



Request For Proposals
For The Establishment Of Vehicle Testing Centres
For Issue Of
Vehicle Emission Certificates

Department of Motor Traffic
Ministry of Transport Highways & Civil Aviation
Government of The Democratic Socialist Republic of Sri Lanka

Vehicle Emission Control Cell
Air Resource Management Centre (AirMAC)



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**GOVERNMENT OF SRI LANKA
MINISTRY OF TRANSPORT, HIGHWAYS AND CIVIL AVIATION
DEPARTMENT OF MOTOR TRAFFIC**

NOTICE OF REQUEST FOR PROPOSALS (RFP)

SOLICITATION: 15TH SEPTEMBER 2003

DESCRIPTION: SRI LANKA ANNUAL VEHICLE EMISSIONS TESTING (VET) PROGRAM

SOLICITATION DUE DATE AND TIME: 20TH OCTOBER 2003 AT 10.00 A.M. SRI LANKAN TIME

PRE-PROPOSAL CONFERENCE: CONFERENCE TO BE HELD ON 3RD OCTOBER 2003. Please refer to the Special Instructions to Bidders for further information.

BID DELIVERY LOCATION: Department of Motor Traffic, No 341, Elvitigala Mawatha, Colombo 5.

In accordance with Government Tender Procedure competitive sealed proposals for the services specified will be received by the Department of Motor Traffic at the specified location until the time and date cited above. Bids received by the correct time and date will be opened and the name of each bidder will be publicly read.

Bids must be in the actual possession of the Department of Motor Traffic Tender Box, on or prior to the time and date, and at the location indicated above. Late bids shall not be considered.

Bids must be submitted in a sealed package with the Request For Proposal number and the Bidder's name and address clearly indicated on the package. Additional instructions for preparing a proposal are provided in the General and Special Instructions to bidders as contained within this RFP.

BIDDERS ARE STRONGLY ENCOURAGED TO CAREFULLY READ THE ENTIRE REQUEST FOR PROPOSALS BEFORE SUBMITTING THE PROPOSAL

Solicitation Contact Person /: Mr. Gamini S Senarath
Authorized Procurement Commissioner of Motor Traffic
(CANC)

Chairman. Cabinet Appointed
Negotiating Committee

Officer (APO)

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1 INTRODUCTION AND GENERAL INFORMATION

- 1.1 **Objective:** The objective of this Request for Proposals (RFP) is the operation of Sri Lanka's periodic vehicle emissions testing program, to be known as Vehicle Emission Testing (VET). The program identifies vehicles which exceed applicable emission standards, requires repair of the cause of the failure, and requires that a failing vehicle passes a retest before it can be given the annual revenue licence by the licensing authority. To achieve this objective, the successful bidder must provide:
- 1.1.1 A network of conveniently located and readily accessible testing centers located throughout the country. The network shall have a sufficient number of testing lanes to meet demand for testing through the term of the Contract, no more than forty (40) percent of subject motorists waiting more than fifteen (15) minutes for the test to begin, and no more than twenty (20) percent of subject motorists waiting more than thirty (30) minutes for the test to begin and the rest forty (40) percent waiting not more than sixty (60) minutes for the test to begin. Sites serving high population growth areas shall be capable of expanding should anticipated demand significantly exceed projections.
 - 1.1.1.1 Mobile Service in areas where permanent testing centers cannot be located and where chassis dynamometer testing is not required.
 - 1.1.1.2 Convenient hours of operation.
 - 1.1.2 State of the art testing equipment, instrumentation, and testing system.
 - 1.1.3 Professional, well trained, helpful and courteous personnel.
 - 1.1.4 Performance of tests consistent with applicable State laws, rules, and technical guidance. Consistency of approach and application from location to location, lane to lane, employee to employee, and where applicable, area to area.
 - 1.1.5 Maximized identification of high emitting vehicles.
 - 1.1.6 Accuracy, dependability and reliability of equipment and testing system.
 - 1.1.7 A clean, safe and healthy environment for employees and customers.
 - 1.1.8 Quality customer service and timely customer complaint resolution (damage claims and all others).
 - 1.1.9 A free retest for each failing vehicle provided the vehicle is presented within sixty (60) Days of the previous paid test, the driver surrenders the Vehicle Testing Report (VTR) from the previous paid test, and required repair information has been provided on the back of the VTR.

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1.1.10 Efficiency and cost effectiveness (lowest possible test fees).

1.1.11 Public (customer) education and assistance.

1.1.12 Continuous assessment and reporting of performance matrix.

1.1.13 Ongoing quality control and assurance.

1.2 **Background Information:**

1.2.1 Sri Lanka initiated action for controlling air pollution, in 1992 under Clean Air 2000 Action Plan, which was developed by the Metropolitan Environment Improvement Program (MEIP) of the World Bank. National Policy on Air Quality Management was approved by the government in 2000. Ambient Air Quality standards were gazetted in 1994 and two stations were set up in Colombo area, to monitor the ambient air quality. Analysis of data received from the two stations indicated an increasing trend of air pollution level in Colombo area.

1.2.2 It has been found that the major source of air pollution in Colombo and other urban areas is the Vehicle Emissions. The Ministry of Environment and Natural Resources has gazetted Regulations specifying mobile air emission standards, fuel standards and vehicle specification standards for importation, under section 32 of the National Environmental Act No. 47 of 1980, which will be effective from 1st July 2003.

1.2.3 These Regulations stipulate that the Commissioner of Motor Traffic is responsible for the enforcement of mobile air emission standards through authorization of accredited garages for the purpose of testing and certifying air emission levels of any motor vehicle. In order to give appropriate authority to the Commissioner of Motor Traffic, to implement this activity, regulations are to be gazetted under Section 19, 202 and 237 of the Motor Traffic Act No. 21 of 1981.

1.2.4 To achieve the goal of the Ministry of Environment and Natural Resources, Central Environmental Authority and the Department of Motor Traffic, to improve the air quality in Sri Lanka, by implementing the regulations on Mobile air emission standards, the RFP is designed to solicit proposals from qualified bidders to implement and maintain a Vehicle Testing Program for Sri Lanka, as accredited vehicle emission testing centers for testing and certifying motor vehicles.

1.3 **Terminology:** The following terms are used in this RFP.

1.3.1 **CEA** – Central Environmental Authority, “Parisara Piyasa”, 104, Robert Gunawardana Mawatha, Battaramulla.

1.3.2 **Center Operation** – Operation of the vehicle emission testing center.

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- 1.3.3 **Commissioner** – Commissioner of Motor Traffic, Sri Lanka.
- 1.3.4 **Data Management Operation** – Operation of the data management system of the Vehicle Emission Testing Program.
- 1.3.5 **DMT** - Department of Motor Traffic, No 341, Elvitigala Mawatha, Colombo 5.
- 1.3.6 **State** - Government of Sri Lanka and the Department or Agency of the government that executes the contract.
- 1.3.7 **TA** – Technical Advisors in vehicle emission testing centers.
- 1.3.8 **VET Certificate** - Vehicle Emissions Test Certificate.
- 1.3.9 **VET Program** - Vehicle Emission Testing Program.
- 1.3.10 **VTR** - Vehicle Test Report

2 **VEHICLE EMISSIONS TESTING PROGRAM REQUIRMENTS.**

2.1 **Network Design**

2.1.1 The VET Program is designed to satisfy the State laws, rules and requirements for a centralized test only.

2.1.2 The Contractor shall design, implement and operate a VET program for the entire country as decided by DMT in accordance with requirements, scope of work, Terms and Conditions in the Contract. If facilities are leased, the lease shall include renewal rights for not less than five years. But the site is subject to written approval by DMT. Contractor shall give consideration to employment, locations, and commuting patterns when selecting the locations of centers. It is desirable that centers not be in close proximity to religious institutions, schools, hospitals and parks. Vehicle Emissions Testing Centers shall be located within three (3) kilometers of the proposed locations and are subject to DMT approval. In the event that the facility location falls outside of the three (3) kilometer radius, DMT approval of the variance shall be required.

2.1.2.1 **Mobile service**

Where establishment of permanent testing centers is not feasible the contractor shall make arrangements to operate a mobile service with the approval of DMT. The date, time and venue of each mobile service shall be reported to DMT in advance and DMT approval shall be obtained before operating the mobile service.

2.1.3 There shall be an adequate number of testing lanes at each testing center so that, excluding

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the last six (6) operating days of that month, no more than forty percent (40%) of all customers are required to wait more than fifteen (15) minutes before the testing begins and no more than twenty percent (20%) of all customers wait more than thirty (30) minutes for the testing to begin and the rest forty (40) percent waiting not more than sixty (60) minutes for the test to begin.

- 2.1.4 The Contractor shall procure all labor, materials, and financial resources necessary to locate, design and/or construct testing centers, or acquire land or properties. The Contractor shall equip and operate the testing centers.
- 2.1.5 **Building Permits:** The Contractor shall be responsible for satisfying all national, provincial, and local governmental regulations. These may include securing building permits to initiate work at each site, bearing the costs of all required permits, impact and environmental studies, and any costs associated with the development or use of the sites, including, but not limited to, the cost of gaining access to state and local highways. The Contractor shall comply with all applicable environmental requirements. The State shall not be liable for any potential environmental problems associated with the development of sites.
- 2.1.6 **Zoning Conformity:** The Contractor's buildings and construction shall conform to local zoning laws, ordinances, and building codes, whichever is more demanding in its requirements. Additionally, all Occupational Safety and Health Administration (OSHA) requirements shall be followed.
- 2.1.7 **Facility Design:** The Contractor shall design facilities compatible with the general architectural design of the neighboring community in which they will be located. Centers shall be attractive and functional, with efficient utilization of space and be economical to operate and maintain. Architectural design for new building construction shall be reviewed and approved in writing in advance by DMT.
- 2.1.8 **Site Acquisition** The Contractor shall locate and acquire sites and/or existing properties of sufficient number and size to meet the customer convenience requirements and the technical requirements in this RFP. Areas of concentrated employment and highway usage shall also be taken into consideration. The design and location shall be subject to the approval of DMT.
- 2.1.9 **Site Selection:** In addition to the factors in the Network Design section, the Contractor shall consider the following factors when selecting sites:
 - 2.1.9.1 The number and types of vehicles to be tested
 - 2.1.9.2 Measures required to provide sufficient queuing space, safe and convenient means of entrance to and exit from the property without unduly affecting traffic flow,
 - 2.1.9.3 Sites shall be reasonably level and shall be of sufficient size to accommodate the testing

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center,

- 2.1.9.4 The plans to address any site problem areas including, but not limited to, topography, terrain, drainage, utilities, and traffic concerns,
- 2.1.9.5 The impact of traffic and land use on adjoining property and the surrounding neighborhood, and
- 2.1.9.6 The compatibility of the planned use with local zoning and land use requirements.
- 2.1.10 The Contractor shall, within sixty (60) Days after receiving a Notice to Proceed, provide proof of ownership or lease for all approved sites. Proof of ownership or lease includes binding agreements to sell or lease real property contingent upon Contractor's receiving required permits.

2.2 Facility Construction

- 2.2.1 Construction Requirements: The Contractor shall be responsible for testing center building modifications and/or construction. The responsibilities for modification and/or construction include, but are not limited to, site work, foundations, structural framing, roofing, glazing, waterproofing, insulation, doors, interiors, partitions, finishes, plumbing, fire protection, heating, ventilating, air conditioning, electrical systems (including emergency backup power sufficient to assure the continuity and integrity of the test data), lighting, communication, and alarm systems. Each building shall be connected to water, sewer, electric and telephone utilities.
- 2.2.2 **Facility Features:** All testing facilities shall be fully enclosed. Areas may be combined where feasible and reasonable. The interior of testing centers shall consist of the following:
 - 2.2.2.1 A motorist service area sufficient in size to accommodate the required functions and personnel,
 - 2.2.2.2 Storage for operating and maintenance supplies and materials, including sufficient spare parts and backup equipment,
 - 2.2.2.3 Calibration and span gas bottle storage room,
 - 2.2.2.4 A mechanical room for maintenance work, if applicable,
 - 2.2.2.5 Security facilities for program revenues,
 - 2.2.2.6 Separate men's and women's restrooms for employee and motorist use. Restroom facilities may be shared by the public and by Contractor employees, and
 - 2.2.2.7 Testing centers must be kept clean and sanitary at all times.

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- 2.2.3 **Other Services:** The Contractor shall design testing centers so that any other service or activity associated with the facility will not infringe on the area established for queuing, testing, motorist parking, or vehicle storage.
- 2.2.4 **Parking:** The Contractor shall provide parking spaces for Contractor employees, plus at least one parking space per lane for motorists. Parking space for physically challenged persons shall also be provided.
- 2.2.5 **Queuing:** The Contractor shall design testing lanes with adequate queuing space for vehicles waiting to enter the testing area. All queuing space shall be on center property and shall not overflow onto an adjacent street or conflict with center parking areas.
- 2.2.5.1 Each testing lane shall have dedicated vehicle queuing space measuring at least fifty (50) consecutive meters long and four (4) meters wide, not including entrances and single lane driveways. Averaging or compounding measurements are not allowed.
- 2.2.5.2 The location on each site of vehicle queuing shall not permit vehicles to enter the queuing lanes directly from adjacent roads, streets or highways.
- 2.2.6 **Vehicle Clearance:** The Contractor shall design lane entrances and exits to accommodate vehicles up to 3800 mm maximum vehicle height, except that lanes designed for the testing of heavy duty diesel vehicles shall have a minimum door height of 4100mm. All testing lanes shall provide for drive through entrances and exits, which minimize conflict with other vehicles present for testing or other business.
- 2.2.7 **Paving:** The Contractor shall ensure that all surfaces upon which vehicles will move are properly paved and maintained. Lane and directional markings shall be properly painted and maintained. All markings shall be consistent with those used on public highways.
- 2.2.8 **Landscaping:** The Contractor shall appropriately landscape and provide suitable ground cover. Exposed soil is prohibited. If local planning and zoning regulations require foliage buffering, landscaping shall be enhanced through the use of turf, trees, shrubs or other plantings. The landscape treatment shall be complimentary to the architectural design of the center and consistent with local surroundings and shall favor low water use plants.
- 2.2.9 **Center Signs:** Each testing center shall have at least one permanent illuminated testing center sign, separate from the main center, constructed of like material as the testing center, identifying it as a vehicle emission testing center. The sign(s) should be of sufficient size to be easily read from both traffic directions of the nearest adjacent highway, road or street. Sign location is subject to the approval of DMT.
- 2.2.9.1 Each center shall also have signs clearly identifying lane entrances and exits, traffic direction, visitor information, visitor parking and motorist instructions for testing.
- 2.2.10 The Contractor shall utilize the lane configuration specified in the Contract. The testing tasks to be performed at each lane position and the sequence of events shall be as specified in

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the Contract.

- 2.2.10.1 All centers shall have the capability for testing all vehicles excluding land vehicles. Any variation in this regard shall be subject to the approval of the Department of Motor Traffic.
- 2.2.11 **Lane Design:** The Contractor shall design lanes that provide a vehicular travel surface sufficient to accommodate all vehicle types registered in Sri Lanka excluding land vehicles.
- 2.2.12 **Floors:** The Contractor shall provide testing bays that contain a flat, smooth, hard surface floor. All floors should be sealed and have an anti-slip compound applied in foot traffic areas. Floor areas shall be free of obstructions unrelated to the testing procedures.
- 2.2.13 **Ventilation :** The Contractor shall ensure that all centers, testing lane areas including customer waiting areas (see Section 2.2.17 of the Scope of Work), are adequately cooled and ventilated to provide for employee, patron and visitor comfort and safety, and to ensure proper equipment operation. The ventilation system shall be sized to ensure that carbon monoxide(CO) exposure of employees does not exceed nine (9) ppm on an eight (8) hour time weighted average for any single day of operation. Carbon monoxide monitors are required and the detectors shall be placed adjacent to the emission test position of the center lane(s) five to six feet above the floor. (Energy-saving techniques and equipment shall be utilized to the greatest extent feasible).
- 2.2.13.1 The maximum concentration CO level may not exceed 58 parts per million (ppm) at any time. Operations shall cease if ambient CO within the testing facilities exceeds a maximum instantaneous level of fifty eight (58) ppm.
- 2.2.13.2 One CO monitor per center shall be required and shall be placed adjacent to the emissions test position of the center lane(s), five to six feet above the floor.
- 2.2.13.3 Exhaust fans shall be provided in each center and shall operate when environmental, weather, or other conditions necessitate their use.
- 2.2.13.4 Contractor shall ensure that all testing centers minimize the effects of noise generated from fans, blowers, compressors, and the testing of vehicles on surrounding residential areas.
- 2.2.14 **Lighting:** The Contractor shall provide adequate lighting for all office areas, testing lanes, and waiting areas. Lighting systems shall be designed for maximum energy efficiency. Sites shall provide for adequate lighting of entrances, exits, queuing and parking areas during non-daylight business hours. Parking and queuing areas shall be illuminated adequately. Energy-saving techniques and equipment shall be utilized to the greatest extent feasible. Area lighting shall not shine directly on neighboring premises.
- 2.2.15 **Protection of Persons and Property:** The Contractor shall design testing centers that incorporate provisions for the protection of motorists, employees, all personnel, any other

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persons on the premises, equipment, structures and property.

