



State of New Jersey

Department of the Treasury

For Immediate Release:
March 20, 2008

For Information Contact:
Tom Vincz
(609) 633-6565

New Jersey Announces Intent to Award Five-Year Contract for Motor Vehicle Inspection Program

TRENTON – The Division of Purchase and Property today issued an Intent to Award a new five-year contract for New Jersey's Enhanced Motor Vehicle Inspection/Maintenance System, which includes significant cost savings, added system convenience and increased environmental features.

The Intent to Award the \$286 million contract follows a comprehensive and meticulous RFP development and procurement process. As part of a conditional extension of the current contract in 2003, the State in 2005 contracted with MACTEC Federal Programs, Inc. to develop options for determining and implementing a new, state-of-the-art motor vehicle inspection system. Following an interim report from MACTEC in December of 2005, the Corzine Administration conducted its own independent review of the vendor's preliminary findings by retaining WGS Consulting, LLC, led by former Supreme Court Justice Alan B. Handler. Justice Handler's report was completed in the fall of 2006, while MACTEC's final report was issued early last year. The RFP, issued in June of 2007, incorporated the MACTTEC findings and recommendations.

Four vendors responded to the RFP with competitive proposals. The winning vendor, which was selected by the evaluation committee as having the least expensive, technically responsive proposal, is the incumbent, Parsons Commercial Technology Group, Inc. The State's current contract with Parsons is due to expire in August of this year. A copy of the full evaluation committee report will be posted as a special notice on the Division of Purchase and property website, <http://www.state.nj.us/treasury/purchase/index.shtml>

Under terms of the winning bid, motorists should expect to spend less time at inspection stations. Technical enhancements will enable motorists to access the length of waiting times at each inspection station at any time through a new Website. The website will also provide motorists with the ability to see inspection history for vehicles, inspection reports, and sticker information on the Web.

The biennial inspection for most gasoline-fueled vehicles and light duty diesel vehicles will continue and the four-year exemption for new vehicles will be retained. Heavy duty diesel vehicles will continue to be subject to an annual inspection.

Beginning the second year of the new contract, once transition to the new system is complete, the cost of an inspection in New Jersey will be \$21.95, a \$7.39 per inspection savings over the current contract cost of \$29.34. This compares very favorably to other bidders' pricing, which ranged from \$1.66 to \$14.10 higher than Parsons' proposal.

Under the new contract, Parsons will also supply and maintain all equipment and software used to perform emission inspections and maintain and repair buildings and grounds at the inspection stations. This is a new feature over the prior contract. The inspection process under the new contract will also result in reductions in particulate matter discharged in vehicle emissions. New Jersey's inspection program is an integral part of the State's plan to comply with the National Ambient Air Quality Standards (NAAQS.) The program is designed to attain and maintain the health-based NAAQS for ozone, fine particulate matter, and carbon monoxide, in order to improve air quality and protect the health and welfare of the State's residents. The federal Clean Air Act of 1970 also required New Jersey to initiate an emission testing program as a way to improve air quality.

While the system will be enhanced with service and environmental features, and the added convenience to consumers, the State's costs to administer and maintain the inspection system will be reduced by \$59 million over the course of the five year contractual term.

New Jersey's motor vehicle inspection program is jointly administered by the State, a contractor and private facilities. The Motor Vehicle Commission (MVC) and the Department of Environmental Protection (DEP) primarily administer four program elements, including licensing, enforcement, program evaluation and public outreach. The contractor operates the central inspection facilities and provides safety and emissions inspection system equipment.

All bidders were advised today of the Intent to Award. Absent the filing of a valid protest over a 10 day period, the contract will be formally awarded to the successful bidder.

##