



**Solicitation Information  
September 2, 2005**

**LOI #B05549**

**TITLE: Analysis of Establishing Autobody Collision Repair Labor Rates**

**Submission Deadline: 9/23/05 at 11:00 AM**

Questions concerning this solicitation may also be e-mailed to the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than 9/14/05 at 2:00 PM. Please reference the RFP / LOI # on all correspondence. Questions received, if any, will be answered and posted on the Internet as an addendum to this solicitation. It is the responsibility of all interested parties to download this information.

<b>SURETY REQUIRED: No</b>
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<b>BOND REQUIRED: No</b>
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**Linda Roche  
Chief Buyer**

**Vendors must register on-line at the State Purchasing Website at  
[www.purchasing.state.ri.us](http://www.purchasing.state.ri.us).**

**NOTE TO VENDORS:**

**Offers received without the entire completed three-page RIVIP  
Generated Bidder Certification Form attached may result in  
disqualification.**

/db

**THIS PAGE IS NOT A BIDDER CERTIFICATION FORM**

REQUEST FOR LETTERS OF INTEREST  
AUTO COLLISION REPAIR SERVICES LABOR RATES

The Rhode Island Department of Administration/Division of Purchases, on behalf of the Department of Business Regulation is requesting letters of interest from qualified offerors, to provide an analysis of the economic necessity and administrative feasibility of establishing labor rates for the autobody collision repair industry, in accordance with the terms of this solicitation and the State's General Conditions of Purchase.

The Rhode Island Department of Business Regulation (DBR) is seeking expert consulting services for the Division of Commercial Licensing and Regulation's Autobody Section. The 2005 General Assembly amended R.I.G.L. 5-38-2 authorizing the Director of the DBR to retain outside consultants to review whether it is economically feasible and administratively feasible for the Department to establish a labor rate for the auto collision repair industry. The Director is required to report these findings to the Legislature by January 1, 2006.

A strong emphasis will be placed on knowledge of labor rates for varying professions; economic impact of such rates effects of such rates on insurance consumers; experience with governmental rate setting; knowledge of the automobile body industry and the insurance industry in the State of Rhode Island as well as regionally and nationally; financial and legal analysis expertise ;and economic, marketplace, and public policy analytical skills. Individuals and/or corporations that can demonstrate their knowledge, experience, and accomplishments in these areas are encouraged to submit Letters of Interest in response to this Request.

SECTION 1 – INSTRUCTIONS AND NOTIFICATIONS TO OFFERERS:

This solicitation, and subsequent award, is governed by the State's General Conditions of Purchase, which is available at [www.purchasing.ri.gov](http://www.purchasing.ri.gov).

To access the State's General Conditions of Purchase, enter our website, click on RIVIP, then click on General Information and then click on Rules and Regulations. Once the Rules and Regulations are displayed, scroll to the bottom of the page and double click on Appendix A, which contains the State's General Conditions of Purchase.

Potential Offerors are advised to review all sections of this solicitation carefully and to follow instructions completely, as failure to make a complete submission as described elsewhere herein may result in rejection of the proposal.

Alternative approaches and/or methodologies to accomplish the desired or intended results of this procurement are solicited. However, proposals which depart from or materially alter the terms, requirements, or scope of work defined by this Request will be rejected as being non-responsive.

The state reserves the right to award to one or more offeror. The State also reserves the right to award this project based on pricing alone.

All costs associated with developing or submitting a proposal in response to this Request, or to provide oral or written clarification of its content shall be borne by the offerer. The State assumes no responsibility for these costs.

**Proposals are considered to be irrevocable for a period of not less than sixty (60) days following the opening date, and may not be withdrawn, except with the express written permission of the State Purchasing Agent.**

All pricing submitted is to be considered fixed, unless otherwise indicated herein.

Proposals misdirected to other State locations or which are otherwise not present in the Office of Purchases at the time of opening for any cause will be determined to be late and will not be considered.

It is intended that an award pursuant to this request will be made to a sole contractor, who will assume responsibility for all aspects of the work. Joint venture, cooperative proposals, and subcontractors will not be considered, . . .