- 2.2.16 **Operations:** The Contractor shall design centers so that all testing procedures, including exit and re-entry of the motorist from the vehicle, are performed under the roof of the building. Adequate facilities shall be provided at each location for accommodating physically challenged persons. Motorists shall not be exposed to any unsafe condition from the time they exit the vehicle until they re-enter it upon completion of the testing procedures. Motorists shall be allowed to remain in their vehicle during the test by moving to a vacant passenger seat. Passengers may be allowed to remain in the vehicle during testing, if space permits. Unsafe conditions include, but are not limited to, the presence of motor vehicles, vehicle emissions, weather, or other hazards or obstacles.
- 2.2.17 **Waiting Areas:** The Contractor shall design centers that provide safe, convenient and comfortable waiting areas for motorists. Direct access to waiting areas shall be located adjacent to each testing lane. Access to the waiting areas shall not require motorists or passengers to cross any testing lane, testing lane entrance or queuing lane other than the lane in which their vehicle is located. Ideally, passengers should be able to enter a waiting area on the side of the vehicle from which they exit.
- 2.2.17.1 **Waiting Area Design:** The Contractor shall design each waiting area to be large enough to accommodate the number of persons that could reasonably be expected to occupy the vehicles in the testing areas. The waiting areas must be reasonably protected from the testing operations. Seating should be available for those individuals that may require it. The waiting areas shall either be air conditioned or ventilated.
- 2.2.17.2 **Viewing:** The Contractor shall provide waiting areas that allow motorists to view the testing of their vehicles. The customer's use of the waiting area shall be optional. DMT prefers to allow motorists to view the testing from within their vehicle. Contractor personnel shall advise motorists of the option to stay in their vehicle or use the waiting areas.
- 2.2.18 **DMT Design Approval:** Within seventy-five days (75) Days of receiving the Notice to Proceed, the Contractor shall submit a detailed design of each center to DMT for review and approval. For facilities that will be newly constructed, final construction documents shall be prepared, signed and sealed by a registered architect and/or Professional Engineer licensed to practice in Sri Lanka. The design must be approved in writing by DMT. The Contractor shall amend specifications or revise any designs not meeting DMT requirements.
- 2.2.19 The Contractor shall provide maximum protection from injury for employees and motorists.
- The Contractor's safety program shall address, but not be limited to, the following areas: Building security; Fire; Earthquake; Flood; Severe storm warning; Civil disturbance; Bomb threat; Explosion; Personnel and motorist evacuation plan; Personnel operating procedures; and Safe conditions of pavement and sidewalks.
- 2.2.20 The Contractor shall implement security procedures that include, but are not limited to, the following:

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- 2.2.20.1 Methods for preventing unauthorized tampering with the testing and data processing equipment,
 - 2.2.20.2 A system that shall include daily accounting for all Vehicle Test Reports,
 - 2.2.20.3 A system of security for money handling that shall include the secure depositing of funds, and
 - 2.2.20.4 A system for identifying and handling personnel problems.
 - 2.2.21 **Test Monitoring:** The Contractor shall subject to the approval of the DMT, provide a suitable mechanism for supervision and monitoring of testing operations and for facilitating the prevention of fraud or violence.
- 2.3 Testing System Equipment**
- 2.3.1 The Contractor shall acquire, install, and test all of the emissions testing equipment required to operate all aspects of the program, as well as a sufficient number of backup units as specified by the Contract. The Contractor shall procure and install all of the furniture, furnishings, and accessories as required to operate the program.
 - 2.3.2 The Contractor shall maintain current equipment design documentation at the Contractor's administrative offices. Documentation shall include, but is not limited to:
 - 2.3.2.1 Specifications for materials, parts and equipment lists,
 - 2.3.2.2 Catalog data sheets,
 - 2.3.2.3 Performance curves,
 - 2.3.2.4 Diagrams and similar descriptive materials,
 - 2.3.2.5 Master block diagrams of the complete system containing sufficient information to serve as assembly drawings for the system, when necessary
 - 2.3.2.6 Equipment layout for the center, showing the precise location of each major item of equipment and the required utilities for each. Electrical services shall be indicated by voltage, phase and current load, air pressure and maximum volume flow, and water drainage locations,
 - 2.3.2.7 **Installation drawings and procedures.** All details shall be final and shall cover all phases of installation such as pit requirements, air supply, electrical requirements, water supply and disposal, and
 - 2.3.2.8 Complete installation procedures.
 - 2.3.3 The Contractor shall maintain an inventory of spare parts, supplies, equipment, and

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calibration gases for testing centers. Inventory may be kept at testing centers or elsewhere. The inventory of spare parts, supplies, equipment and calibration gases shall be adequate to provide for all anticipated or scheduled maintenance and service needs of the operations. All spare parts, equipment and gases removed from inventory shall be replaced promptly.

2.3.4 The Contractor shall utilize reliable equipment and establish an effective preventative maintenance program, which includes provisioning for spare parts and repair or replacement of defective or worn equipment.

2.4 VET Program Operation

2.4.1 The days and daily hours of the VET Program operation shall include at least eleven continuous hours of operation minimum on 6 days a week including Saturdays and Sundays Contractor need not operate centers on mercantile holidays.

2.4.2 The Contractor shall operate the testing centers in compliance with the following reliability standards.

2.4.2.1 Regular and preventive maintenance shall be scheduled either outside normal hours of operation or during hours of low demand. Maintenance during normal operating hours shall not interfere with providing the required level of service to the public.

2.4.2.2 Equipment failures, repairs, or replacement activities shall not result in all the lanes of any testing center being shut down during business hours.

2.4.2.3 Equipment failures, repairs, or replacement activities shall not result in test lane downtime for more than eighteen (18) hours of operation for any single event or a network total of more than 0.5% of available lane time in any month. A lane is down when the lane is not available for testing. As examples only, a lane might be unavailable for testing because of equipment that is not functioning properly or because of inadequate staffing levels. If a lane has multipurpose capabilities, such as for testing heavy duty diesel vehicles or constant four wheel drive vehicles, the lane is considered to be down if any of these such capabilities is not operating. A lane is not considered down if the Contractor is able to keep a lane open but has closed the lane due to low demand for testing. Downtimes of ten minutes or less need not be reported. Downtimes of greater than ten minutes shall be rounded to the nearest half hour (but not less than one-half hour).

2.4.2.4 In the event that center or lane downtime exceeds the standards specified, the Contractor shall be subject to liquidated damages as specified in the Special Terms and Conditions. Downtime calculations are based on the scheduled operating hours given in the Contract.

2.4.3 The Contractor shall provide the necessary personnel to provide continuous equipment maintenance service. This service shall ensure that all equipment installed at the testing centers shall operate accurately and reliably under all anticipated ambient and climatic conditions and in accordance with all quality assurance and quality control requirements and technical requirements. The Contractor shall provide an equipment maintenance plan subject

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to written approval by DMT. The equipment maintenance plan shall be implemented prior to commencement.

- 2.4.4 **Center Staffing:** The Contractor shall maintain a sufficient number of trained supervisors/managers and lane inspectors available to meet the vehicle volumes for normal and peak times at its testing centers.
- 2.4.4.1 The Contractor shall be held accountable at all times for the cleanliness, safety and professional appearance of the testing center, the punctuality of their operating hours, and the courtesy and helpfulness of all employees toward the public.
- 2.4.4.2 Smoking by employees and motorists shall be prohibited inside the testing centers.
- 2.4.4.3 If the Contractor's operations result in habitual excessive delays in the queue or in safety hazards to the public in the queuing area or in the center, the Contractor shall promptly consult with DMT to identify methods to eliminate such delays or hazards in a timely manner. Mitigating measures to be considered shall include, but not be limited to, changes in hours of operation, staffing modifications, construction of additional lanes, and utilization of the public education program. If staffing modifications can alleviate habitual excessive delays in the queue, the Contractor shall promptly take reasonable steps to staff each affected lane accordingly.
- 2.4.5 **Performance Auditing:** The Contractor shall perform surveillance and auditing to ensure a high degree of credibility and effectiveness in the VET Program and for quality service to the public. Each center and each lane shall be subject to both overt and covert audits. Auditing will allow DMT and Contractor to measure performance and to identify areas of concern. Management controls, program performance, and Contract conformance auditing will be performed throughout the term of the Contract. Audits will assess the effectiveness of equipment maintenance and quality control activities, employee training, safety and security measures, employee integrity, and Contractor adherence to laws, rules, policies and procedures, and applicable guidance.
- 2.4.5.1 All audits shall be performed in accordance with DMT guidelines.
- 2.4.5.2 The Contractor shall submit to DMT within ninety (90) Days after receipt of Notice to Proceed, a detailed surveillance and audit plan and schedule.
- 2.4.6 **Overt Audits:** The Contractor shall conduct periodic overt performance audits.
- 2.4.6.1 In addition to the overt audits conducted by the Contractor, DMT shall, perform overt audits during the term of the Contract. The Contractor shall coordinate with DMT its performance of quality assurance audits to maximize the effectiveness of these activities (effectively increasing the frequency of quality assurance audits and ensuring that audits are not performed on the same day or same week at any given center or lane).
- 2.4.6.2 The Contractor shall cooperate with DMT during the performance of DMT overt testing

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center audits by assigning staff to assist DMT officers.

- 2.4.6.3 In conducting overt audits, DMT and the Contractor shall be cognizant of peak operating times to avoid interrupting the timely completion of vehicle testing.
- 2.4.6.4 Any center shall be available at any time for testing for proper operation of all equipment.
- 2.4.6.5 Documentation necessary for auditing or calibration gases necessary to perform calibration checks shall be available at each center.
- 2.4.6.6 During any peak hours of motor vehicle testing, auditors will make an effort to minimize their impact on testing center operations.
- 2.4.6.7 State auditors may inspect the emission testing center equipment during off-peak times to minimize their impact on testing center operations.
- 2.4.6.8 Access shall be provided during non-working hours to perform any auditing functions or required checks that may require or which does not wish to perform during normal working hours.
- 2.4.6.9 DMT reserves the right to monitor any special arrangements made by the Contractor to test fleets. This monitoring will not be announced in advance and the contractor shall obtain prior approval of the DMT for arranging such test fleets.
- 2.4.7 **Covert Audits:** The Contractor shall contract for the performance of periodic covert performance audits. The subcontractor's scope of work shall be approved by DMT. Covert performance audits shall be conducted using subcontractor personnel and vehicles with induced (real world) emissions and/or tampering failures. The covert audit subcontractor shall submit covert audit vehicles to DMT facility prior to performance of a covert audit cycle. The vehicle shall be submitted with a covert vehicle induced failure summary which identifies the vehicle and induced failure(s). DMT will verify and sign off on the summary if DMT determines that the induced failure(s) are appropriate. The results of covert performance audits shall be reported by the subcontractor to the Contractor and DMT, within fourteen (14) business days of completion of an audit cycle.
- 2.4.8 DMT may, as it deems necessary, conduct covert audits and surveillance of program activities during the term of the Contract. Such covert audits and surveillance may include or be conducted by the Office of the Auditor General.
- 2.4.9 **Wait Time Monitoring System:** Contractor shall calculate customer wait time and queue via a center queuing lane monitoring system in order to deter ghost testing as well as to ensure that accurate information and statistics on queue and wait time will be available. Wait time statistics shall be reported to DMT as specified in Data Management Reporting Requirements (See Section 3 of Scope of Work).
- 2.4.10 **Center Personnel:** The Contractor shall provide all necessary personnel.

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- 2.4.11 **Technical Advisors** : The Contractor shall employ Technical Advisors (TA) . A TA shall be available at each testing center, during all hours of operation, to provide technical advice and assistance to motorists whose vehicle fails the emissions test. It is the TA's duty to explain the nature of the vehicle emissions failure, possible causes, and corrective action, as well as to provide information about, assistance programs etc.
- 2.4.12 **Employee Training**: The Contractor shall submit an employee training plan to DMT within ninety (90) Days after receiving the Notice to Proceed. All inspectors shall be at least eighteen (18) years of age. The inspector shall have documentation of successful completion of an emission testing training course approved by DMT and the inspector shall have the minimum educational and technical qualifications to be decided by DMT.
- 2.4.12.1 Training programs shall contain all information necessary for personnel to perform their job duties. The curricula shall include, but is not limited to, the following:
- 2.4.12.1.1 General VET Program orientation;
 - 2.4.12.1.2 Center regulations and procedures;
 - 2.4.12.1.3 Test equipment operation, maintenance, quality control, and calibration procedures;
 - 2.4.12.1.4 Customer service, safety, complaint handling, and public relations; and
 - 2.4.12.1.5 Security of the facility.
- 2.4.12.2 On a quarterly basis the Contractor shall forward to DMT a list of employees who, terminated employment, or were reassigned to a different center.
- 2.4.12.3 The Contractor shall ensure that all personnel, receive the necessary training to operate and maintain the testing system.
- 2.4.12.4 The Contractor shall develop a detailed procedures manual that shall contain work assignments and standard operating procedures for testing and management personnel. DMT shall conduct on-site surveillance to ensure compliance with the operating procedures and shall have access to the procedure manual during on-site surveillance.
- 2.4.13 **Personnel Attire**: All senior and lane inspectors shall wear uniforms and present a neat and clean appearance at all times. Various classifications of employees shall be distinguishable by uniform design and/or color. Initial uniform design and any subsequent changes shall be approved by DMT.
- 2.4.13.1 No Contractor employee or subcontractor employee shall wear any badge, insignia, patch, emblem, device, word or series of words that would indicate that such person is employed by government of Sri Lanka. Employees of the Contractor are specifically prohibited from

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wearing the National Flag of Sri Lanka, the words “DMT,” or “the Department of Motor Traffic,” “Official Emissions Testing Program” or any other similar emblem or phrase.

