234 with Sample printed on the county tag location to assure the security printed of the sheeting. ABC123 and ABC1234 are for testing and sampling only - actual pre-printed sheeting will be full color however blank where the serial number and county designation is assigned.

### Sample AA Tag:



### Sample A1 Tag:





## Appendix B

Size of the Tick Marks on the Sheeting with a screenshot to show the Ticks on the Sheet.

0.1875" wide x 0.125" height slit  
down the center +/-1/32"

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## Appendix C

### Pantone Colors:

A set of standard colors for printing, each of which is specified by a single number. The company maintains a **Pantone Matching System (PMS)**, a proprietary **colorspace** used in a variety of industries, primarily printing. This code assures the color is universal and is maintained despite location or printing method.

Example UGA (code GA) has a license plate approved by the DOR the color is Red PMS 200, Grey 422. These colors are defined by the agency, group or club association.

- Standard Auto AA- Black, Peach163, Brown7415, Green7724, Blue2905
- Standard Alternate A1 - Black, Peach163, Green7724
- Standard Motorcycle - Black, Green7724, Peach-custom

-----End of Document-----

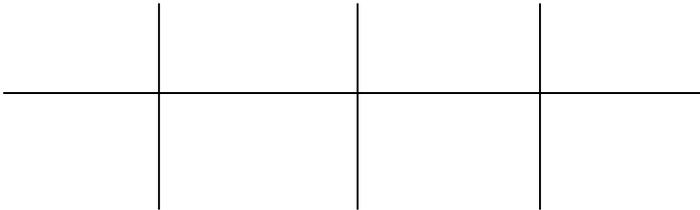
- A. SCOPE: This specification covers Vehicle License Plate Sheeting and Over-Laminate
- B. VENDOR INFORMATION: The Vehicle License Plate Sheeting and Over-Laminate, offered shall be comparable with the detailed requirements listed below (unless otherwise noted). Bidders are to indicate exactly what they are offering in each one of the following blanks in the "BIDDER'S RESPONSE" column. If this is not done or it is incomplete, YOUR BID MAY NOT BE CONSIDERED FOR AWARD until you furnish all the information. DO NOT USE "COMPLY", "YES", "OK", "SAME", an "X" a "V" CHECKMARK or a (" ) DITTO MARK.
- C. SUPPORTING DATA: Bidders must furnish catalog pages, specification sheets, or similar data to support statements made in BIDDER'S RESPONSE column. Failure to furnish required data MAY BE CONSIDERED AS CAUSE FOR REJECTION OF BID.
- D. BASIC REQUIREMENTS: BIDDER'S RESPONSE:  
(comparable to Requirements)  
 Description: Vehicle License Plate Sheeting and Over-Laminate Description:

Manufacturer:  Sheeting Color:  White reflective sheeting must be consistent and remain within the following color box for 5 years under normal use and conditions. The Chromaticity and luminance factor for CIE standard Illuminant D65 and 1931CIE 2° standard observer in accordance with ASTM E308, method E-1347 E1349, E2301. This color box is consistent with ASTM D-4956	Manufacturer:  Sheeting Color:																				
<table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="text-align: left;">Color</th> <th style="text-align: left;">Chromaticity Coordinate Corner X</th> <th style="text-align: left;">Coordinate Points Y</th> <th style="text-align: left;">Luminance Factor Y (%)</th> </tr> </thead> <tbody> <tr> <td>White</td> <td>0.303</td> <td>0.300</td> <td>35 Min.</td> </tr> <tr> <td></td> <td>0.368</td> <td>0.366</td> <td></td> </tr> <tr> <td></td> <td>0.340</td> <td>0.393</td> <td></td> </tr> <tr> <td></td> <td>0.274</td> <td>0.329</td> <td></td> </tr> </tbody> </table>	Color	Chromaticity Coordinate Corner X	Coordinate Points Y	Luminance Factor Y (%)	White	0.303	0.300	35 Min.		0.368	0.366			0.340	0.393			0.274	0.329		Pre-printed license plate designs shall be color-matched for approval by the government Other colors may be required based on the government requirements.
Color	Chromaticity Coordinate Corner X	Coordinate Points Y	Luminance Factor Y (%)																		
White	0.303	0.300	35 Min.																		
	0.368	0.366																			
	0.340	0.393																			
	0.274	0.329																			