In accordance with Title 7, Chapter 1.1 of the General Laws of Rhode Island, no foreign corporation, or a corporation without a Rhode Island business address, shall have the right to transact business in the state until it shall have procured a Certificate of Authority to do so from the Rhode Island Secretary of State (401-222-3040). *This is a requirement only of the selected vendor(s).*

Bidders are advised that all materials submitted to the State of Rhode Island for consideration in response to this Letter of Interest/Request for Proposal will be considered to be public records, as defined in Title 38 Chapter 2 of the Rhode Island General Laws, without exception, and will be released for inspection immediately upon request, once an award has been made.

The purchase of services under an award made pursuant to this request will be contingent upon the availability of funds which, pursuant to the above-referenced statute, are to be provided by the Legislature or the auto body collision repair industry.

Interested parties are instructed to peruse the Division of Purchases website on a regular basis, as additional information relating to this solicitation may be released in the form of an addendum to this LOI.

The offeror should be aware of the State's Minority Business Enterprise (MBE) requirements, which addresses the State's goal of ten per cent (10%) participation by MBE's in all State procurements. For further information, contact the MBE Administrator, at (401) 222-6253 or visit the website at <http://www.rimbe.org>

Awards resulting from this Request will be subject to the State's General Conditions of Purchase, which are available through the Internet at [www.purchasing.state.ri.us](http://www.purchasing.state.ri.us).

Questions, in **Microsoft Word Format**, concerning this solicitation, may be e-mailed to the Division of Purchases at [questions@purchasing.state.ri.us](mailto:questions@purchasing.state.ri.us) no later than the date & Time indicated on page 1 of this solicitation. Please reference **LOI #B05549** on all correspondence.

Responses to questions received, if any, will be provided, as an Addendum to this LOI, and posted on the Rhode Island Division of Purchases website at ([www.purchasing.state.ri.us](http://www.purchasing.state.ri.us)). It is the responsibility of all interested offerors to download this additional information. *If technical assistance is required to download, call the Help desk at (401) 222-2142, ext. 134.*

Letters of Interest to provide the required services must be received by the Division of Purchases **on or before DATE AND TIME (EDT)**. Responses (a clearly marked original plus three (3) copies) should be mailed or hand-delivered in a sealed envelope marked "LOI NUMBER: B05549 to:

By Courier:	By Mail:
RI Dept. of Administration Division of Purchases, 2 <sup>nd</sup> floor One Capitol Hill Providence, RI 02908-5855	RI Department of Administration Division of Purchases P. O. Box 6528 Providence, RI 02940-6528

NOTE: Proposals received after the above-referenced due date and time will not be considered. Proposals misdirected to other State locations or which are otherwise not presented in the Division of Purchases by the scheduled due date and time will be determined to be late and will not be considered. Proposals faxed, or emailed, to the Division of Purchases will not be considered. The "official" time clock is located in the reception area for the Division of Purchases. **(Please be advised that Fedex/UPS do not always arrive by 10:30 am, offerors should attempt to send the submission to arrive at least one day early).**

## SECTION 2 – SCOPE OF WORK

### BACKGROUND AND PURPOSE

#### **Intent**

The primary purpose of this request is to solicit proposals from qualified firms to review the economic impact and administrative feasibility of establishment of labor rates for the autobody collision repair industry by the DBR. This analysis will include:

- The economic necessity for such rate setting, including, but not limited to, an analysis of competitive and noncompetitive forces in the marketplace as well as present marketplace conditions

- Suggested procedures and analysis of costs, including future budget requirements, to the DBR for such rate setting;
- The effect on premiums paid by auto insurance consumers and auto body shop consumers of such rate setting;
- Analysis of the impact on consumers for both repairs covered by insurance companies and those paid for directly by the consumer.
- Analysis of legal and public policy implications of rate setting for these industries; as well as the economic impact on both the insurance and auto body collision repair industries; and
- Procedures employed by other states with regard to rate setting.

### **Specific Requirements**

The vendor must possess extensive prior experience in the review of rate setting procedures in competitive and non-competitive markets). Vendor should also possess knowledge of both the automobile body collision repair industry and the auto insurance industry.

### **GENERAL DESCRIPTION**

#### **General Scope of Work**

The offeror will be responsible for providing the DBR with a detailed written analysis of the impact of such labor rates on the auto collision repair industry and the insurance industry **no later than December 1, 2005.**

### **PROJECT KEY COMPONENTS**

#### **Specific Activities / Tasks**

The successful offeror shall be solely responsible for meeting all terms and conditions specified in the Request for LOI or Proposal, and any resulting contract. The use of any subcontractors or other vendors must receive prior approval by the State. The Rhode Island Department of Administration shall reserve the right to clarify the terms and conditions of any proposal submitted. The offeror recommended for this award will be notified by the Department of Administration. A contract will be developed in cooperation with the Rhode Island State Department of Administration and the award recipient that will incorporate a final work plan and schedule.