- 2.4.13.2 Employees shall wear the VET Program logo without any DMT reference. Employee personal identification is to be worn in plain sight at all times.
- 2.4.13.3 Employees are encouraged to wear any badge, insignia, patch, or emblems that they have earned to identify their level of training and expertise.
- 2.4.14 The Contractor's center management, the TA or the testers and inspectors shall at all times be courteous, patient and professional with customers. All personnel shall extend a friendly greeting to each customer. Inspectors are prohibited from providing information to customers other than directions necessary to complete the testing process. Inspectors shall courteously direct customers with questions, complaints or other concerns to center managers, or the TAs.
- 2.4.15 **Motorist Complaints:** The Contractor shall develop procedures, subject to written approval of DMT, to be employed in dealing with irate or upset motorists including abusive motorists or motorists who obstruct the testing lanes.
 - 2.4.15.1 The Contractor's center management, or TAs shall provide complaint procedure information to any motorist tendering a complaint.
 - 2.4.15.2 The Contractor shall immediately handle all initial motorist complaints regarding vehicle testing activities. Forms developed by the Contractor and approved by DMT shall be available at each center for the motorists to register complaints. Copies of the Contractor's Policy and Procedures manual and Rules of Operation shall be available for public review in each testing center.
 - 2.4.15.2.1 The motorist may send completed complaint forms directly to DMT.
 - 2.4.15.2.2 The Contractor must report any complaints, and complaint responses, in writing to DMT, monthly, and cumulatively by year, as specified in the Data Management Reporting Requirements (See Section 3 of the Scope of Work). The reports shall include valid vehicle damage complaints and complaint resolution.
 - 2.4.15.2.3 The Contractor shall maintain a complaint file with responses and any actions taken. This file shall be subject to inspection by DMT upon request.
 - 2.4.15.2.4 The Contractor shall take action to improve customer service should an excessive number of complaints be documented against a given employee of the Contractor.
 - 2.4.15.2.5 A dispute may also be resolved by DMT.
 - 2.4.15.3 The Contractor shall make available to DMT, upon request, an appropriate testing center lane and personnel for testing of vehicles to resolve disputes or to perform quality assurance audits. In the event of a motorist complaint or dispute, DMT may require a re-test, with no

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Motorist Test Fee charged, to assist in resolving the complaint or dispute.

- 2.4.16 **Vehicle Damage Claims:** The Contractor shall be fully responsible for any and all vehicle damage occurring during testing that is within the Contractor's direct control. The Contractor shall establish a procedure to resolve vehicle damage claims. The damage claims adjustment procedure shall be approved by DMT. Forms shall be available at each center for motorists to register damage claims. The Contractor shall report all damage claims, as well as providing a year-to-date synopsis of damage claims, to DMT monthly. The report shall be included in the complaint report and as specified in the Data Management Reporting Requirements section. (An example of the damage claim form is given as Exhibit 8)
- 2.4.17 DMT shall make random inspections of each center to determine that the center employees are treating the public according to the requirements stated herein. If DMT observes testing center employees mistreating the public, DMT shall request the Contractor to take appropriate actions.
- 2.4.18 **Safety and Security:** The Contractor shall comply with all local, provincial and national safety standards. The Contractor shall be responsible for the safety of center personnel and motorists, and shall design center to include adequate provisions for the security of its facilities.
- 2.4.18.1 The Contractor shall include the following in staff and manager security training:
- 2.4.18.1.1 State and Contractor policy on criminal activities,
 - 2.4.18.1.2 Violations and penalties,
 - 2.4.18.1.3 Security measures,
 - 2.4.18.1.4 How to deal with potential violators,
 - 2.4.18.1.5 Reporting requirements/testifying (how to gather information necessary for prosecution), and
 - 2.4.18.1.6 Identification of fraud and criminal activities.
- 2.4.18.2 The Contractor shall periodically rotate staff between lanes and centers.
- 2.4.18.3 The Contractor shall require daily reconciliation and accounting of all VET certificates, at all testing centers. The number of VET certificates used in each lane and office shall be reconciled to number of actions (tests, rejections, aborts, etc.) by lane and center.
- 2.4.18.4 The Contractor shall establish an internal affairs organization and employ undercover observers who will function as inspectors.
- 2.4.18.5 The Contractor shall employ or subcontract for personnel, separate from the facility and business staff, who shall, as necessary, perform employee background checks, audits and investigations of potential or attempted fraud, covert vehicle audits for quality assurance, and

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act as a liaison with law enforcement.

2.4.18.6 The Contractor shall equip each testing center office with a system terminal for center management's exclusive use. The terminal shall provide center management with real time summaries of center operations. The system shall default to display vehicle identification on all vehicles currently being tested. This will enable center management to routinely visually confirm that vehicles being tested match the vehicle identification information being entered by testing personnel.

2.4.18.7 The Contractor shall install signs in each testing lane and center customer service area. Signs shall be printed in Sinhala, Tamil and English and shall warn motorists that "Offering a bribe is a crime. Violators may be prosecuted."

2.4.19 **Facility Maintenance:** The Contractor shall, at its own cost, keep and maintain each site and all of the improvements thereon. Furniture, furnishings, fixtures, equipment, and structural and non-structural building systems used in connection with the operation of the testing centers shall be in good, substantial and sufficient condition. The Contractor shall be responsible for janitorial services, including window cleaning and any other housekeeping services, security service, trash removal, pest control, and lawn care and landscaping service required to maintain the appearance of the centers.

2.4.19.1 The Contractor shall physically maintain both inside and outside areas of the testing center.

2.4.19.2 All surfaces, including pedestrian walkways, shall be kept clean at all times that the testing center is open for business.

2.4.20 The Contractor shall provide for the removal of disabled vehicles from the testing lane.

2.5 Testing of Vehicles

2.5.1 The Contractor shall begin testing for the VET program, no later than date specified by DMT

2.5.2 Except for exempt vehicles, all internal combustion engine vehicles registered in Sri Lanka are subject to testing.

2.5.2.1 Vehicles that are operable on gasoline or any other fuel such as propane or natural gas are subject to emissions testing. Bi-fuel vehicles shall be tested on both fuels

2.5.3 Vehicles owned or leased by national, provincial and local government agencies are subject to testing. This includes employee-owned or leased vehicles, including vehicles owned, leased or operated by civilian and military personnel on installations, as well as agency-owned or operated vehicles. Vehicles exempted from this requirement are tactical military vehicles.

2.5.4 Testing frequency is once a year.

2.5.5 Test Procedures.

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- 2.5.5.1 Motorcycles shall be subject to an idle test as described in National Environmental (Air Emission, Fuel and Vehicle Importation Standards) Regulations No1 of 2003(Exhibit 1)
- 2.5.5.2 Gas Cap Test: A visual gas cap test shall be performed on all vehicles.
- 2.5.5.3 Diesel Vehicle Tests
 - 2.5.5.3.1 All diesel vehicles shall receive a smoke opacity test (Snap Acceleration) described in National Environment (Air Emission, Fuel and Vehicle Importation Standards) Regulations No1 of 2003 (Exhibit 1).
 - 2.5.5.3.2 Contractor shall carryout load test on chassis dynamometer on instructions by DMT
- 2.5.5.4 Post-Test Procedure for Failed Vehicle: A vehicle that fails the initial test must be re-tested to demonstrate compliance. A free retest shall be provided for any vehicle failing a paid test, provided the vehicle is returned for retest within thirty (30) Days of the previous paid test and the motorist presents a completed repair data sheet.
- 2.6 Documentation and Test Data**
 - 2.6.1 Vehicle Emissions Test Certificate (VET Certificate) (Exhibit 2)
 - 2.6.1.1 The Contractor shall provide each motorist that submits a vehicle for an emission test with a serially numbered VET Certificate that documents the test results and indicates whether the vehicle was rejected from testing, passed or failed the test. The Contractor shall also provide to each motorist an “Important Information Handout” (Exhibit 3). The Contractor shall provide storage facilities for securing stocks of unused VET certificates.
 - 2.6.1.2 Each VET certificate at each center shall be accurately accounted for on a daily basis, including inventory of unused VET certificates, VET certificates issued for vehicles tested, VET certificates printed in error or damaged, and VET certificates printed in the process of testing center equipment.
 - 2.6.2 Provision of handouts for failing vehicles
 - 2.6.2.1 The inspector is responsible for providing information to each motorist whose vehicle fails test. The “First Test Failure Handout” shall be provided to motorists whose vehicle fails an initial test and a “Retest Failure Handout” shall be provided to motorists whose vehicle fails a retest (Exhibits 4 and 5).
 - 2.6.3 The Contractor shall maintain all information and data records on the operation of the testing center necessary to produce the reports required by DMT.
 - 2.6.4 If requested by a DMT representative, any defective condition which would adversely affect the accuracy of tests performed shall be corrected immediately.

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- 2.6.5 If requested by a DMT representative, any test lane affected by a condition that would adversely affect the accuracy of test in the lane shall be closed. No further testing shall be conducted in the closed testing lane until evidence that the defective condition has been corrected, has been submitted by the Contractor and has been approved by DMT.
- 2.6.6 DMT shall conduct a surveillance program to verify that the Contractor is performing emission tests using properly calibrated and functioning equipment.
- 2.7 **In-process Inspections:** The Contractor shall establish and maintain a system of in-process inspections during the manufacture, construction, and installation of the testing center to ensure the quality and serviceability of all system components and subsystems.
 - 2.7.1 During the Implementation Phase, DMT shall have access to and may inspect materials and equipment to be incorporated into the testing center. All materials and equipment may be compared with the drawings and specifications submitted to and approved by DMT.
 - 2.7.2 The Contractor shall furnish to DMT representative all reasonable facilities and equipment for their safety while inspecting the work.
 - 2.7.3 Neither the inspection or lack of inspection of any portion of the work, nor the presence of a DMT representative during performance of any of the work, shall waive any of the requirements of the Contract or relieve the Contractor of any obligations there under or render the State in any way responsible or liable for the quality of the work.
 - 2.7.4 Any work, materials, or equipment not conforming to the specifications and drawings may be rejected by DMT and shall be corrected by the Contractor. Any deviation from the original specifications and drawings must be approved in writing by DMT. Such deviation must provide for the same or greater level of service or performance.

3 **DATA MANAGEMENT OPERATION REQUIREMENTS**

- 3.1 **General Requirements:** The Contractor shall implement a data-handling program. The program shall be implemented and operated in accordance with the Contract. The data-handling program shall provide for, at a minimum, the following.
 - 3.1.1 The Contractor Provided Data Handling System (CPDHS) shall provide for all software to be used by DMT and the Contractor in the VET Program, including the software for the program administrative office.
 - 3.1.2 The CPDHS shall provide for all telecommunications capabilities between centers and the Contractor database.
 - 3.1.2.1 The CPDHS shall provide data transmission connections for all center test systems.
 - 3.1.2.2 The Contractor shall provide the data transmission connection from the testing centers to the contractor's central database. The data connection shall allow all centers to access the database through entry of a vehicle licence plate number and/or Vehicle Identification

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Number (VIN) to obtain all vehicle-specific information, including, but not limited to, the model year, make, model, fuel type, testing status, and any other information needed to verify the identity of the vehicle and determine the appropriate test procedures and standards. The Contractor shall update the testing system within sixty (60) Days of the release of any lookup table revision or update. At the completion of each test, the test information shall be transmitted to the database. The transmitted data shall include, at a minimum, all information required to be included on the VET certificate.

- 3.1.2.3 The CPDHS shall provide data transmission capability, which shall be available, at a minimum, the days and daily hours of the VET Program operation.
- 3.1.2.4 **Offline Operations:** The CPDHS shall maintain continuity of testing by providing for data collection and processing in the event of a loss of telecommunications service or inability to communicate with Contractor's central database. Each lane in each testing center shall be capable of offline operation. The Contractor shall provide backup equipment power supplies and other features to minimize the occurrence of off-line testing at centers. The Contractor shall immediately notify DMT when initiating off-line operation and again when communication with the host has been restored. In the event of loss of telecommunications service, the Contractor's primary responsibility shall be to re-establish telecommunications service.
- 3.1.2.5 The CPDHS shall also maintain continuity of testing by providing for data collection and processing in the event of loss of the Contractor's central database (the host computer). In the event of loss of the Contractor's central database, the Contractor's primary responsibility shall be to re-establish operation of the host computer.
- 3.1.3 The CPDHS shall provide for the collection of all data related to all testing functions, including collection and storage of information from all required test system calibrations and audits.
- 3.1.4 The Contractor provided data handling system shall meet, at a minimum, all data collection and analysis requirements of the DMT.
- 3.1.5 The Contractor provided data handling system shall meet all reporting requirements as assigned by DMT, including reports on program operations needed to meet CEA reporting and data analysis requirements.
- 3.1.6 The Contractor shall provide all performance measurement reports specified in the Contract. Other reports may be requested by DMT via the Task Assignment process (See Section 4 of the Special Terms and Conditions)
- 3.1.7 The Contractor provided data handling system shall provide for all data collection and subsequent reports as required by DMT.
- 3.1.8 The Contractor shall create and update the computer network between individual testing centers and their headquarters. The network shall be updated in real time for every emissions testing performed.

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- 3.1.9 The Contractor shall design the Vehicle Emission Test Certificate in accordance with the DMT guidelines and with the written approval by DMT Each VET Certificate shall be tamper and copy resistant. The center operators shall provide the motorist a VTR for each vehicle submitted for testing, which shall clearly indicate the status of the submitted vehicle, as follows (Exhibit 6):
- 3.1.9.1 Rejection (vehicle cannot be tested due to safety or mechanical reasons),
 - 3.1.9.2 Compliance (vehicle passes all applicable cut points and emission equipment tests),
 - 3.1.9.3 Failure (vehicle failed one or more of the applicable cut points or emission equipment tests),
 - 3.1.9.4 DMT Certificate (issued in lieu of compliance document at discretion of the Commissioner),
- 3.1.10 The Contractor shall, as specified below, provide DMT with information regarding emission test results for issue of revenue licence. DMT shall, as specified below, provide the Contractor with information regarding vehicle registration for emission test purposes. The Contractor shall electronically interface with the DMT Title and Registration database to provide on-line, real-time emission test results, for all required data elements (test date, test results, test type etc.) specified by DMT. The Contractor shall update the test status of the vehicle in the DMT .
- 3.1.10.1 DMT will authorize Contractor's on-line, real-time access to mutually agreed upon vehicle title and registration data relating to vehicle emissions. On a daily basis, the Contractor shall utilize vehicle registration data to up date their database with applicable new registrations and changes to existing records (plate changes, etc).
 - 3.1.10.2 The Contractor shall provide DMT with after hours and weekend technical support, available on-call.
 - 3.1.10.3 All software and procedural change requests will be handled through the Task Assignment Process. Should problems occur which require additional billable Contractor labor time as a result of problems associated with the DMT database, software, hardware, or circumstances outside of Contractor's control, the Contractor will notify DMT for approval for the above.
 - 3.1.10.3.1 The DMT shall, in the event of a change, notify the Contractor in writing at least ninety (90) Days prior to the required implementation date.
 - 3.1.10.3.2 The Contractor shall, in the event of a change to the emission program, notify the DMT in writing at least ninety (90) Days prior to the required implementation date.
 - 3.1.10.4 The Contractor shall make provisions at each testing center for a DMT registration drop box. The drop box shall be placed in an area that is readily accessible to the public.
- 3.1.11 The Contractor shall maintain a record of each vehicle tested, along with the vehicle's testing

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- history, including all required test information for all official tests, rejections, out-of-state exemptions, and DMT's certificates issued on the vehicle;
- 3.1.12 The Contractor shall transmit vehicle information and the appropriate test procedures to testing centers.
- 3.1.13 If DMT determines that a system change must be made because of a failure of the system to meet the requirements contained herein, or to correct a major deficiency in the operation of the program, DMT may require changes within thirty (30) Days. Such changes will be at no cost to DMT.
- 3.1.14 For both vehicle testing and calibration records, the Contractor shall retain records on-line.
- 3.1.15 The Contractor shall provide a data handling system that will allow testing centers to test vehicles without system delays. Vehicle testing data handling shall proceed independently in all lanes. The number of connections available for data transfer shall be adequate to minimize delay. The Contractor provided system must be able to service the vehicle volumes and peak loads and the potential increase in vehicle volume of the VET Program.
- 3.1.16 The Contractor provided data handling system shall include provisions for tracking of all Vehicle Emissions Testing Certificates (VET Certificates).
- 3.1.17 The Contractor provided data handling system shall be designed to minimize the possibility of unauthorized access to the system and vehicle records. The Contractor shall include measures that will identify any attempts to improperly access the system and any unauthorized changes to vehicle data or other records.
- 3.1.18 The Contractor provided data handling system shall provide a method to track and identify licensed emission inspectors performing each test. An identifier for each inspector shall be printed on the VET Certificate.
- 3.1.19 The Contractor provided data handling system shall have provisions for backup of all applications and data files. The frequency of application and data backup shall not be less than once per operating day. The Contractor provided data handling system shall also include a disaster recovery plan to ensure recovery of operations and data in the event of a major disaster.
- 3.1.20 The Contractor shall make the database accessible to DMT and provide to DMT any equipment necessary to permit this access. Such equipment shall be installed and serviced by the Contractor. The equipment and access shall allow DMT to retrieve any program data during regular business hours, and shall include the capability for DMT to perform analysis on any or all program data. The Contractor shall develop and provide DMT with software to allow DMT to process certificates of exemption, review wait times and vehicle testing histories. This equipment and software must be kept sufficiently updated so that DMT may access the database in a timely manner. The equipment specifications shall be approved in writing by DMT. The minimum equipment requirements and locations are as follows:
- 3.1.21