Photometric Reflective Performance Minimum Values:

Photometric reflective performance values shall have the following minimum values at an observation angle of 0.2 degrees and entrance angle of -4.0 degrees. The photometric reflective performance value of the sheeting, after cleaning, should retain at least 70 percent of the original minimum requirement at the end of five years under normal use and conditions. Photometric reflective performance values are expressed as minimum candlepower/foot - candle/square foot of

Photometric Reflective Performance Minimum Values:



D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:

(comparable to Requirements)

Description: Vehicle License Plate Sheeting and Over-Laminate

Description:

white reflective license plate retro-reflective sheeting. Measurements shall be conducted in accordance with ASTM E-810, "Standard Test Method for Coefficient of Retro-reflection of Retro-reflective Sheeting."

Color	Observation Angle/Entrance Angle	
	0.2/-4 Degrees	0.2/40 Degrees
White	75	32

Coefficient of Retro-reflectivity:

The Coefficient of Retro-reflectivity of the same finished license plate test panels, measured on the same flat area of the test panels, totally wet by rain, shall not be less than 90 percent of the values specified above. Wet performance measurements shall be conducted at 0.2 degrees observation and -4.0 degrees entrance angles in accordance with **ASTM** E-180 and using the test set-up described in FHWA Specification FP-79, Section 718.01 (c1).

Coefficient of Retro-reflectivity:

Bead Density:

Bead density. The beads must be contained in the enclosed lens in a uniform manner. When examined under a microscope more than 70% of the surface will be covered by beads. In other words no more than 30% of the surface can be exposed metallization absent of beads.

Bead Density:

Accelerated Weathering Test:

The Accelerated Weathering Test shall be conducted in accordance with the method described in the Federal Specification LS-300C, paragraphs 4.4.9, 4.4.9.1, 4.4.9.2, 4.4.9.3 , and 4.4.9.5, as amended. The test shall provide the following results, after the required hours of testing purposes shall be 1,000 hours:

- a. Show "good" color fastness, color measurements be within the color box
- ~~b. Show no evidence of cracking, pitting, blistering, edge lifting, curling or more than 1/32" (0.08 cm.) shrinkage or expansion.~~
- c. Not be removable from the license plate made of aluminum.

Accelerated Weathering Test:

\*Please specify test was completed and list test results and supporting documentation.

Performance Tests:

These tests will be run concurrently with the

Performance Tests:

\*Please specify test was completed and list

D. BASIC REQUIREMENTS:

(comparable to Requirements)

Description: Vehicle License Plate Sheeting and Over-Laminate

Description:

<p>Accelerated Weathering above, and shall provide the same results, unless specified otherwise below:</p>	<p>test results and supporting documentation.</p>
<p>Salt Spray Testing: *LIST SPECIFICATIONS OF TEST- Subject a sample plate to the action of a saline mist for two cycles of 22 hours each, separated by an interval of 2 hours at room temperature during which the sample is allowed to dry. The saline mist shall be produced by atomizing, at a temperature of 95 +/- 3 degrees F, a saline solution obtained by dissolving 5 parts of sodium chloride in 95 parts of deionized water. After completion of the test, wash the sample plate with water, dry with a cloth, then examine it. There shall be no corrosion which would reduce its efficiency. (ISO 7591 section 15)</p>	<p>Salt Spray Testing: *Please specify test was completed and list test results and supporting documentation. 3</p>
<p>Temperature/Humidity Testing: Three samples six inches by 3 inches shall be applied to the aluminum test panel. One panel each subjected to the following conditions:  a. Resistance to heat: 160°F +/-5°F for 24 hours, condition at standard conditions for 2 hours then examined  b. Resistance to cold: -40°F +/-5°F for 24 hours, condition at standard conditions for 2 hours then examined  c. Resistance to humidity: 100% relative humidity at : 75°F +/-5°F for 24 hours, condition at standard conditions for 24hours then examined  No evidence of cracking, peeling, chipping, or delamination from the test panels</p>	<p>Temperature/Humidity Testing: *Please specify test was completed and list test results and supporting documentation.</p>
<p>Impact Resistance Testing: Impact Resistance-Apply the retro-reflective sheeting to a 3 by 5 by 0.040-inch. (76 by 127 by 1.016-mm)/6061-T6 aluminum test panel. Condition for 24 hours at 70F. Subject the sheeting to the impact of a 2-lb (0.91-kg) weight, with a 5/8 -in . (15.8-mm) diameter rounded tip, dropped from the height necessary to generate an impact of 40 in.-lb (4.52 N-m). The reflective sheeting shall show no cracking or delamination outside the area of impact. Note: May be subject to testing on .022 inches (.5588 mm)</p>	<p>Impact Resistance Testing: *Please specify test was completed and list test results and supporting documentation.</p>