### **REQUIRED FORMAT**

### **PROPOSAL SUBMISSION**

Proposals must include the following:

1. An R.I.V.I.P.-generated bidder certification cover sheet (downloaded from the R.I. Division of Purchases Internet home page at <http://www.purchasing.state.ri.us>;
2. A Technical Proposal describing the background, qualifications, and experience with and for similar programs, as well as the work plan or approach proposed for this requirement;
3. A Cost Proposal reflecting the fee structure proposed for this scope of service; and
4. A completed and signed W-9 downloaded from the Division of Purchases website at <http://www.purchasing.state.ri.us> .

OFFERORS are required to submit an original (**Clearly marked as “ORIGINAL”**) and (3) copies of their Letters of Interest/Requests for Proposal in a ring binder divided into sections as described below. Failure to comply with this format will be grounds for rejecting the proposal.

#### EVALUATION CRITERIA

Responses will be evaluated in two parts. Part one will require the technical submission and will be evaluated on the following criteria:

The Technical Proposal must contain the following sections:

a. Executive Summary

The Executive Summary is intended to highlight the contents of the Technical Proposal and to provide State evaluators with a broad understanding of the offeror's technical approach and ability.

b. Offeror's Organization and Staffing

This section shall include identification of all staff and/or subcontractors proposed as members of the project team, and the duties, responsibilities, and concentration of effort which apply to each ( as well as resumes, curricula vitae, or statements of prior experience and qualification).

c. Work Plan/Approach Proposed

This section shall describe the offeror's understanding of the State's

requirement, including the result(s) intended and desired, the approach and/or methodology to be employed, and a work plan for accomplishing the results proposed. The description of approach shall discuss and justify the approach proposed to be taken for each task, and the technical issues that will or may be confronted at each stage on the project. The work plan description shall include a detailed proposed project schedule (by task and subtask), a list of tasks, activities, and/or milestones that will be employed to administer the project, the assignment of staff members and concentration of effort for each, and the attributable deliverables for each and will identify and describe what type of tutor training methodology will be utilized in the program.

- d. Previous Experience and Background, including the following information:
  - i. A comprehensive listing of similar projects undertaken and/or similar clients served, including a brief description of the projects;
  - ii. A description of the business background of the offeror (and all subcontractors proposed), including a description of their financial position.
  - iii. As appropriate, vitae of key staff who may provide services covered by this request.
- e. The offeror's status as a Minority Business Enterprise (MBE), certified by the Rhode Island Department of Administration, and/or a subcontracting plan which addresses the State's goal of ten per cent (10%) participation by MBE's in all State procurements. Questions concerning this requirement should be addressed to Charles Newton, M.B.E. Officer, at (401) 277-6253.
- f. A cost proposal indicating the number and type of professionals to be employed and the hourly rate, including overhead, for each. The cost proposal will also list the total fixed cost for the entire project.

**SECTION 5 - EVALUATION AND SELECTION**

The State will commission a Technical Review Committee, which will evaluate and score all proposals, using the following criteria:

Criteria	Possible Points
Staff Qualifications	15 Points
Capability, Capacity, and Qualifications of the Offeror, including the ability to complete the project within the required time-frame	25 Points
Quality of the Work plan	25 Points

Suitability of Approach/Methodology	20 Points
<b>Total Possible Technical Points</b>	<b>80 Points</b>
Cost [calculated as (lowest responsive cost proposal) divided by (this cost proposal) times 20 points]	15 Points
<b>Total Possible Points</b>	<b>100 Points</b>

**All offerers must receive a minimum score of 60 points on the technical submission. Offers not scoring at least 60 points will not be considered further.**

The Technical Review Sub-Committee will present written findings, including the results of all evaluations, to the State's Architect/Engineer and Consultant Services Selection Committee, which will recommend three finalists to the Director of the Department of Administration, who will make the final selection for this requirement.

Notwithstanding the above, the State reserves the right to accept or reject any and all offers.

**END**