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- 3.1.21.1 For the program operations centers; the Contractor shall provide hardware, software and telecommunications equipment for read only access to the test database. The method of access shall provide necessary security to protect the database from tampering or unauthorized access. DMT personnel shall have access to the following data and information, at a minimum:
 - 3.1.21.1.1 Average wait times at each testing center;
 - 3.1.21.1.2 Number of tests completed since the start of the business day at each center/lane.
 - 3.1.21.1.3 Any lanes down for scheduled/unscheduled maintenance, including times off-line and return to service.
- 3.1.22 Test fees applicable to each type of test shall be clearly printed on the Vehicle Emission Testing Certificate. Applicable fees shall include each type of paid test conducted at a testing center. When no fee is applicable, the words “No Fee” shall be clearly printed on the VET Certificate.
- 3.2 Data Management Reporting Requirements**
 - 3.2.1 All data and reports derived from the VET Program shall be the property of DMT and may not be used by any other person or organization unless expressly authorized by DMT.
 - 3.2.2 The Contractor shall maintain all records, automated to the highest practicable degree, required to produce and substantiate the required reports.
 - 3.2.3 The Contractor shall configure the data-handling system to provide retention of, and allow DMT access to, all test files through the term of the Contract. These test files shall be complete; including all retrieved and entered information, and all test-generated data (including second-by-second data for transient tests) associated with each test. Unique software, if required, shall be generated and provided by the Contractor. DMT access to the files shall be limited to read, search, copy, and print.
 - 3.2.4 The Contractor shall provide, monthly, electronic copies (format and medium to be approved in writing by DMT) of all files created to generate the required reports.
 - 3.2.5 The Contractor shall provide, monthly, electronic copies (format and medium to be approved in writing by DMT) of all detailed test information and data for each vehicle test. Aggregate test results (only for loading tests), rather than second-by-second data, is required for these records.
 - 3.2.6 The Contractor shall submit examples of all required reports 75 days prior to commencement of operation. Report formats are subject to written approval by DMT. Electronically transmitted data shall be in a format suitable for access by DMT data processing equipment. All reports required as specified herein shall be printable 30 days prior to commencement to the operation.

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- 3.2.7 Beginning the second business day after the commencement of operation, the Contractor shall submit daily Loading, Utilization, Vehicle Queue and Throughput Reports at the Vehicle Testing Center. Beginning the second business week after the commencement of operation the Contractor shall submit, weekly, the Test Count Report (See 3.2.12.1 of the scope of work). The Test Count Report shall be submitted weekly until the Contractor is notified by DMT to discontinue its submittal.
- 3.2.8 Beginning the first full month after Contract receiving a Notice to Proceed, the Contractor shall submit monthly progress reports to DMT. The progress reports shall be submitted by the seventh (7th) business day of the month following the report month, and shall be submitted more frequently as specified by DMT, or as needed, upon DMT request. The progress reports shall outline the Contractor's activities in the previous month toward the design, construction, and implementation of the VET Program, and the status of any center under construction, any actual or anticipated delays, problems or differences of interpretation, and resolutions of any past problems.
- 3.2.9 The contractor shall provide reports to DMT, including, but not limited to, those reports required by the CEA to fulfill DMT's State Implementation Plan reporting requirements.
- 3.2.10 The Contractor shall provide monthly and annual reports on the operation of the program. The Contractor shall provide all vehicle emission data reports and seasonal analysis of emission failures on a schedule to be determined by DMT.
- 3.2.11 The Contractor shall provide annual reports, for the purpose of program evaluation.
- 3.2.12 The Contractor shall provide emission test data analyses and summary reports on a, monthly, quarterly, and yearly basis. Each report shall be designed to include all applicable information and data fields and all required details and summaries. These reports include, but are not limited to, those listed below.
- 3.2.12.1 Weekly / Monthly Reports
- 3.2.12.1.1 **Test Count** - Network testing activity showing the number and results (pass, fail) of tests performed in each test area. Paid and free test counts shall be reported by center, lane, test type, vehicle type, model year, and test sequence (initial test, initial retest, second retest, etc).
- 3.2.12.1.2 **Test Fees** - Network testing activity showing the number of initial tests, free retests, paid retests, special free tests, test fees collected in each test area. Fees by test type, lane, and center. The report shall show the count related to the following activities and any fee collected by each center.
- 3.2.12.1.3 **Pass/Fail Test Results - Gasoline:** Network testing activity showing the numbers of passing and failing vehicles for each test area. Overall results shall be reported as well as results by test type, vehicle type, and model year, emissions (by component), fuel system integrity (tested, inaccessible), functional gas cap, and tampering.

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- 3.2.12.1.4 **Pass/Fail Test Results - Diesel:** Network testing activity showing the numbers of passing and failing vehicles for each test area. Overall pass/fail and tampering results shall be reported as well as results by test type, vehicle type, model, weight category, and year of manufacture.
- 3.2.12.1.5 **Emission Levels** - Network testing activity showing the number of vehicles, and emission component levels and results (pass, fail) by test type, test sequence, vehicle type, model, weight category and year of manufacture. For vehicles tested more than once during the month, only the latest dated test at each test sequence (initial test, initial retest, subsequent retest) shall be reported.
- 3.2.12.1.6 **Diesel Exhaust Opacity** - Network testing activity showing the number of vehicles, and opacity levels and results (pass, fail) by test type, test sequence, vehicle type, model, weight category, and year of manufacture. For vehicles tested more than once during the month, only the latest dated test at each test sequence (initial test, initial retest, subsequent retest) shall be reported. For each test sequence, average opacity shall be reported and opacity changes shall be calculated for vehicle groupings common to adjacent test sequences.
- 3.2.12.1.7 **Government Vehicles** - Network testing activity showing the number of vehicles tested for each government entity, and results (pass, fail) by test type, test sequence, vehicle type, model, weight category and year of manufacture. Identifiers for government entities shall be approved by DMT.
- 3.2.12.1.8 The Contractor shall submit monthly maintenance and calibration reports, for each center and lane, including, but not limited to:
 - 3.2.12.1.8.1 Scheduled preventive maintenance,
 - 3.2.12.1.8.2 Unscheduled preventive maintenance,
 - 3.2.12.1.8.3 Instrument and equipment repairs,
 - 3.2.12.1.8.4 Instrument calibrations,
 - 3.2.12.1.8.5 Equipment calibrations,
 - 3.2.12.1.8.6 Quality assurance audit results, and
 - 3.2.12.1.8.7 Surveillance and auditing.
- 3.2.12.1.9 **Certificate Report** – Network testing activity showing the number of Vehicle Emission Testing Certificates printed, voided, and reprinted by lane and Center.
- 3.2.12.2 **Year to Date Reports**
 - 3.2.12.2.1 All monthly reports listed in the Data Management Reporting Requirements section shall be submitted as individual monthly reports and as cumulative, year-to-date reports.

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- 3.2.12.3 The beginning date for all reporting periods in the Data Management Reporting Requirements section shall be the first business day after the commencement of operation. Examples of reports listed in this section are available by request to the Authorized Procurement Officer (APO) listed on page i of the RFP.
- 3.2.13 Contractor shall provide an Overall VET Report on an as-needed basis, but no less than weekly, to DMT. The report shall discuss any matter, which is negatively affecting or will negatively affect the operation of the VET Program and/or Contractor's ability to perform according to Contract requirements.
- 3.2.14 The Contractor shall provide a form for general customer complaints, maintain records of all complaints received, and submit a report monthly, and cumulative by year, to DMT. These reports shall contain information relative to the complainant, the nature of the complaint, Contractor response and resolution activities, and resolution status.
- 3.2.15 The Contractor shall provide a form for vehicle damage claims. The Contractor shall maintain records pertaining to vehicle damage claims and shall provide DMT with a report each month, and cumulative by year, summarizing vehicle damage claims by number, type, center, time of occurrence and status. The Contractor shall be responsible for the resolution of damage claims. DMT will track damage claim resolution.
- 3.2.16 The Contractor shall provide an annual report that shall include an overall evaluation of the program, its strengths and weaknesses, and any recommendations for modifications to the program, including, but not limited to, the Contractor's activities and a summary of public information activities. The Contractor shall submit recommendations semi-annually for adjustments to the program to improve utilization of audit personnel and resources.
- 3.2.17 The Contractor shall provide a report on Test Performance Characteristics, which shall include network testing activity showing test count and test time (average, total) reported by test center, fuel type (gasoline, diesel), and test type (gasoline, diesel).
- 3.2.18 The Contractor provided data transmission system shall collect records of all required system calibrations. The format of the data transmission shall be determined by the Contractor. The format shall be supplied to and approved in writing by DMT.
- 3.2.19 Automated Software**
- 3.2.19.1 The Contractor shall provide automated software that will allow for lookup in the active data set so as to allow accounting for and auditing of Contractor's receipt of Motorist Test Fees.
- 3.2.19.2 The Contractor shall provide automated software that will allow for lookup in the active data set of any test with detailed data by vehicle plate, Vehicle Identification Number (VIN) or testing center.

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- 3.2.19.3 The Contractor shall provide automated software that will allow DMT to simulate testing lane functions for DMT training purposes.

- 3.2.20 **Test Records:** The Contractor shall provide, by the 15th of each month, complete vehicle test records and data on all tests performed during the previous month.

- 3.3 **Operations and Maintenance Data:** The Contractor shall maintain the following data pertaining to maintenance of each facility, and shall make copies available to DMT as requested.
 - 3.3.1 Daily equipment log listing:
 - 3.3.1.1 Equipment status,
 - 3.3.1.2 Lane status,
 - 3.3.1.3 Corrective or repair actions taken, if any,
 - 3.3.1.4 Downtime, if any, and
 - 3.3.1.5 Total test performed in each lane.
 - 3.3.2 Monthly record of all required scheduled maintenance.
 - 3.3.3 Monthly record of corrective (non-scheduled) maintenance performed.

- 3.4 **Final System Documentation:** Final system documentation supplied to DMT shall include the following items as a minimum.
 - 3.4.1 Two copies of final “as-built” building and site plans for each facility, correct in every detail.
 - 3.4.2 Two sets of maintenance and operation manuals for all system equipment.
 - 3.4.3 Software documentation, two copies.
 - 3.4.4 Complete wiring, plumbing and interconnection diagrams for all system equipment in each facility, two copies.
 - 3.4.5 Complete electronic circuit maintenance routines to the circuit board replacement level shall be included, two copies.
 - 3.4.6 Final system documentation shall be supplied upon completion of the last facility. It is not DMT’s intent that this documentation includes patent information. Information necessary for maintenance at the component replacement level should be provided.

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3.5 **Documentation of System Changes:** System changes subsequent to completion of each system shall be documented in a manner similar to that used for the original design of the affected unit. Reasons for changes and an indication of the effective date of the changes shall be included. All copies of documentation previously delivered to DMT shall be updated.

3.6 **Off-Site Data Repository:** The Contractor shall maintain an off-site data repository for all software and data for the life of the Contract. Any lost or destroyed data shall be regenerated by the Contractor at no charge to DMT. DMT shall have the right to access the repository in the event of Contract termination, including the end of the Contract term.

4 EQUIPMENT REQUIREMENTS

4.1 General Requirements

4.1.1 The Contractor shall provide and install reliable test equipment in each center that shall meet the provisions of National Environmental (Air Emission, Fuel and Vehicle Importation Standards) Regulations No. 1 of 2003 and any other regulations that would be imposed under the National Environmental Act and Motor Traffic Act during the Contract Period (Exhibit 1).

4.1.1.1 In the event of conflict between the rules and technical guidance and the requirements stated herein, the rules and technical guidance shall take precedence.

4.1.1.2 All equipment shall be maintained according to good engineering practices to assure test accuracy. The equipment does not need to be new but equipment must be in good condition.

4.1.2 The Contractor shall design the system in a manner to allow each testing facility to operate asynchronously and independently from each of the other center (i.e., if a center is closed for any reason, all other centers must continue testing operation.).

4.1.3 The Contractor may arrange the equipment physically in any reasonable manner so long as the system is functionally equivalent to that described herein. The Contractor shall demonstrate that the performance standards have been met if an alternative configuration is proposed. The Contractor shall incorporate into the system the calibrations, adjustments, and quality control standards established in the National Environmental (Air Emission, Fuel and Vehicle Importation Standards) Regulations No1 of 2003 and any other regulations that would be imposed under the National Environmental Act and Motor Traffic Act during the Contract period .

4.2 Functional Requirements

4.2.1 The system shall measure unburned hydrocarbons (HC), Carbon Monoxide (CO) and smoke opacity. The system shall, as automatically as possible, control the operation and data

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collection of all tests conducted. The system shall generate printed VET Certificates (Exhibit 2).

- 4.2.2 The system shall provide for automatically printing of VET Certificates. Testing information shall be printed legibly onto pre-printed Testing Certificates, color-coded as provided by DMT .
- 4.2.3 Each of the testing centers shall be equipped with the capability to accurately measure the wait time of each vehicle presented for testing from the arrival at the center (on property) until the vehicle is driven into the test bay (under roof).
- 4.2.4 Each lane in each testing center shall be equipped with a bar code reader /or vehicle identification certificate reader. The bar code reader /or vehicle identification certificate reader shall be capable of scanning bar codes/or vehicle identification certificate from the vehicle into the system to reduce data entry errors and test time.
- 4.2.5 **Vehicle Identification Number (VIN) Decoding Software:** The Contractor shall make available in each testing lane, VIN decoding software to speed up entry of vehicle data and reduce data entry errors. The Contractor's system shall automatically decode the VIN of any vehicle not found in the system and populate vehicle specific data fields with information provided by the VIN decoding software. When performing retests, the Contractor's system shall utilize VIN decoding to verify the accuracy of previously entered data and automatically revise as necessary. Contractor shall work with DMT to establish a correction code procedure which will alert DMT of a change in the record being transmitted.
- 4.2.6 The Contractor shall provide a method that will allow entry of the vehicle identification, pre-testing and tampering testing data, an automated determination of applicable test procedures and standards, determinations of applicable test equipment configurations, assistance to inspectors in the performance of the test procedures, compliance determination, and the storage of data and printing of test reports. Vehicle testing data processing shall proceed independently in all lanes. As vehicle identification data is entered into the system, information shall be limit-checked to minimize operator errors. If data is rejected as a result of limit checking, a message shall be displayed so that the inspector may correct the error.
- 4.2.7 The system shall have the capability to accept commands to terminate testing of a vehicle and purge the exhaust gas sampling system. The commands shall dictate whether the vehicle is to be re-tested or excluded from further testing. If the vehicle is to be re-tested, the test sequence shall be started again. Any data gathered during the re-test shall replace the original data on the bulk storage medium. If the vehicle is to be excluded from further testing, a VET Certificate shall be generated, and shall indicate that the vehicle was rejected and the reason for rejection. Data for a terminated test shall be written onto the bulk storage medium.
- 4.2.8 The system shall ensure that emission measurements are valid. The means of ensuring validity must be addressed and approved in writing by DMT, including the sample rates, stabilization checks, and software smoothing techniques. Software changes may be required to include additional standards in the system design.

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4.3 Test Equipment Specifications

- 4.3.1 **Technical Requirements:** The Contractor's system shall meet all applicable provisions of National Environmental (Air Emission, Fuel Importation Standard) Regulations No 1 of 2003 and any other regulations that would be imposed under the National Environmental Act and Motor Traffic Act during the Contract Period . The technical requirements of this section have been adopted based upon Environmental regulations and guidelines.