Revised November 8, 1996

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:

(comparable to Requirements)

Description: Vehicle License Plate Sheeting and Over-Laminate

Description:

<p>Clean Ability Testing:</p> <p>a. Finished license plates shall be easily cleansed of normal dirt accumulation by washing with water and mild detergent. A test panel shall be sprayed with water-suspended soils collected from the underside of state vehicles and allowed to dry thoroughly. The water suspension of soils shall be prepared by scraping dirt from the underside of vehicle fenders, mixing with water in the proportion of five pounds (2.27 kg) of soil to one gallon (3.78 liters) of water, and pouring the mixture through a paint strainer.</p> <p>b. The mixture shall then be sprayed onto the panel while particles are in suspension. After the panel is thoroughly dry, it shall be cleaned by washing with a mixture of water and mild detergent, rinse with clear water and wiped dry for examination. The panel shall show no difference from a clean test panel plate.</p>	<p>Clean Ability Testing:</p> <p>*Please specify test was completed and list test results and supporting documentation.</p>
<p>Solvent Resistant Testing:</p> <p>License plates will be exposed to VM&amp;P naphtha, mineral spirits, turpentine, or other solvents commonly used on vehicle finishes. Rinsed and dried, the plate surface shall show no appreciable change following cleaning.</p> <p>As the performance measurement, the finished license plate test panel shall be immersed for one minute in toluene, methyl alcohol And 10minutes in Kerosene and Turpentine. After removal, hold the panel for 24 hours to dry. The test panel shall not show any visible change, which would reduce its effective performance.</p>	<p>Solvent Resistant Testing:</p> <p>*Please specify test was completed and list test results and supporting documentation.</p>
<p>Flexibility Testing:</p> <p>Bend the sheeting, in 1 s, around a 1 8 -in . (3.2-mm) mandrel with adhesive contacting the mandrel. For ease of testing, spread talcum powder on the adhesive to prevent sticking to the mandrel. The test specimen shall be 23 4 by 11 in. (70 by 229 mm). The test temperature shall be 70°F (23°C). (ASTM-D4956-04 7.9).</p>	<p>Flexibility Testing:</p> <p>*Please specify test was completed and list test results and supporting documentation.</p>

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Temporary Water Repellant Surface Coating:

To check for temporary water repellant surface coatings, a test panel shall be exposed for 150 hours to Twin Arc Weathering per ASTM G23-81 Type E. Following exposure, the panel shall be washed in a 5% HCL

Temporary Water Repellant Surface Coating:

Page

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Revised November 8, 1996

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Vehicle License Plate Sheeting  
and Over-Laminate

Description:

solution for 45 seconds, rinsed thoroughly with water, dried with a clean cloth and brought to equilibrium at 73 degrees F +/- 5 degrees F, and 50 percent +/- RH. The panel shall show no appreciable discoloration, cracking, crazing, blistering, lifting, or dimensional change. The surface shall continue to be essentially smooth and provide a compatible surface for direct application of validation stickers with pressure sensitive adhesive.

