Washington State Joint Transportation Committee
Study of Vehicle Licensing Subagents in Washington State
Responses to RFP questions
August 19, 2019

Questions:

Q1: Two project budgets appear in the RFP, $275,000 in the proviso (page 6) and $265,000 in the RFP (section X, page 7). Which is the correct maximum budget for the project?
Response: The maximum budget for the project is $265,000.

Q2: The Staff Workgroup appears to be a large, diverse group. It is expected that we always work with the entire group? If not, do you have any specific alignment of project responsibilities with sub-groups of the Staff Workgroup?
Response: Each proposer will need to evaluate what level of interaction is necessary to accomplish the aims of the study. In past studies the consultant has checked in regularly with JTC staff, less frequently with the entire workgroup. The RFP requires at least two staff group meetings. You may propose your own strategy for engaging the workgroup, including use of subgroups.

Q3: Do you anticipate travel to visit subagent offices throughout the State? If so, which subagents (please provide addresses)?
Response: The data needs of the study do not necessarily require site visits. Each proposal will present that firm's view of the most effective way to gather the required information. Whether this includes site visits is a judgement call for each proposer.

Q4: What is behind Task 2, Analysis of Business Expenditures? I reviewed the legislative testimony and didn't find any clues as to what the intent is behind this task. Is the intent to validate and verify the cost information provided by the sub-agents during the legislative session? If not, what is the intent? What sort of sample size (# of sub-agents) is anticipated? Do all the sub-agents routinely provide digitized financial records to DOL each year? What sort of leverage does the DOL have over the sub-agents to be forthcoming re: providing digital financial records? Does the consultant have to attest to the accuracy of those financial records, or presume that they are accurate as provided by the sub-agents?
Response:

- <u>Intent behind analysis of business expenditures</u>: The intent section of EHB 1789 – (hyperlinked in RFP) referenced increasing subagent overhead costs. One of the main study goals is an independent analysis of those costs over time. The subagents did present cost data during the 2018 session, but the Legislature wants an independent analysis.
- <u>Statistical sample:</u> As stated in the RFP, the consultant's work requires "Identifying the annual business expenditures of each vehicle subagent business since 2010;". A statistical sample would not meet that requirement.
- <u>Financial information:</u> DOL has the licensing revenue information for each subagent. Expenditure information is maintained by each subagent independently and will have to be obtained from the subagent.

- Obtaining records: The “leverage” for providing expenditure information is the statutory requirements of the study proviso: “To accomplish this task, each vehicle subagent must provide expenditure data to the joint transportation committee for the purposes of this study” *see* section (a)(iii) of proviso.
- Accuracy of records: The JTC needs accurate information. Whether the expenditure analysis requires an auditing function is a question for each consultant to consider in crafting their proposal.

Q5: Section XI.C.2 states that the Technical Approach should not exceed 10 pages but then excludes resumes, quals, work samples, items which are incorporated into other sections of the proposal. Does the 10-page limit apply strictly to the Technical Approach or to the whole proposal (taking into account the exclusions)? If it just applies to the Technical Approach, is there a separate page limit on the Management Approach?
Response: The 10-page limit applies only to the technical approach section of the proposal. There is no specific page limit for the management approach.

Q6: What sort of questions does the JTC and the Legislature want answered in Task 1? Again, there was only minimal testimony available from the legislature’s website and staff report. For example, is the legislature concerned that there are not enough sub-agents due to high barriers to entry? And that vehicle and vessel owners are being inconvenienced? Does the Legislature want to determine the level of subsidies (including non-cash subsidies) provided to sub-agents and whether these are fully covering sub-agent operating costs? Does the Legislature want to ensure a minimal level of ROI to sub-agents by establishing a certain level of service fee? Knowing the actual legislative intent of the bill, the proviso and this project will really help in writing up a responsive approach section.
Response: The Legislature does not have a particular outcome in mind. Some members had questions about the structure of the subagent service model that could not be timely answered during the Legislative session. The purpose of the study is to provide the Legislature with the information it needs to evaluate relevant issues, including recommendations where appropriate. This could include some of the issues mentioned in the question. The Staff Workgroup can help the consultant to identify more specific issues and questions to address.