The Contractor may, on written approval from DMT, use alternative specifications, designs, and quality monitors if the alternative is equivalent or better than the existing and will not significantly affect the proper measurement of emissions. Documentation demonstrating that the alternative is equivalent shall be supplied, including a full description of the alternative, engineering rationale, calculations, and other supporting materials.

5 PUBLIC INFORMATION REQUIREMENTS

- 5.1 **General:** The Contractor shall develop and implement, with input from, and subject to, final approval in writing from DMT, a public information program. All activities are subject to DMT's review and written approval. Contractor shall not use any false, inaccurate or misleading information concerning the program. To ensure uniformity throughout the VET Program, DMT has final approval of all written materials distributed to the public. Any material disapproved by DMT shall be deleted or revised by the Contractor to DMT's satisfaction.

- 5.2 **Information Handouts:** Contractor shall create the following informational handouts in Sinhala, Tamil and English.

- 5.2.1 **Program Information Brochure:** The Contractor shall develop a program information brochure. Brochure shall be color-coded and contain a revision date. The brochure shall provide information on test center locations, test fees, hours and days of operation, scheduled holidays, etc. The brochure shall provide information in a clear and understandable manner. The Contractor shall supply to the Department of Motor Traffic (DMT), brochures in sufficient quantities for the monthly registrations. The brochures shall be compatible with the DMT mailing requirements of size and weight. Each month, brochures shall be delivered to DMT sixty (60) days in advance of each registration month. The Contractor shall also deliver to DMT an amount to be distributed by DMT at registration offices.

- 5.2.2 **First Test Failure Handout:** The Contractor shall design and provide to each motorist whose vehicle fails an initial test, a "First Test Failure Handout" . The "First Test Failure Handout" shall include repair information for each failure type for gasoline and diesel vehicles, maximum repair costs, information about extended warranties, and the repair grant program. Each handout shall be color coded and contain a revision date. An Example is provided as Exhibit 4.

- 5.2.3 **Retest Failure Handout:** The Contractor shall design and provide to each motorist whose vehicle fails a retest, a "Retest Failure Handout." The "Retest Failure Handout" shall include

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any other relevant information, in addition to the information specified for the First Test Failure Handout. Each handout shall be color-coded and contain a revision date. An Example is provided as Exhibit 5

5.2.4 **Important Information Handout:** The Contractor shall supply to each motorist, an “Important Information Handout,”. Additional information shall be included as prescribed by DMT. An Example is provided in Exhibit 3.

5.3 Telephone Hotlines

5.3.1 **Program Information Hotline:** The Contractor shall establish a toll-free information telephone service “Hotline” for motorists. The Hotline shall supply information on current waiting times, center locations and general testing information. The Hotline shall provide information in Sinhala, Tamil and English. The line shall not address specific repair information. The Contractor shall be solely responsible for establishing and maintaining this service.

5.3.2 **Technician Assistance Hotline:** The Contractor shall establish an information telephone service line that shall assist repair technicians in effectively identifying and repairing emission system deficiencies. The Contractor may enlist a professional repair hotline to meet this requirement. The Contractor shall be solely responsible for establishing and maintaining this service. The Contractor shall provide repair technicians with the vehicle emission test results upon request. Repair technicians using any of these services may be subject to fees set by the Contractor or the professional repair hotline service. The functionality of the Hotline shall be approved by DMT.

5.3.3 Both hotlines shall be operated and maintained throughout the life of the Contract by the Contractor.

5.3.4 Busy signals shall be minimized.

5.3.5 The toll-free numbers shall be approved by DMT prior to implementation. Ideally, they should be easy to remember. Rights to these numbers shall rest with DMT.

5.3.6 The Hotline shall operate, at a minimum, the same hours of operation of the testing centers. The hotline should have an after-hours recording approved by DMT.

5.3.7 The hotlines shall be operational from the day of commencement of operation.

5.4 Program Information Web site

5.4.1 The Contractor shall install, on the Contractor’s servers, a program that will show real-time wait times at vehicle emissions testing centers. The Contractor shall work with DMT Webmaster to provide access (hyperlink) from DMT website to the information on the Contractor’s server. DMT will post a query page on DMT Web site to allow the public to directly access wait time information on the Contractor’s server.

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- 5.4.2 DMT provides VET program information to the public through its Web site. An order form has been established for obtaining data and program information too cumbersome to download. The Contractor shall, in cooperation with DMT, develop data packages suitable for use by academia and government agencies and also establish costs for preparing and shipping the packages. DMT will post package contents and prices on DMT website. Contractor shall be responsible for preparing and shipping data packages.
- 5.5 **Public Relations Plan:** The Contractor, in cooperation with DMT shall develop a plan for public relations. The Contractor should explain the plan in detail and include projected expenses, personnel involved, volumes of materials to be distributed or air time to be used, as appropriate. The timing and rationale of planned activities should be indicated in the plan. At a minimum, the following items shall be included in the public relations plan:
- 5.5.1 The use of electronic and print media. This effort shall inform the public about the testing program procedures, costs and objectives, as well as when and how to obtain services.
- 5.5.2 Special events such as seminars and demonstrations for the public and for automotive mechanics. The Contractor shall arrange and participate with DMT personnel in public relations efforts that may include such organizations as special interest and community affairs groups. The Contractor should use newspaper, radio and TV advertising to promote these activities.
- 5.6 Other Public Relations Requirements**
- 5.6.1 The Contractor shall conduct a public relations program to begin no later than three months prior to the actual program start date and throughout the Contract period. The Contractor shall be responsible for leading a group effort in the creation of a public relations program. Other participants may include DMT, members of automotive repair industry, auto manufacturers and auto dealers, parts manufacturers, etc.
- 5.6.2 The Contractor shall use its best judgment in selecting the methods and media for dissemination of information. DMT prefers that a substantial portion of the commercial advertising budget be directed toward drive-time radio during the month prior to commencement and at least one (1) month after commencement to advise motorists of new center locations.
- 5.6.3 Expenses for development, production, and distribution of program brochures, print or broadcast advertisements, motorist notifications, or any other public information materials prepared by the Contractor and approved by DMT shall be the responsibility of the Contractor.
- 5.6.4 The following items relating to the public relations program shall require DMT's prior approval:
- 5.6.4.1 Logos, slogans, or catch phrases designed for the program. These shall become the property

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of DMT.

- 5.6.4.2 News releases, except those that relate to approved days and hours of operation and releases containing material previously approved by DMT in substantially the same form and context as previously released. DMT expects to issue a news release every business day the first two (2) weeks of full implementation of the program.
- 5.6.4.3 Advertising copy intended for use by the Contractor in media such as radio, television, newspapers or other publications and billboards. In the case of print media advertising, the Contractor shall submit, for written approval from DMT, the proposed copy and layout of the print. In the case of electronic media advertising, the Contractor shall first submit proposed advertising copy with a brief description (if appropriate) of the final production ad (voice-over, actors, background, length). Following written approval by DMT of the copy and production concept, the Contractor shall produce and submit the final production advertisement for approval prior to airing.
- 5.6.4.4 Content and design of pamphlets intended for distribution by the Contractor and DMT as part of the public information activities for the emissions testing program. Use of DMT logo and VET Program logo is required on all public information products.
- 5.6.4.5 Script and visuals for slide shows or videotapes used in public presentations.
- 5.6.5 Public relations materials produced by the Contractor or his designee shall reference DMT or the VET Program and not the Contractor. No public information materials or activities produced under this Contract shall bear the Contractor's name or refer in any way to the Contractor unless specifically approved in writing by DMT. This includes insignia or wording on monitoring screens at testing center. All public information materials shall contain the VET Program logo and DMT logo. All public information produced under this Contract shall become the sole property of DMT and shall be copyrighted by the Contractor to the benefit of the State.
- 5.6.6 The Contractor shall not distribute its own company-related promotional materials at any test center or through the mail to motorists. Further, the Contractor shall not permit any company, group, or repair station to distribute, on the Contractor's owned or leased property, any type of promotional materials to motorists, without prior written approval from DMT. The restrictions on mailings shall be limited to promotional materials that make reference to the VET Program.

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- 1 **EXHIBITS INCORPORATED BY REFERENCE:** The Exhibits to this RFP are incorporated by reference and are a part of this RFP and this Contract as if fully set forth here.
 - 1.1 Except for Exhibit 1, selected bidders may obtain the Exhibits from the Commissioner of Motor Traffic, No 341, Elvitigla Mawatha ,Colombo 5.

- 2 **USE OF CERTAIN TERMS**
 - 2.1 **Use of the Words “In the Contract”**
 - 2.1.1 By using the words “in the Contract,” DMT and the Contractor acknowledge that the Contract includes the RFP and the Contractor’s proposal. These may be revised during negotiations prior to award of Contract. DMT and the Contractor also acknowledge that the Contract may be amended by Contract Amendment after Contract award.
 - 2.1.2 This section shall not be construed to change the definition of “Contract” given in Section 1.2 of the General Terms and Conditions.
 - 2.2 **Use of “Day” and “day”:** The General Terms and Conditions define “Days” as calendar days unless otherwise specified. The RFP also refers to business days. Unless the context otherwise requires, “Day” with a capital/ upper case, “D” is used to mean calendar days and “days” with a simple/ lower case “d” refers to business days.

- 3 **KEY PERSONNEL**
 - 3.1 It is essential that the Contractor provide an adequate staff of experienced personnel, capable of and devoted to the successful accomplishment of work to be performed in the Contract. The Contractor must assign specific individuals, known as Key Personnel, to specific positions in its proposal. Detailed qualification of Key Personal be submitted as per attachment 5.
 - 3.1.1 The term Key Personnel is defined as those persons whose experience and knowledge is professional in nature as opposed to clerical. Professional work is that which is predominantly intellectual and varied in character (as opposed to routine, manual, mechanical or physical) and involves the consistent exercise of discretion and judgment in the theoretical principles and techniques of a recognized field of science or learning.
 - 3.1.2 Once assigned to work under the Contract, Key Personnel shall not be removed or replaced without the prior written approval of DMT. Contractor shall not charge the Department of Motor Traffic for any costs associated with removing or replacing Key Personnel.
 - 3.1.3 Contractor may add Key Personnel who will perform work under Task Assignments at any time (see Section 4 of the Special Terms and Conditions). A request to add such Key Personnel shall include resume(s) or other similar information that gives the new Key Personnel’s qualifications. Hourly rates for these added Key Personnel shall be as per 5.6.3 of the Special Terms and Conditions.

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- 3.2 In addition to any other Key Personnel specified in the Contract, Contractor shall staff Manager positions.
- 3.2.1 Manager positions shall be staffed from receipt of the Notice to Proceed by DMT. Training Manager position(s) shall be staffed by the time specified in the Contractor's proposal, assumed to be in the early portion of the Implementation Phase.
- 4 **TASK ASSIGNMENTS**
- 4.1 Should DMT require additional billable Contractor work, both DMT and the Contractor agree that work will be pursuant to a Task Assignment process specified here. Task Assignments shall be limited to work that is within the scope of Section 3 (Data Management Operation Requirements) and Section 5 (Public Information Requirements) of the Scope of Work but was not specified within the Contract. Examples of such Task Assignments include, but are not limited to, requests to produce new reports, requests to develop and implement new software functionality, and additional public relations work.
- 4.2 Contractor shall not proceed with any additional cost work without written authorization from the Commissioner of Motor Traffic.
- 4.3 Contractor shall adhere to the rates established in the Contract Pricing Schedule, including subcontractor personnel. Pricing for Task Assignments will be on a Firm, Fixed Price basis. However, in order not to delay work, Task Assignments may be established initially on a "not to exceed" basis and a Firm, Fixed Price shall be negotiated at a later date.
- 4.4 DMT may prepare an initial Task Assignment Proposal (TAP) which may include, but is not limited to, the following: background information, a statement of objective(s), tasks/milestones and associated deadlines, deliverables, acceptance criteria, and other requirements.
- 4.5 In response to a TAP initiated by DMT, Contractor shall submit, at no cost to the DMT, a Task Assignment Offer (TAO) which shall include, but is not limited to, the following: Method of Approach to the tasks in the TAP (including any suggested changes), specific personnel to be assigned to complete work, and cost based upon the Contract Pricing Schedule and the level of effort proposed. Pricing for items not included in the Contract Pricing Schedule shall be supported by three (3) written quotations or another method approved by DMT Procurement.
- 4.6 DMT shall issue a Task Assignment based on the TAP and the TAO. Task Assignment shall be signed by the Contractor and DMT Procurement in order for the Task Assignment to be effective.
- 4.7 A Task Assignment shall only be changed pursuant to:
- 4.7.1 A Task Assignment Amendment signed by DMT Procurement and an authorized representative of the Contractor.

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- 4.7.2 The Change Order procedure (if any) specified in the Task Assignment.
- 4.8 The Contractor shall notify in writing the Procurement Contract Officer of differing conditions not anticipated in the Task Assignment, which may change cost, methodology, or completion time. Such written notification shall be made as soon as possible but no later than one (1) business day from discovery. Allowable changes will be authorized by Task Assignment Amendment.

5 TESTING FEES

- 5.1 There are two (2) types of tests, which can have differing Motorist Test Fees.
 - 5.1.1 Annual testing of gasoline vehicles and
 - 5.1.2 Annual testing of diesel vehicles.
- 5.2 The Motorist Test Fee consists of the Contractor's Test Fee and DMT Program Costs.
- 5.3 Contractor shall remit the DMT Program Costs fee within seven days to DMT.
- 5.3.1 Setting of Motorist Test Fee: Prior to 15 days of commencement of operation, DMT will specify, in writing, for each category of test, the Motorist Test Fee. At any time thereafter, on ninety (90) Days written notice to Contractor, DMT may change the Motorist Test Fee for any and all test categories. Contractor shall be responsible for making all software and procedural changes necessary to implement any changes to the Motorist Test Fee.

5.4 Contractor's Test Fee

- 5.4.1 The Contract Pricing Schedule (Attachment 2) contains the list of Contractor's Test Fees by test category for each vehicle tested.
- 5.4.2 Pricing in the Contract is on an all inclusive basis and contains the labor rate, labor benefits, payroll burden, insurance, Workman's Compensation, fees, all taxes, profit, overhead (including repairs and maintenance if applicable), administrative costs (including backup documentation, subcontractor administration and all other related administrative factors) and all other cost factors.

5.4.3 Changes to Contractor's Test Fee

5.4.3.1 Cost Model Factor Changes

- 5.4.3.1.1 Beginning December 15th, 2005 and annually thereafter, Contractor may submit to DMT numerical information in support of an adjustment to the Contractor's Test Fee for any or all categories of tests to be effective at the beginning of the next fiscal year. Numerical information shall only be for the Cost Model Factors defined in the Contract. Contractor shall provide information for all Cost Model Factors.
- 5.4.3.1.2 DMT may also request, with thirty (30) Days notice, that Contractor provide new information on Cost Model Factors.

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5.4.3.1.3 To the extent possible, such data shall be current, publicly available, and independently verifiable. Contractor shall use the most recent twenty year Sri Lanka Population Projections prepared by the Department of Census and Statistics (DCS).

5.4.3.1.4 Using the Cost Model and the instructions for using it given in the Contract, DMT shall compute the Contractor's Test Fee(s). DMT may then instruct Contractor to adjust Motorist Test Fees as per Section 5.4 of the Special Terms and Conditions. Changes to Contractor's Test Fees that result from a Cost Model Factor Change will go into effect at the beginning of the next fiscal year.

5.4.3.2 Operational Changes

5.4.3.2.1 An "Operational Change" is a DMT requested material change to the Scope of Work or a change in the Cost Model Factors that would be outside the specified range for that Cost Model Factor as specified in the Contract.

5.4.3.2.2 In the event of an Operational Change, DMT and the Contractor shall negotiate changes to the Cost Model, using the current Cost Model and taking into account the changes to the Scope of Work and/or the changed circumstances. DMT and Contractor shall determine Contractor's Test Fee using numerical data as in Cost Model Factor Changes above. Changes to the Cost Model shall be finalized in a Contract Amendment.