Adhesive and Protective Liner:

The adhesive backing of the retro-reflective sheeting is to have a pressure sensitive adhesive which requires no heat, solvent, or other preparation for adhesion to a smooth, clean surface.

The retro-reflective sheeting is to have sufficient adherence to the aluminum substrate to remain firmly attached during the license plate manufacturing process and for a minimum service life of five years.

The protective liner attached to the adhesive shall be removed by peeling without soaking in water or other solvents and shall be easily removed.

Adhesive and Protective Liner:

Security Watermark:

The nature of the security watermark shall be designed to inherently deter counterfeits. The image shall be an integral part of the sheeting and make unauthorized plate reproduction extremely difficult. The watermark cannot be added or duplicated after the license plate sheeting is manufactured.

The sheeting shall be imaged with a buried directional, integral security watermark, so as to be traceable to the manufacturer's production run from which the material originated.

The security watermark shall not be removable by chemical or physical means from the sheeting or the finished license plate without irreparable damage to the license plate.

Security Watermark:

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Retro-Reflective Sheeting Clear Overlamine  
Durabilty:

The thickness of clear overlamine material  
without protective liner must be between  
0.0035" and 0.0060"

Page

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Retro-Reflective Sheeting Clear Overlamine  
Durabilty:

Revised November 8, 1996

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Vehicle License Plate Sheeting  
and Over-Laminate

Description:

<p>The retro-reflective sheeting clear overlaminate must not become brittle, flake, discolor, or become powdery for at least five years.</p> <p>The retro-reflective sheeting clear overlaminate, including pre-printed emblems and logos, clear coat must be compatible with each other and have a minimum service life of five years.</p>	
<p>Warranty:</p> <p>The warranty marks shall be verifiable under both ambient light and retro-reflected light at night, shall not interfere or conflict with the plate design or aesthetics, and shall not alter sheeting colors or reduce overall sheeting brightness below specified levels.</p> <p>Warranty shall include a minimum service life of 5 years.</p>	<p>Warranty:</p>
<p>Size of Sheeting Rolls:</p> <p>11.9375" x 300 yds - AA, A1, Standard white with tick marks</p> <p>Rolls will not exceed 80 lbs.</p>	<p>Size of Sheeting Rolls:</p>


- A. SCOPE: This specification covers Motorcycle License Plate Sheeting and Over-Laminate
- B. VENDOR INFORMATION: The Motorcycle License Plate Sheeting and over-Laminate, offered shall be comparable with the detailed requirements listed below (unless otherwise noted). Bidders are to indicate exactly what they are offering in each one of the following blanks in the "BIDDER'S RESPONSE" column. If this is not done or it is incomplete, YOUR BID MAY NOT BE CONSIDERED FOR AWARD until you furnish all the information. DO NOT USE "COMPLY", "YES", "OK", "SAME", an "X" a "V" CHECKMARK or a (" ) DITTO MARK.
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D. BASIC REQUIREMENTS: BIDDER'S RESPONSE:  
(comparable to Requirements)

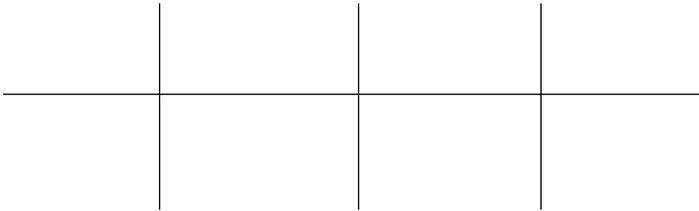
Description: Motorcycle License Plate Sheeting and Over-Laminate      Description:

<p>Manufacturer:</p> <hr/> <p>Sheeting Color:</p> <p>White reflective sheeting must be consistent and remain within the following color box for 5 years under normal use and conditions. The Chromaticity and luminance factor for CIE standard Illuminant D65 and 1931CIE 2° standard observer in accordance with ASTM E308, method E-1347 E1349, E2301. This color box is consistent with ASTM D-4956</p> <table style="margin-left: 40px;"> <thead> <tr> <th colspan="4">COLOR SPECIFICATIONS</th> </tr> <tr> <th>Color</th> <th>Chromaticity Coordinate</th> <th>Luminance</th> <th></th> </tr> <tr> <td></td> <td>Corner X</td> <td>Points Y</td> <td>Factor Y (%)</td> </tr> </thead> <tbody> <tr> <td>White</td> <td>0.303</td> <td>0.300</td> <td>35 Min.</td> </tr> <tr> <td></td> <td>0.368</td> <td>0.366</td> <td></td> </tr> <tr> <td></td> <td>0.340</td> <td>0.393</td> <td></td> </tr> <tr> <td></td> <td>0.274</td> <td>0.329</td> <td></td> </tr> </tbody> </table> <p>Pre-printed license plate designs shall be color-matched for approval by the government Other colors may be required based on the government requirements.</p>	COLOR SPECIFICATIONS				Color	Chromaticity Coordinate	Luminance			Corner X	Points Y	Factor Y (%)	White	0.303	0.300	35 Min.		0.368	0.366			0.340	0.393			0.274	0.329		<p>Manufacturer:</p> <hr/> <p>Sheeting Color:</p>
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Photometric Reflective Performance Minimum Values:

Photometric reflective performance values shall have the following minimum values at an observation angle of 0.2 degrees and-entrance angle of -4.0 degrees. The photometric reflective performance value of the sheeting, after cleaning, should retain at least 70 percent of the original minimum requirement at the end of five years under normal use and conditions. Photometric reflective performance values are expressed as minimum candlepower/foot - candle/square foot of

Photometric Reflective Performance Minimum Values:



D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Motorcycle License Plate  
Sheeting and Over-Laminate

Description:

white reflective license plate retro-  
reflective sheeting. Measurements shall be

conducted in accordance with ASTM E-810,  
"Standard Test Method for Coefficient of  
Retro-reflection of Retro-reflective  
Sheeting."

Color	Observation Angle/Entrance Angle	
	0.2/-4 Degrees	0.2/40 Degrees
White	75	32

Coefficient of Retro-reflectivity:

The Coefficient of Retro-reflectivity of the  
same finished license plate test panels,  
measured on the same flat area of the test  
panels, totally wet by rain, shall not be  
less than 90 percent of the values specified  
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described in FHWA Specification FP-79,  
Section 718.01 (c1).

Coefficient of Retro-reflectivity:

Bead Density:

Bead density. The beads must be contained in  
the enclosed lens in a uniform manner. When  
examined under a microscope more than 70% of  
the surface will be covered by beads. In  
other words no more than 30% of the surface  
can be exposed metallization absent of beads.

Bead Density:

<p>Accelerated Weathering Test:</p> <p>The Accelerated Weathering Test shall be conducted in accordance with the method described in the Federal Specification LS-300C, paragraphs 4.4.9, 4.4.9.1, 4.4.9.2, 4.4.9.3 , and 4.4.9.5, as amended. The test shall provide the following results, after the required hours of testing purposes shall be 1,000 hours:</p> <ul style="list-style-type: none"> <li>a. Show "good" color fastness, color measurements be within the color box</li> <li>b. Show no evidence of cracking, pitting, blistering, edge lifting, curling or more than 1/32" (0.08 cm.) shrinkage or expansion.</li> <li>c. Not be removable from the license plate made of aluminum.</li> </ul>	<p>Accelerate Weathering Test:</p> <p>*Please specify test was completed and list test results and supporting documentation.</p>
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<p>Performance Tests:</p> <p>These tests will be run concurrently with the</p>	<p>Performance Tests:</p> <p>*Please specify test was completed and list</p>
--	--

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Motorcycle License Plate  
Sheeting and Over-Laminate

Description:

<p>Accelerated Weathering above, and shall provide the same results, unless specified otherwise below:</p>	<p>test results and supporting documentation.</p>
<p>Salt Spray Testing: *LIST SPECIFICATIONS OF TEST- Subject a sample plate to the action of a saline mist for two cycles of 22 hours each, separated by an interval of 2 hours at room temperature during which the sample is allowed to dry. The saline mist shall be produced by atomizing, at a temperature of 95 +/- 3 degrees F, a saline solution obtained by dissolving 5 parts of sodium chloride in 95 parts of deionized water. After completion of the test, wash the sample plate with water, dry with a cloth, then examine it. There shall be no corrosion which would reduce its efficiency. (ISO 7591 section 15)</p>	<p>Salt Spray Testing: *Please specify test was completed and list test results and supporting aocumentation.</p>
<p>Temperature/Humidity Testing: Three samples six inches by 3 inches shall be applied to the aluminum test panel. One panel each subjected to the following conditions:</p> <ul style="list-style-type: none"><li>a. Resistance to heat: 160°F +/-5°F for 24 hours, condition at standard conditions for 2 hours then examined</li><li>b. Resistance to cold: -40°F +/-5°F for 24 hours, condition at standard conditions for 2 hours then examined</li><li>c. Resistance to humidity: 100% relative humidity at : 75°F +/-5°F for 24 hours, condition at standard conditions for 24hours then examined</li></ul> <p>No evidence of cracking, peeling, chipping, or delamination from the test panels</p>	<p>Temperature/Humidity Testing: *Please specify test was completed and list test results and supporting documentation.</p>

Impact Resistance Testing:

Impact Resistance-Apply the retro-reflective sheeting to a 3 by 5 by 0.040-inch. (76 by 127 by 1.016-mm) /6061-T6 aluminum test panel.

Condition for 24 hours at 70F. Subject the sheeting to the impact of a 2-lb (0.91-kg) weight, with a 5/8 -in. (15.8-mm) diameter rounded tip, dropped from the height necessary to generate an impact of 40 in.-lb (4.52 N-m). The reflective sheeting shall show no cracking or delamination outside the area of impact.

Note: May be subject to testing on .022 inches (.5588 mm)

Impact Resistance Testing:

\*Please specify test was completed and list test results and supporting documentation.

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Motorcycle License Plate  
Sheeting and Over-Laminate

Description:

Clean Ability Testing:

- a. Finished license plates shall be easily cleansed of normal dirt accumulation by washing with water and mild detergent. A test panel shall be sprayed with water-suspended soils collected from the underside of state vehicles and allowed to dry thoroughly. The water suspension of soils shall be prepared by scraping dirt from the underside of vehicle fenders, mixing with water in the proportion of five pounds (2.27 kg) of soil to one gallon (3.78 liters) of **water**, and pouring the mixture through a paint strainer.
- b. The mixture shall then be sprayed onto the panel while particles are in suspension. After the panel is thoroughly dry, it shall be cleaned by washing with a mixture of water and mild detergent, rinse with clear water and wiped dry for examination. The panel shall show no difference from a clean test panel plate.

Clean Ability Testing:

\*Please specify test was completed and list test results and supporting documentation.

Solvent Resistant Testing:

License plates will be exposed to **VM&P** naphtha, mineral spirits, turpentine, or other solvents commonly used on vehicle finishes. Rinsed and dried, the plate surface shall show no appreciable change following cleaning.

As the performance measurement, the finished license plate test panel shall be immersed for one minute in toluene, methyl alcohol and 10 minutes in Kerosene and Turpentine. After removal, hold the panel for 24 hours to dry. The test panel shall not show any visible change, which would reduce its effective performance.

Solvent Resistant Testing:

\*Please specify test was completed and list test results and supporting documentation.

Flexibility Testing:

Bend the sheeting, in 1 s, around a 1 8-in . (3.2-mm) mandrel with adhesive contacting the mandrel. For ease of testing, spread talcum powder on the adhesive to prevent sticking to the mandrel. The test specimen shall be 23/4 by 11 in. (70 by 229 mm). The test temperature shall be 70°F (23°C). (ASTM-D4956-04 7.9).

Flexibility Testing:

\*Please specify test was completed and list test results and supporting documentation.