5.4.3.3 **Price Reduction:** Price reduction adjustments to Contractor Test Fees may be offered at any time during the term of the Contract. DMT may then request Contractor to change Motorist Test Fees as per 5.4 of the Special Terms and Conditions.

5.5 Contractor shall collect the appropriate Motorist Test Fee for each vehicle tested. Contractor shall not collect the Motorist Test Fee in the following cases:

5.5.1 Vehicles re-tested within sixty (60) Days of a paid test, provided the motorist surrenders the previous failing test's Vehicle Testing Report (Exhibit 6) with repair information completed,

5.5.2 Tests conducted for the purpose of resolving a customer complaint.

5.5.3 Invalid tests,

5.5.4 Tests conducted during audits by the CEA and DMT.

5.5.5 Vehicles rejected from testing for safety or technical reasons, and

5.5.6 As may be otherwise specified in the Scope of Work or elsewhere in the Contract.

5.6 Task Assignments

5.6.1 Contractor has a list of hourly rates for Key Personnel performing Task Assignments in the Contract Pricing Schedule.

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- 5.6.2 Pricing is on an all-inclusive basis and contains the labor rate, labor benefits, payroll burden, insurance, Workman's Compensation, fees, all taxes, profit, overhead (including repairs and maintenance if applicable), administrative costs (including backup documentation, subcontractor administration and all other related administrative factors) and all other related cost factors.
- 5.6.3 Contractor may add Key Personnel and associated hourly rates to the Pricing Schedule with the approval of DMT. DMT shall only approve Key Personnel whose hourly rates are equal to or less than those Key Personnel with similar qualifications already listed on the Pricing Schedule.
- 5.6.4 Price reduction adjustments may be offered at any time during the term of the Contract and shall become effective upon notice.

6 **COMPENSATION**

- 6.1 Contractor shall be compensated for services under the Scope of Work in accordance with the Contract Pricing Schedule (Attachment 2), containing pricing for each vehicle tested.
- 6.2 Contractor shall send with the payments of DMT program cost, support data on tests conducted and fees collected during the previous week. The data shall be provided in a mutually agreeable format.
 - 6.2.1 **Pre-payment of Motorist Test Fees:** Contractor may implement a system, such as the use of payment coupons, that allows for payment of Motorist Test Fees before a vehicle is presented for test. Contractor shall refund any amount of pre-payment, up to the full amount, on demand to the person or firm, or their authorized agent, that made the pre-payment. Contractor may also provide that pre-payments will expire and revert to the Contractor after a period of time, but not less than one year after the pre-payment was made to Contractor. In the event of the termination of the Contract or the end of the Contract term, Contractor shall have a continuing duty to pay refunds on demand until one year after the termination or expiration of the Contract or the time limit for receiving a refund specified by the Contractor on receiving pre-payment, whichever is longer.
 - 6.2.2 Contractor may accept payments from motorists using payment cards. Contractor must comply with applicable law (State Tender Procedure). DMT shall have the right to approve Contractor's procedures. Contractor shall not charge motorists a fee in addition to the Motorist Test Fee for the use of payment cards.
- 6.3 Contractor shall be compensated for all work specified in the Contract through the Contractor's Test Fee.

7 **FINANCIAL REPORTING REQUIREMENTS**

- 7.1 The Contractor shall keep all financial records in a manner consistent with generally accepted accounting principles. Documents to support the Contractor's activities shall be filed in a manner allowing them to be readily located.

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- 7.2 The Contractor shall agree to provide the Auditor General of Sri Lanka, DMT, and their duly authorized representatives, with access to and the right to examine and audit any non-confidential and confidential books, documents, papers and records of the Contractor involving this program and any and all transactions related to the Contract during the period covered by this Contract, and until five (5) years after the final payment in the Contract. The Contractor shall respond to inquiries regarding record keeping discrepancies within twenty-one (21) Days following the inquiry.
- 7.3 After the commencement of operation, Contractor shall annually submit a complete set of financial statements including a balance sheet, a statement of operations, a statement of retained earnings, and a statement of changes in financial position, to DMT. The financial statements are due no later than one hundred twenty (120) Days after the close of Contractor's fiscal year.
- 7.3.1 The financial statements shall be audited every year by an independent certified public accounting firm selected and paid for by the Contractor. A copy of the complete audit report shall be sent to DMT within thirty (30) Days of issuance by the certified public accounting firm.
- 7.3.2 The financial statements or schedules shall identify the amount of Motorist Test Fees collected by the Contractor pursuant to this Contract.
- 7.3.3 When the Contract ends or the Government of Sri Lanka terminates the Contract, the Contractor shall submit to DMT a schedule identifying the amount of each Motorist Test Fees collected by the Contractor for the period of operation not previously reported. The schedule shall be submitted within ten (10) business days of the Contract termination.
- 7.4 The Contractor shall correct any deficiencies in internal controls discovered by the Contractor's independent Performance Audit within thirty (30) Days of issuance of the audit report.
- 7.5 The Contractor shall provide a report outlining deficiencies found in internal controls and a summary of corrections made to DMT within sixty (60) Days of issuance of the audit report.
- 7.6 The Contractor shall account for all monies collected. The Contractor shall provide weekly revenue reports to DMT. Weekly revenue reports must include, by test category, the number of vehicle tests, the number of paid vehicle tests and the amount of DMT cost actually remitted.
- 7.7 DMT shall hold records submitted by the Contractor pursuant to this Section confidential to the extent permitted by prevailing laws of Sri Lanka, if Contractor marks information that Contractor believes should not be disclosed as confidential and submits a statement detailing the reasons the information should not be disclosed.

8 **GENERAL DEADLINES FOR REPORTING**

- 8.1 Unless another deadline is specifically stated in the Scope of Work or the Special Terms and Conditions, the deadline for submission of reports is governed by this section. The

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Contractor must meet the following deadlines to avoid assessment of liquidated damages. If the deadline falls on a State holiday, the report shall be due the next business day.

- 8.2 Weekly reports are due no later than Wednesday of the week following the weekly reporting period.
- 8.3 Monthly reports are due no later than the 7th business day of the month following the monthly reporting period.
- 8.4 Quarterly reports are due no later than the 7th business day of the first month following the quarterly reporting period. Quarters are as follows:
 - 8.4.1 First Quarter - January through March,
 - 8.4.2 Second Quarter - April through June,
 - 8.4.3 Third Quarter - July through September, and
 - 8.4.4 Fourth Quarter - October through December.
- 8.5 Semi-annual reports are due no later than the 7th business day of the first month following the six-month reporting period. The first six-month period encompasses the first and second quarters. The second six-month period encompasses the third and fourth quarters.
- 8.6 Annual reports are due no later than thirty (30) business days following December 31st.
- 9 **APPROVAL OF SUBMISSIONS:** Unless otherwise agreed to by the parties, DMT shall be permitted ten (10) business days, following receipt by DMT, for review and approval or disapproval of all submissions required by the Scope of Work, except for those required by Section 5 (Public Information Requirements).
- 10 **LIQUIDATED DAMAGES**
 - 10.1 It is agreed by DMT that the Contractor's failure to meet the Contract requirements will cause damage to the DMT. In the event that such failure is attributable to the performance or lack of performance by the Contractor, the Contractor agrees to pay damages to the State and the Contractor further agrees that it may be impractical and difficult to ascertain and determine the actual damages sustained by DMT. In the event of a delay, the Contractor agrees to pay DMT, as and for liquidated damages, without proof of actual or specified loss, as specified below.
 - 10.1.1 Liquidated damages shall not be imposed or assessed if delays are the direct result of DMT's actions or failure to act in accordance with its responsibilities in the Contract. Contractor shall advise DMT, in writing, within one (1) business day of Contractor identification of any circumstances attributable to DMT, which the Contractor feels, may lead to failure to meet Contractual performance requirements.
 - 10.1.2 The remedies of the State are not limited by the provision for liquidated damages. In

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addition to the liquidated damages given below, the State may elect to terminate the Contract in whole or in part and liquidated damages shall accrue until such time as the State is able to reasonably obtain performance of similar services. Contractor shall be liable for each and every type of liquidated damages that may be applicable. Liquidated damages shall be in addition to excess costs under the Termination for Default clause.

10.1.3 Liquidated damages are not owed under certain scenarios specified in the Contract (see Section 2.4.5 of the Special Instructions to bidders).

10.2 Late Reports:

10.2.1 For reports that are not timely submitted as per the general deadlines for report submission in the Special Terms and Conditions, liquidated damages shall be as follows. Damages for reporting that are assessed on a per day basis refer to business days.

10.2.1.1 For reports due weekly Rupees ten thousand (Rs 10,000) and additionally one thousand (Rs 1,000) per day for each delayed day.

10.2.1.2 For reports due monthly, Rupees forty thousand (Rs 40,000) and additionally Rupees one thousand (Rs 1,000) per day each delayed day.

10.2.1.3 For reports due quarterly, Rupees one hundred and twenty thousand (Rs 120,000), and additionally Rupees three thousand (Rs 3,000/=) per day for each delayed day.

10.2.1.4 For reports due semi-annually, Rupees two hundred and forty thousand (Rs240,000), and additionally Rupees six thousand (Rs 6,000/=) per day for each delayed day.

10.2.1.5 For reports due annually, Rupees four hundred and eighty thousand (Rs 480,000), and additionally Rupees two thousand (Rs 2,000/=) per day for each delayed day.

10.2.2 For reports that have due dates other than the general deadlines given in the Special Terms and Conditions, liquidated damages for the late report (“late report damages”) shall be calculated by taking the number of Days in the reporting period and multiplying it by Rupees one thousand (Rs1,000/=). Additionally, for each day the report is late, liquidated damages in the amount of one-twentieth (1/20) of the late report damages, but not less than Rupees fifty (Rs50/=) per day, shall be assessed.

10.2.3 The reports required in Section 3.2.13 of the Scope of Work can only be produced if the Contractor is providing testing services. If Contractor does not provide testing services, these reports are not due and no liquidated damages for them are owed. Once the Contractor begins providing tests, the reports will have the due dates for reports given in Section 8 above and liquidated damages for late reports will be assessed as above.

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10.3 Acceptance Test Procedure (ATP)

- 10.3.1 In the event Contractor fails to submit a final ATP to DMT within ninety (90) Days after receipt of Notice to Proceed, Contractor agrees to pay DMT as liquidated damages a sum of Rupees one hundred thousand (Rs100,000), plus Rupees one thousand (Rs.1,000) per business day the final ATP is late for the first five (5) business days and Rupees ten thousand (Rs10,000) per business day thereafter.
- 10.3.2 In the event Contractor is unable to demonstrate in accordance with an agreed upon ATP that Contractor can perform according to the Contract by deadline established in that ATP, Contractor agrees to pay Rupees ten thousand (Rs10,000) per business day to DMT as liquidated damages until such time as Contractor can demonstrate acceptable performance in accordance with the ATP.
- 10.4 In the event Contractor is unable to meet the deadlines for completing the tasks (but not subtasks) in the implementation schedule given in the Contract (see 4.8.3 of the Special Instructions to bidders), Contractor agrees to pay DMT as liquidated damages a sum of Rupees twenty five thousand (Rs 25,000) per business day until such time as Contractor completes that task.
- 10.5 **Center Not Operating:** In the event none of the lanes in a testing center are operational for more than an aggregate of four (4) hours in a day, Contractor agrees to pay liquidated damages in the amount of Rupees fifteen thousand (Rs 15,000) for each such day. If Contractor owed liquidated damages for Section 10.4 for day where the Contractor exceeded the standard above, no liquidated damages are owed.

10.6 Contractor's Liquidated Damages

- 10.6.1 DMT and the Contractor acknowledge that the Contractor is eligible for reasonable compensation if the State supplants the Contractor or in the event the State terminates the Contract. DMT and the Contractor further acknowledge that Contractor's reasonable compensation shall be limited to the liquidated damages specified in the Schedule of Values and Termination Claims (Attachment 3).
- 10.6.2 If Contractor did not provide the Schedule of Values and Termination Claims with the proposal submitted pursuant to this RFP within sixty (60) days, Contractor shall have no claim for damages.
- 10.6.3 Payment of liquidated damages by DMT to Contractor is expressly made conditional on receiving an appropriation for the purpose of paying Contractor's liquidated damages.

11 PROVISION FOR ASSIGNMENT OF CONTRACTOR'S RIGHTS

- 11.1 Contractor shall provide in any agreement to be executed by the Contractor, and shall maintain or amend any previous agreement made by Contractor for land, buildings, improvements, equipment, parts, tools and services used in the operation of the program, for the right of Contractor to assign to the State any and all of the Contractor's rights and obligations under such Contract.

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- 11.2 In the event the State supplants the Contractor or the State terminates the Contract, Contractor shall, within ninety (90) Days:
- 11.2.1 Assign or otherwise transfer any interest in land, buildings, improvements, equipment, parts, tools and services used by Contractor in the operation of the program as may be specified by DMT to a party or parties designated by DMT.
- 11.2.2 Assign or otherwise transfer any Contract rights, and related obligations, for land, buildings, improvements, equipment, parts, tools and services used by the Contractor in the operation of the program as may be specified by DMT to a party or parties designated by DMT.
- 11.3 Contractor may retain and not transfer to DMT or DMT's designee(s) any interest in or any Contractual rights and related obligations for improvements, equipment, parts, tools and services which are used in the program and which are proprietary in nature.
- 11.3.1 For purposes of this section, improvements, equipment, parts, tools and services are proprietary in nature to the extent they are trade secrets as defined by current laws in Sri Lanka.
- 11.3.2 For improvements, equipment, parts, tools and services which are protected by patent, copyright or other intellectual property laws, other than trade secret laws, by the Laws of Sri Lanka, the Contractor shall not be required to transfer the patent, copyright, or other right protecting the improvements, equipment, parts, tools, or services. However, Contractor shall be deemed to have provided DMT and DMT's designee(s) with a non-exclusive licence or similar permission to use such improvements, equipment, parts, tools, or services until December 31st, 2009 and shall, upon request from DMT and in a timely manner, take any and all steps that may be necessary to formalize such license or permission. However, it is the intention of the parties that this section shall be completely sufficient to provide DMT and DMT's designee(s) with such a licence.
- 11.4 Except as otherwise provided in this Contract, the State or DMT are not required to purchase any asset or assume any liability of this Contract on Contract termination.
- 12 **SUPLANTATION:** For purposes of this Contract, "supplant" means termination of the Contract in order to operate the Vehicle Emission Testing Programme with another Contractor or otherwise. DMT reserves the right to supplant upon providing ninety (90) Days written notice to the Contractor.
- 13 **TERMINATION OR REPEAL OF VEHICLE EMISSION TESTING PROGRAM**
- 13.1 In the event DMT exercises its option under the Termination for Convenience clause or the Vehicle Emission Testing Program is repealed by the Legislature, Contractor shall assign or transfer such of its rights and obligations as DMT may direct per Section 11 of the Special Terms and Conditions. Contractor shall also receive liquidated damages as per Section 10 of the Special Terms and Conditions.
- 13.2 In the event DMT exercises its right to terminate this Contract for any other reason,

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including but not limited to the Termination for Default, Gratuities, and Conflict of Interest Sections of the General Terms and Conditions, Contractor shall, upon request by DMT, assign or transfer such of its rights and obligations as DMT may direct per Section 11 of the Special Terms and Conditions. However, Contractor shall not receive liquidated damages under the Section 10 of the Special Terms and Conditions nor shall Contractor have any other claim for damages against the State.

14 **INSURANCE**

14.1 Without limiting any liabilities or any other obligation of the Contractor, the Contractor shall purchase and maintain insurance coverage listed below. Coverage will be provided with forms and insurers acceptable to the State until all obligations in the Contract are satisfied. All insurers must be authorized to do business in Sri Lanka.

14.2 Commercial General Liability, with minimum limits of Rupees ten million (Rs 10,000,000) per occurrence, and minimum unimpaired Products and Completed Operations aggregate and General Aggregate minimum limits of Rupees twenty million (Rs. 20,000,000). The policy shall include coverage for:

Bodily Injury:

Broad form Property Damage (including completed operations);

Personal Injury;

Blanket Contractual Liability;

Products and Completed Operations, and this coverage shall extend for one year past acceptance, cancellation or termination of the services or work defined in this Contract:

Fire Legal Liability;

14.3 Business Automobile Liability, with minimum limits of Rupees one million (Rs1,000,000) combined single limit per occurrence, with respect to claims arising from the ownership, maintenance or use of any auto assigned to or used in the performance of this Contract.

Workers Compensation and employers Liability insurance as required by the Sri Lanka Government Workers' Compensation.

14.4 Professional Liability Insurance with minimum limits of Rupees one million (Rs1,000,000) (Each Claim and/or Each Wrongful Act and/or Each Loss) and an unimpaired aggregate limit of Rupees two million (Rs.2,000,000) with respect to this Contract. The Retroactive Coverage Date (if written on a Claims-Made form) shall be the same as the effective date of this Contract. The policy shall cover professional misconduct or lack of ordinary skill for those positions defined in the requirements of this Contract and, shall include as a minimum Errors and Omissions coverage.

14.5 The policy shall contain an Extended Claim Reporting Provision of not less than one (1) year following termination of the policy.

14.6 DMT reserves the right to request and receive certified copies of all policies and endorsements within thirty (30) Days of Contract signature.

14.7 In case any work is subcontracted, the Contractor will require all subcontractors to

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provide comparable coverage.

- 14.8 Failure on the part of the Contractor to procure or maintain required insurance shall constitute a material breach of contract upon which the Contracting Agency may immediately terminate this Contract.
- 14.9 The policies required by the Commercial General and Business Automobile Liability sections herein shall be endorsed to include State and DMT as additional insured and shall require that the insurance provided by Contractor shall be primary insurance and that any insurance carried by the State and DMT shall be excess and not contributory insurance to that provided by Contractor.
- 14.10 Certificates of Insurance acceptable to DMT shall be issued and delivered prior to the commencement of the work defined in this Contract, and shall identify this Contract and include certified copies of endorsements naming State and DMT as additional insured as required. The insurance policies required by this paragraph shall contain a provision that coverages afforded will not be cancelled or materially altered until at least sixty (60) Days prior written notice has been given to DMT.
- 14.11 Failure on the part of the Contractor to meet these requirements shall constitute a material breach of contract, upon which DMT may immediately terminate this Contract or, at its discretion, procure or renew such insurance and pay any and all premiums in connection therewith, and all monies so paid by DMT shall be repaid by the Contractor upon demand, or DMT may offset the cost of the premiums against any monies due to the Contractor. Costs for coverages broader than those required or for limits in excess of those required shall not be charged to DMT. Contractor and its insurer(s) providing the required coverages shall waive their rights of recovery against the Department of Motor Traffic, Government of Sri Lanka, Employees and Officers, Agencies, Boards and Commissions.

15 **PERFORMANCE BOND**

- 15.1 For the Implementation, Contractor shall furnish an irrevocable security in the amount of Rupees five million (Rs 5,000,000) payable to DMT, binding the Contractor to provide faithful performance of the Contract.
- 15.2 Performance security shall be in the form of a performance bond. This security must be in the possession of DMT within ten (10) Days from receipt of the Notice to Proceed. If the Contractor fails to execute the security document, as required, the Contractor may be found in default and the Contract terminated by the State. In case of default, the State reserves all rights to recover as provided by law. If the Contract is extended, Contractor shall be required to provide a performance bond per the requirements of this paragraph to cover any additional period.
- 15.3 All performance bonds must be executed on forms substantially equivalent to Exhibit 7.
- 16 **CONFIDENTIALITY:** The Contractor shall establish, maintain, and submit procedures and controls that are acceptable to DMT for the purpose of assuring that no information contained in its records or obtained from DMT or from others, in carrying out its

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functions under the Contract shall be used by or disclosed by it, its agents, officers, or employees, except as required to efficiently perform duties or maintain the public's right to review work performed. Any person requesting such information from the Contractor shall be referred to DMT.

Contractor also agrees that any information pertaining to individual persons shall not be divulged other than to employees or officers of the Contractor as needed for the performance of duties under the Contract, unless otherwise agreed to in writing by DMT.

17 **CONTRACT**

17.1 **Contract Type:** Firm, fixed price.

17.2 **Estimated Usage:** Any Contract resulting from this RFP shall be used on an as needed, if needed basis. DMT makes no guarantee as to the amount of work that may be performed under the Contract.

17.3 **Non-Exclusive Contract:** DMT has the right to procure the services listed in the Scope of Work from vendors other than the Contractor awarded a Contract pursuant to this RFP when necessary to meet the requirements of DMT.

17.4 **Term of Contract:**

17.4.1 As per paragraph 6.2 of the General Instructions to Bidders, the effective date of this Contract is not the date the Procurement Officer signs the Bid and Contract Award Form (Attachment 1). The effective date of this Contract shall be the date the Contractor receives a Notice to Proceed for the Implementation from DMT.

17.4.2 Contractor shall not begin work for the Implementation until receiving a Notice to Proceed. No termination liability will be incurred until after a Notice to Proceed for the Implementation is issued. DMT intends to issue the Notice to Proceed on December 1st, 2003 in the event DMT issues the Notice to Proceed after December 1st, 2003 dates in Contractor's General ATP shall be moved back on a Day for Day basis.

17.4.3 This Contract contains due dates, such as, for example, annual and semi-annual reports, which may fall after the expiration of the Contract. It is the intention of the parties that all such deliverables will still be produced in accordance with the terms of the Contract.

17.5 **Contract Renewal:**

17.5.1 The Contract shall not bind nor purport to bind the DMT for any contractual commitment in excess of the original Contract period. DMT shall have the right, at its sole option and as deemed to be in the best interests of the State, to renew the Contract for supplemental periods as may be allowed by law.

17.5.2 DMT shall have the right to extend the Contract for supplemental periods. DMT shall not extend the Contract past December 31st, 2010.

17.5.3 Nothing in this Contract shall require the State or DMT to purchase any asset or assume

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any liability if this Contract is not renewed.

17.6 Contract Amendment:

17.6.1 DMT reserves the right to add or delete related services and make other changes within the Contract as may be deemed necessary to best serve the interests of the State or as may be required by law. All changes shall be documented in advance by Contract Amendment.

17.6.2 DMT and Contractor shall meet in the last business day of the first week of the month immediately following each quarter to discuss past performance and any changes to the Contract that may be desired. Contractor shall submit a list of any issues Contractor wishes to be placed on the agenda for this meeting at least 7 days in advance.

17.6.3 In the event DMT and Contractor cannot negotiate acceptable changes to the Contract, DMT reserves the right to terminate this Contract. Such a termination shall be as per the procedures for a Termination for Convenience (see Section 9.4 of the General Terms and Conditions). If Contractor has not negotiated with DMT in good faith, DMT may terminate the Contract as per the procedures for a Termination for Default (see Section 9.5 of the General Terms and Conditions).

17.7 **Venue:** In the event of any judicial proceeding relative to this Contract or any Subcontract, the parties agree that the exclusive venue shall be Colombo.

17.8 **Prohibition on Engaging in Certain Businesses:** During the term of this Contract, Contractor shall not engage in the business of manufacturing, selling, maintaining or repairing vehicles. Contractor may maintain or repair vehicles that the Contractor owns. Violation of this section shall constitute a material breach of this Contract.

17.9 **Employees of Contractor:** All persons employed by the Contractor in the performance of this Contract are deemed to be employees of the Contractor and not of the State or DMT.

17.10 **Waiver or Revision of Subcontractor Requirements:** DMT reserves the right to revise or waive the requirement that Subcontracts incorporate the terms of this Contract by reference (see Section 5.2 of General Terms and Conditions). DMT may also revise or waive the requirement that subcontractors have the same insurance coverage as Contractor (see Section 14 of Special Terms and Conditions). If DMT chooses to revise requirements, such revisions shall not be more restrictive than the terms in the Contract. Revision or waiver of requirements under this section shall be documented in writing but shall not require a Contract Amendment.

17.11 Issue Resolution Procedure

17.11.1 DMT and Contractor agree that issues affecting the success of the Vehicle Emission Testing Program must be promptly and satisfactorily resolved. If either party identifies such an issue, it shall be identified to the first person on the Issue Resolution Ladder. If a satisfactory resolution is not reached, then the issue shall be escalated to the next person on the Ladder, with this procedure repeating until the issue is resolved satisfactorily.

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- 17.11.2 If the issue raised involves liquidated damages or events that trigger liquidated damages, the parties after resolving the issue may, on mutual agreement, reduce the amount or forego the collection of damages. An agreement to reduce or forego damages shall be in writing but shall not require a Contract Amendment.
- 17.11.3 **Issue Resolution Ladder:** For issues relating to the Scope of Work, Contractor shall identify issues first to the Contract Officer of DMT in charge of the Vehicle Testing Contract, and then escalate to the Commissioner of Motor Traffic . For issues relating to the Special Terms and Conditions or the General Terms and Conditions, Contractor shall identify issues first to the Contract Officer of DMT in charge of the Vehicle Testing Contract, then escalate to Procurement Officer of DMT, then to Commissioner of Motor Traffic. Contractor shall designate appropriate counterparts for each person on the DMT Issue Resolution Ladder. Both parties may change the persons at any level on written notice and a Contract Amendment shall not be necessary.

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- 1 **Definition of Terms.** As used in this Solicitation and any resulting Contract, the terms listed below are defined as follows:
 - 1.1 “*Attachment*” means any item the Solicitation requires the Bidder to submit as part of the Bid.
 - 1.2 “*Contract*” means the combination of the Solicitation, including the General and Special Instructions to Bidders, the General and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Bidder and any Best and Final Bids; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
 - 1.3 “*Contract Amendment*” means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
 - 1.4 “*Contractor*” means any person who has a Contract with the State.
 - 1.5 “*Days*” means calendar days unless otherwise specified.
 - 1.6 “*Exhibit*” means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
 - 1.7 “*Gratuity*” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
 - 1.8 *Bid* means offer proposal or quotation
 - 1.9 “*Bidder*” means a vendor who responds to any type of Solicitation.
 - 1.10 “*Procurement Officer*” means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or their designee.
 - 1.11 “*Solicitation*” means an Invitation for Bids (IFB), a Request for Proposals (RFP), or a Request for Quotations (RFQ).
 - 1.12 “*Solicitation Amendment*” means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
 - 1.13 “*Subcontract*” means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
 - 1.14 “*State*” means the Government of Sri Lanka and the Department or Agency of the government that executes the contract.
- 2 **Contract Interpretation**
 - 2.1 **Sri Lankan Law.** The law of Sri Lanka applies to this Contract.
 - 2.2 **Implied Contract Terms.** Each provision of law and any terms required by law to be in this Contract are a part of this Contract as if fully stated in it.
 - 2.3 **Contract Order of Precedence.** In the event of a conflict in the provisions of the Contract, as accepted by the State and as they may be amended, the following shall prevail in the order set forth below:
 - 2.3.1 Special Terms and Conditions;
 - 2.3.2 General Terms and Conditions;
 - 2.3.3 Statement or Scope of Work;
 - 2.3.4 Specifications;
 - 2.3.5 Attachments;

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- 2.3.6 Exhibits;
- 2.3.7 Documents referenced or included in the Solicitation.
- 2.4 **Relationship of Parties.** The Contractor under this Contract is an independent Contractor. Neither party to this Contract shall be deemed to be the employee or agent of the other party to the Contract.
- 2.5 **Severability.** The provisions of this Contract are severable. Any term or condition deemed illegal or invalid shall not affect any other term or condition of the Contract.
- 2.6 **No Parol Evidence.** This Contract is intended by the parties as a final and complete expression of their agreement. No course of prior dealings between the parties and no usage of the trade shall supplement or explain any terms used in this document.
- 2.7 **No Waiver.** Either party's failure to insist on strict performance of any term or condition of the Contract shall not be deemed a waiver of that term or condition even if the party accepting or acquiescing in the nonconforming performance knows of the nature of the performance and fails to object to it.
- 3 **Contract administration and operation.**
- 3.1 **Records.** The Contractor shall retain and shall contractually require each subcontractor to retain all data and other records ("records") relating to the acquisition and performance of the Contract for a period of five years after the completion of the Contract. All records shall be subject to inspection and audit by the State at reasonable times. Upon request, the Contractor shall produce a legible copy of any or all such records.
- 3.2 **Non-Discrimination.** The Contractor shall comply with all applicable laws, rules and regulations in Sri Lanka.
- 3.3 **Audit.** At any time during the term of this Contract and five (5) years thereafter, the Contractor's or any subcontractor's books and records shall be subject to audit by the State to the extent that the books and records relate to the performance of the Contract or Subcontract.
- 3.4 **Inspection and Testing.** The Contractor agrees to permit access to its facilities, subcontractor facilities and the Contractor's processes for producing the materials, at reasonable times for inspection of the materials covered under this Contract. The State shall also have the right to test at its own cost the materials to be supplied under this Contract. Neither inspection at the Contractor's facilities nor testing shall constitute final acceptance of the materials. If the State determines non-compliance of the materials, the Contractor shall be responsible for the payment of all costs incurred by the State for testing and inspection.
- 3.5 **Notices.** Notices to the Contractor required by this Contract shall be made by the State to the person indicated on the Bid and Acceptance form submitted by the Contractor unless otherwise stated in the Contract. Notices to the State required by the Contract shall be made by the Contractor to the Solicitation Contact Person indicated on the Solicitation cover sheet, unless otherwise stated in the Contract. An Authorized Procurement Officer (APO) and an authorized Contractor representative may change their respective person to whom

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notice shall be given by written notice and an amendment to the Contract shall not be necessary.

3.6 **Advertising and Promotion of Contract.** The Contractor shall not advertise or publish information for commercial benefit concerning this Contract without the prior written approval of the Authorized Procurement Officer (APO).

3.7 **Property of the State.** Any materials, including reports, computer programs and other deliverables, created under this Contract are the sole property of the State. The Contractor is not entitled to a patent or copyright on those materials and may not transfer the patent or copyright to anyone else. The Contractor shall not use or release these materials without the prior written consent of the State.

4 **Costs and Payments**

4.1 **Payments.** Payments shall comply with the requirements of State Laws and Regulations.

4.2 **Delivery.** Unless stated otherwise in the Contract, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destinations.

4.3 **Applicable Taxes.**

4.3.1 **Tax Indemnification.** Contractor and all subcontractors shall pay all taxes applicable to its operation and any persons employed by the Contractor. Contractor shall, and require all subcontractors to hold the State harmless from any responsibility for taxes, damages and interest, if applicable, contributions required under prevailing laws and regulations and any other costs including Value Added Tax (VAT), unemployment compensation, and Worker's Compensation.

5 **Contract changes**

5.1 **Amendments.** This Contract is issued under the authority of the Authorized Procurement Officer who signed this Contract. The Contract may be modified only through a Contract Amendment within the scope of the Contract unless otherwise permitted by the Special Terms and Conditions. Changes to the Contract, including the addition of work or materials, the revision of payment terms, or the substitution of work or materials, directed by an unauthorized State employee or made unilaterally by the Contractor are violations of the Contract and of applicable law. Such changes, including unauthorized written Contract Amendments shall be void and without effect, and the Contractor shall not be entitled to any claim under this Contract based on those changes.

5.2 **Subcontracts.** The Contractor shall not enter into any Subcontract under this Contract without the advance written approval of APO . The Subcontract shall incorporate by reference the terms and conditions of this Contract.

5.3 **Assignment and Delegation.** The Contractor shall not assign any right nor delegate any duty under this Contract without the prior written approval of APO. The State shall not unreasonably withhold approval.