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Temporary Water Repellant Surface Coating:

To check for temporary water repellent surface coatings, a test panel shall be exposed for 150 hours to Twin Arc Weathering per ASTM G23-81 Type E. Following exposure, the panel shall be washed in a 5% HCL

Temporary Water Repellant Surface Coating:

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Revised November 8, 1996

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:

(comparable to Requirements)

Description: Motorcycle License Plate  
Sheeting and Over-Laminate

Description:

solution for 45 seconds, rinsed thoroughly with water, dried with a clean cloth and brought to equilibrium at 73 degrees F +/- 5 degrees F, and 50 percent +/- RH. The panel shall show no appreciable discoloration, cracking, crazing, blistering, lifting, or dimensional change. The surface shall continue to be essentially smooth and provide a compatible surface for direct application of validation stickers with pressure sensitive adhesive.

Adhesive and Protective Liner:

The adhesive backing of the retro-reflective sheeting is to have a pressure sensitive adhesive which requires no heat, solvent, or other preparation for adhesion to a smooth, clean surface.

The retro-reflective sheeting is to have sufficient adherence to the aluminum substrate to remain firmly attached during the license plate manufacturing process and for a minimum service life of five years.

The protective liner attached to the adhesive shall be removed by peeling without soaking in water or other solvents and shall be easily removed.

Adhesive and Protective Liner:

Security Watermark:

The nature of the security watermark shall be designed to inherently deter counterfeits. The image shall be an integral part of the sheeting and make unauthorized plate reproduction extremely difficult. The watermark cannot be added or duplicated after the license plate sheeting is manufactured.

The sheeting shall be imaged with a buried directional, integral security watermark, so as to be traceable to the manufacturer's production run from which the material originated.

The security watermark shall not be removable by chemical or physical means from the sheeting or the finished license plate without irreparable damage to the license plate.

Security Watermark:

Retro-Reflective Sheeting Clear Overlamine  
Durabilty:

The thickness of clear overlamine material  
without protective liner must be between  
0.0035" and 0.0060"

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Retro-Reflective Sheeting Clear Overlamine  
Durabilty:

Revised November 8, 1996

D. BASIC REQUIREMENTS:

BIDDER'S RESPONSE:  
(comparable to Requirements)

Description: Motorcycle License Plate  
Sheeting and Over-Laminate

Description:

The retro-reflective sheeting clear overlaminate must not become brittle, flake, discolor, or become powdery for at least five years.

The retro-reflective sheeting clear overlaminate, including pre-printed emblems and logos, clear coat must be compatible with each other and have a minimum service life of five years.

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Warranty:

The warranty marks shall be verifiable under both ambient light and retro-reflected light at night, shall not interfere or conflict with the plate design or aesthetics, and shall not alter sheeting colors or reduce overall sheeting brightness below specified levels.

Warranty shall include a minimum service life of 5 years.

Warranty:

Size of Sheeting Rolls:

6.9375" x 200 kds - Motorcycle Al, Motorcycle white with tic marks

Rolls will not exceed 80 lbs.

Size of Sheeting Rolls:

Revised November 8, 1996



GEORGIA CORRECTIONAL INDUSTRIES

ADMINISTRATIVE OFFICES

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ASST. EXECUTIVE DIRECTOR

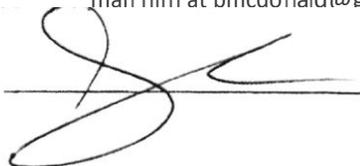
**THIS REQUIRES YOUR IMMEDIATE ATTENTION!**

House Bill 87, also known as the Illegal Immigration Reform and Enforcement Act of 2011, was passed during the 2011 session of the Georgia General Assembly and was signed by Governor Nathan Deal on May 13, 2011. Included in the Act is a requirement that all Contractors, Subcontractors and Sub-subcontractors of Construction, Public Works and other select consulting contracts be registered participants and active users of the federal work authorization program (currently E-Verify).

*A Public Works contract is any install, service, repair, maintenance or other type contract associated with a fixed asset. This means that any contractor/vendor allowed to work on GCI property including any building, structure, equipment or furniture should complete a Contractor Affidavit (and insure any subcontractor and/or sub-subcontractor do the same) and return the affidavit to the plant/business office before any work is done. Specific examples of Public Work contracts would include Pest Control, Garbage Service, Grease Trap Service, Boiler, Chiller, Elevator, Generator, Sprinkler, Alarm inspection/maintenance/repair, Automobile, etc. Again, any install, modification, demolition, maintenance and repair of a fixed asset (defined as real estate, buildings, equipment, automobiles and furniture) should be considered a Public Works contract.*

Effective immediately, all Public Work contracts should only be initiated and processed after receiving a completed; notarized Contractor Affidavit (see attached) from the service provider. The original is to be sent to the GCI Business Office (Accounting) and a copy of the affidavit should be retained in the plant/business office in the vendor's file. Contractor Affidavit forms will be available to you on our employee intranet as a PDF attachment for you to download as needed. The annual reporting period will be Dec 1 thru Nov. 30 of the following year. GCI has to submit a certification to the State Auditors that this process is completed at the end of each year and it is part of the annual audit process

If you have any questions or concerns, please contact Benny McDonald, Controller at 404-244-2951 or email him at [bmcDonald@eci-ga.com](mailto:bmcDonald@eci-ga.com)

Approved:  Interim Executive Director

**Contractor Affidavit under O.C.G.A. § 13-10-91(b)(1)**

**By executing this affidavit, the undersigned contractor verifies its compliance with O.C.G.A. § 13-10-91, stating affirmatively that the individual, firm or corporation which is engaged in the physical performance of services on behalf of (name of public employer) has registered with, is authorized to use and uses the federal work authorization program commonly known as E-Verify, or any subsequent replacement program, in accordance with the applicable provisions and deadlines established in**

O.C.G.A. § 13-10-91. Furthermore, the undersigned contractor will continue to use the **federal work authorization program throughout the contract period and the undersigned contractor will contract for the physical performance of services in satisfaction of such contract only with subcontractors who present an affidavit to the contractor with the information required by O.C.G.A. § 13-10-91(b). Contractor hereby attests that its federal work authorization user identification number and date of authorization are as follows:**

\_\_\_\_\_  
Federal Work Authorization User Identification Number

\_\_\_\_\_  
Date of Authorization

\_\_\_\_\_  
Name of Contractor

\_\_\_\_\_  
Name of Project

\_\_\_\_\_  
Name of Public Employer

I hereby declare under penalty of perjury that the foregoing is true and correct.

Executed on \_\_\_ \_\_, \_\_\_; 201\_\_ in \_\_\_ (city), \_\_\_ (state).

\_\_\_\_\_  
Signature of Authorized Officer or Agent

\_\_\_\_\_  
Printed Name and Title of Authorized Officer or Agent

SUBSCRIBED AND SWORN BEFORE ME

ON THIS THE \_ \_ DAY OF \_\_\_\_\_, 201\_\_

\_\_\_\_\_  
**NOTARY PUBLIC**

My Commission Expires:  
\_\_\_\_\_

References

GDC Reference Form		
Customer Name:		
Customer Address:		
Customer Contact Name:		Title:
Contact Phone:	Contact FAX:	Contact E-mail:
Size of Facility Served:		
Dates of Engagement:	From:	To:
Did your firm initiate Termination of Contract?	If yes, please provide details:	
Items list (estimated):		
Were there any delayed Deliveries of missed ETA ' s/ SL A' s		
Has there been any warranty related issues that have been reported? If yes, how were they resolved?		
Was the vendor able to provide additional stock more than the forecast if needed?	If yes, please provide an example:	
Were there any damage shipments? If yes, how were they handled and how quickly?		
Describe your firm's identification of, interaction with, and responsiveness to problems during the engagement:		

Describe any lessons learned:

What are the different types of sheeting you are utilizing for the license plate production? If yes, list type of sheeting and volume numbers against each type.

Have there been situations with the quality of material when the sheeting/over-laminate is still within warranty?