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6 Risk and Liability

- 6.1 **Risk of Loss.** The Contractor shall bear all loss of conforming material covered under this Contract until received by authorized personnel at the location designated in the purchase order or Contract. Mere receipt does not constitute final acceptance. The risk of loss for nonconforming materials shall remain with the Contractor regardless of receipt.
- 6.2 **General Indemnification.** To the extent permitted by law, the State shall be indemnified and held harmless by the Contractor for its vicarious liability as a result of entering into this Contract. Each party to this Contract is responsible for its own negligence.
- 6.3 **Indemnification - Patent and Copyright.** To the extent permitted by law, the Contractor shall indemnify and hold harmless the State against any liability, including costs and expenses, for infringement of any patent, trademark or copyright arising out of Contract performance or use by the State of materials furnished or work performed under this Contract. The State shall reasonably notify the Contractor of any claim for which it may be liable under this paragraph.
- 6.4 **Force Majeure.**
- 6.4.1 Except for payment of sums due, neither party shall be liable to the other nor deemed in default under this Contract if and to the extent that such party's performance of this Contract is prevented by reason of force majeure. The term "*force majeure*" means an occurrence that is beyond the control of the party affected and occurs without its fault or negligence. Without limiting the foregoing, force majeure includes acts of God; acts of the public enemy; war; riots; strikes; mobilization; labor disputes; civil disorders; fire; flood; lockouts; injunctions-intervention-acts; or failures or refusals to act by government authority; and other similar occurrences beyond the control of the party declaring force majeure which such party is unable to prevent by exercising reasonable diligence.
- 6.4.2 Force Majeure shall not include the following occurrences:
- 6.4.2.1 Late delivery of equipment or materials caused by congestion at a manufacturer's plant or elsewhere, or an oversold condition of the market;
- 6.4.2.2 Late performance by a subcontractor unless the delay arises out of a force majeure occurrence in accordance with this force majeure term and condition; or
- 6.4.2.3 Inability of either the Contractor or any subcontractor to acquire or maintain any required insurance, bonds, licenses or permits.
- 6.4.3 If either party is delayed at any time in the progress of the work by force majeure, the delayed party shall notify the other party in writing of such delay, as soon as is practicable and no later than the following working day, of the commencement thereof and shall specify the causes of such delay in such notice. Such notice shall be delivered or mailed certified-return receipt and shall make a specific reference to this article, thereby invoking its provisions. The delayed party shall cause such delay to cease as soon as practicable and shall notify the other party in writing when it has done so. The

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time of completion shall be extended by Contract Amendment for a period of time equal to the time that results or effects of such delay prevent the delayed party from performing in accordance with this Contract.

6.4.4 Any delay or failure in performance by either party hereto shall not constitute default hereunder or give rise to any claim for damages or loss of anticipated profits if, and to the extent that such delay or failure is caused by force majeure.

6.5 **Third Party Antitrust Violations.** The Contractor assigns to the State any claim for overcharges resulting from antitrust violations to the extent that those violations concern materials or services supplied by third parties to the Contractor, toward fulfillment of this Contract.

7 **Warranties**

7.1 **Liens.** The Contractor warrants that the materials supplied under this Contract are free of liens.

7.2 **Quality.** Unless otherwise modified elsewhere in these terms and conditions, the Contractor warrants that, for one year after acceptance by the State of the materials, they shall be:

7.2.1 Of a quality to pass without objection in the trade under the Contract description;

7.2.2 Fit for the intended purposes for which the materials are used;

7.2.3 Within the variations permitted by the Contract and are of even kind, quantity, and quality within each unit and among all units;

7.2.4 Adequately contained, packaged and marked as the Contract may require; and

7.2.5 Conform to the written promises or affirmations of fact made by the Contractor.

7.3 **Fitness.** The Contractor warrants that any material supplied to the State shall fully conform to all requirements of the Contract and all representations of the Contractor, and shall be fit for all purposes and uses required by the Contract.

7.4 **Inspection/Testing.** The warranties set forth in subparagraphs 7.1 through 7.3 of this paragraph are not affected by inspection or testing of or payment for the materials by the State.

7.5 **Exclusions.** Except as otherwise set forth in this Contract, there are no express or implied warranties of merchantability or fitness.

7.6 **Laws Compliance With Applicable.** The materials and services supplied under this Contract shall comply with all applicable laws of the State and the Contractor shall maintain all applicable licences and permit requirements.

7.7 **Survival of Rights and Obligations after Contract Expiration or Termination.**

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- 7.7.1 **Contractor's Representations and Warranties.** All representations and warranties made by the Contractor under this Contract shall survive the expiration or termination hereof. In addition, the parties hereto acknowledge that the State is not subject to or barred by any limitations of actions prescribed in Laws and Regulations.
- 7.7.2 **Purchase Orders.** The Contractor shall, in accordance with all terms and conditions of the Contract, fully perform and shall be obligated to comply with all purchase orders received by the Contractor prior to the expiration or termination hereof, unless otherwise directed in writing by APO, including, without limitation, all purchase orders received prior to but not fully performed and satisfied at the expiration or termination of this Contract.
- 8 **State's Contractual Remedies**
- 8.1 **Right to Assurance.** If the State in good faith has reason to believe that the Contractor does not intend to, or is unable to perform or continue performing under this Contract, APO may demand in writing that the Contractor give a written assurance of intent to perform. Failure by the Contractor to provide written assurance within the number of Days specified in the demand may, at the State's option, be the basis for terminating the Contract under the General Terms and Conditions.
- 8.2 **Stop Work Order.**
- 8.2.1 The State may, at any time, by written order to the Contractor, require the Contractor to stop all or any part, of the work called for by this Contract for a period of ninety (90) Days after the order is delivered to the Contractor, and for any further period to which the parties may agree. The order shall be specifically identified as a stop work order issued under this clause. Upon receipt of the order, the Contractor shall immediately comply with its terms and take all reasonable steps to minimize the incurrence of costs allocable to the work covered by the order during the period of work stoppage.
- 8.2.2 If a stop work order issued under this clause is cancelled or the period of the order or any extension expires, the Contractor shall resume work. The APO shall make an equitable adjustment in the delivery schedule or Contract price, or both, and the Contract shall be amended in writing accordingly.
- 8.3 **Non-exclusive Remedies.** The rights and the remedies of the State under this Contract are not exclusive.
- 8.4 **Non-conforming Tender.** Materials supplied under this Contract shall fully comply with the Contract. The delivery of materials or a portion of the materials in an installment that do not fully comply constitutes a breach of contract. On delivery of nonconforming materials, the State may terminate the Contract for default under applicable termination clauses in the Contract, exercise any of its rights and remedies under the State Laws, or pursue any other right or remedy available to it.
- 8.5 **Right of Offset.** The State shall be entitled to offset against any sums due to the Contractor, any expenses or costs incurred by the State, or damages assessed by the State concerning the Contractor's non-conforming performance or failure to perform the Contract, including expenses, costs and damages described in the General Terms and Conditions.

GENERAL TERMS AND CONDITIONS

9 **Contract Termination**

- 9.1 **Cancellation for Conflict of Interest.** The State may cancel this Contract within five years after Contract execution without penalty or further obligation if any person significantly involved in initiating, negotiating, securing, drafting or creating the Contract on behalf of the State is or becomes at any time while the Contract or an extension of the Contract is in effect an employee of or a consultant to any other party to this Contract with respect to the subject matter of the Contract. The cancellation shall be effective when the Contractor receives written notice of the cancellation unless the notice specifies a later time.
- 9.2 **Gratuities.** The State may, by written notice, terminate this Contract, in whole or in part, if the State determines that employment or a Gratuity was offered or made by the Contractor or a representative of the Contractor to any officer or employee of the State for the purpose of influencing the outcome of the procurement or securing the Contract, an amendment to the Contract, or favorable treatment concerning the Contract, including the making of any determination or decision about contract performance. The State, in addition to any other rights or remedies, shall be entitled to recover exemplary damages in the amount of three times the value of the Gratuity offered by the Contractor.
- 9.3 **Suspension or Debarment.** The State may, by written notice to the Contractor, immediately terminate this Contract if the State determines that the Contractor has been debarred, suspended or otherwise lawfully prohibited from participating in any public procurement activity, including but not limited to, being disapproved as a subcontractor of any public procurement unit or other governmental body.
- 9.4 **Termination for Convenience.** The State reserves the right to terminate the Contract, in whole or in part at any time, when in the best interests of the State without penalty or recourse. Upon receipt of the written notice, the Contractor shall immediately stop all work, as directed in the notice, notify all subcontractors of the effective date of the termination and minimize all further costs to the State. In the event of termination under this paragraph, all documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State. The Contractor shall be entitled to receive just and equitable compensation for work in progress, work completed and materials accepted before the effective date of the termination.
- 9.5 **Termination for Default.**
- 9.5.1 In addition to the rights reserved in the General Terms and Conditions, the State reserves the right to terminate the Contract in whole or in part due to the failure of the Contractor to comply with any term or condition of the Contract, to acquire and maintain all required insurance policies, bonds, licenses and permits, or to make satisfactory progress in performing the Contract. The APO shall provide written notice of the termination and the reasons for it to the Contractor.
- 9.5.2 Upon termination under this paragraph, all goods, materials, documents, data and reports prepared by the Contractor under the Contract shall become the property of and be delivered to the State on demand.

GENERAL TERMS AND CONDITIONS

- 9.5.3 The State may, upon termination of this Contract, procure, on terms and in the manner that it deems appropriate, materials or services to replace those under this Contract. The Contractor shall be liable to the State for any excess costs incurred by the State in procuring materials or services in substitution for those due from the Contractor.
- 9.6 **Continuation of Performance Through Termination.** The Contractor shall continue to perform, in accordance with the requirements of the Contract, up to the date of termination, as directed in the termination notice.
- 10 **Contract Claims.** All contract claims or controversies under this Contract shall be resolved according to laws and regulations of the State
- 11 **Comments Welcome.** The DMT periodically reviews the General Terms and Conditions and welcomes any comments you may have. Please submit your comments to: Commissioner of Motor Traffic, No 341, Elvitigala Mawatha, Colombo 5.

GENERAL INSTRUCTIONS TO BIDDERS

- 1 **Definition of Terms.** As used in these Instructions, the terms listed below are defined as follows:
- 1.1 “*Attachment*” means any item the Solicitation requires a Bidder to submit as part of the Offer.
- 1.2 “*Contract*” means the combination of the Solicitation, including the General and Special Instructions to Bidders, the General and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Bid and any Best and Final Bids; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- 1.3 “*Contract Amendment*” means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.4 “*Days*” means calendar days unless otherwise specified.
- 1.5 “*Exhibit*” means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.6 “*Gratuity*” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.7 “*Bid*” means offer, proposal or quotation.
- 1.8 “*Bidder*” means a vendor who responds to a Solicitation.
- 1.9 “*Procurement Officer*” means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or his or her designee.
- 1.10 “*Solicitation*” means an Invitation for Bids (“IFB”), a Request for Proposals (“RFP”), or a Request for Quotations (“RFQ”).
- 1.11 “*Solicitation Amendment*” means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- 1.12 “*Subcontract*” means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.13 “*State*” means the Government of Sri Lanka and the Department or Agency of the government that executes the contract.
- 2 **Inquiries**
- 2.1 **Duty to Examine.** It is the responsibility of each Bidder to examine the entire Solicitation, seek clarification in writing, and check its Bid for accuracy before submitting the Bid. Lack of care in preparing a Bid shall not be a ground for withdrawing the Bid after the Bid due date and time, nor shall it give rise to any Contract claim.
- 2.2 **Solicitation Contact Person.** Any inquiry related to a Solicitation, including any requests for or inquiries regarding standards referenced in the Solicitation shall be directed solely to the Solicitation Contact Person. The Bidder shall not contact or direct inquiries concerning this Solicitation to any other State employee unless the Solicitation specifically
- 2.3 Identifies a person other than the Solicitation Contact Person as a contact.

GENERAL INSTRUCTIONS TO BIDDERS

- 2.4 **Submission of Inquiries.** The Procurement Officer or the person identified in the Solicitation as the contact for inquiries may require that an inquiry be submitted in writing. Any inquiry related to a Solicitation shall refer to the appropriate Solicitation number, page and paragraph. Do not place the Solicitation number on the outside of the envelope containing that inquiry, since it may then be identified as an Bid and not be opened until after the Bid due date and time.
- 2.5 **Timeliness.** Any inquiry shall be submitted as soon as possible and at least seven days before the Bid due date and time. Failure to do so may result in the inquiry not being considered for a Solicitation Amendment.
- 2.6 **No Right to Rely on Verbal Responses.** Any inquiry that results in changes to the Solicitation shall be answered solely through a written Solicitation Amendment. A Bid may not rely on verbal responses to its inquiries.
- 2.7 **Solicitation Amendments.** The Solicitation shall only be modified by a Solicitation Amendment.
- 2.8 **Pre-Bid Conference.** If a pre-Bid conference has been scheduled under this Solicitation, the date, time and location shall appear on the Solicitation cover sheet or elsewhere in the Solicitation. A Bidder should raise any questions they may have about the Solicitation or the procurement at that time. A Bid or may not rely on any verbal responses to questions at the conference. Material issues raised at the conference that result in changes to the Solicitation shall be answered solely through a written Solicitation Amendment.
- 2.9 **Persons With Disabilities.** Persons with a disability may request a reasonable accommodation, such as a sign language interpreter, by contacting the Solicitation contact person. Requests shall be made as early as possible to allow time to arrange the accommodation.
- 3 **Bid Preparation**
- 3.1 **Forms: No Facsimile or Telegraphic Bidders.** A Bid shall be submitted either on the forms provided in this Solicitation or their substantial equivalent. Any substitute document for the forms provided in this Solicitation will be legible and contain the same information requested on the forms. A facsimile, telegraphic, mailgram or electronic mail Bid shall be rejected.
- 3.2 **Typed or Ink; Corrections.** The Bid shall be typed or in ink. Erasures, interlineations or other modifications in the Bid shall be initialed in ink by the person signing the Bid. Modifications shall not be permitted after Bids have been opened except as otherwise provided under applicable law.
- 3.3 **Evidence of Intent to be Bound.** The Bid and Acceptance form within the Solicitation shall be submitted with the Bid and shall include a signature by a person authorized to sign the Bid. The signature shall signify the Bidder's intent to be bound by the Bid and the terms of the Solicitation and that the information provided is true, accurate and complete. Failure to submit verifiable evidence of an intent to be bound, such as an original signature, shall result in rejection of the Bid.

GENERAL INSTRUCTIONS TO BIDDERS

- 3.4 **Exceptions to Terms and Conditions.** All exceptions included with the Bid shall be submitted in a clearly identified separate section of the Bid in which the Bidder clearly identifies the specific paragraphs of the Solicitation where the exceptions occur. Any exceptions not included in such a section shall be without force and effect in any resulting Contract unless such exception is specifically referenced by the Procurement Officer in a written statement. The Bidder's preprinted or standard terms will not be considered by the State as a part of any resulting Contract.
- 3.4.1 **Invitation for Bids:** A Bid that takes exception to a material requirement of any part of the Solicitation, including terms and conditions, shall be rejected.
- 3.4.2 **Request for Proposals:** All exceptions that are contained in the Bid may negatively affect the State's proposal evaluation based on the evaluation criteria as stated in the Solicitation or result in rejection of the Bid.
- 3.5 **Subcontracts.** Bidder shall clearly list any proposed subcontractors and the subcontractor's proposed responsibilities in the Bid.
- 3.6 **Cost of Bid Preparation.** The State will not reimburse any Bidder the cost of responding to a Solicitation.
- 3.7 **Solicitation Amendments.** Each Solicitation Amendment shall be signed with an original signature by the person signing the Bidder, and shall be submitted no later than the Bidder due date and time. Failure to return a signed copy of a material Solicitation Amendment may result in rejection of the Bidder.
- 3.8 **Disclosure.** If the firm, business or person submitting this Bid has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity, including being disapproved as a subcontractor with any law or if any such preclusion from participation from any public procurement activity is currently pending, the Bidder shall fully explain the circumstances relating to the preclusion or proposed preclusion in the Bid. The Bidder shall include a letter with its Bidder setting forth the name and address of the governmental unit, the effective date of this suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. If suspension or debarment is currently pending, a detailed description of all relevant circumstances including the details enumerated above shall be provided.
- 3.9 **Solicitation Order of Precedence.** In the event of a conflict in the provisions of this Solicitation, the following shall prevail in the order set forth below:
- 3.9.1 Special Terms and Conditions;
 - 3.9.2 General Terms and Conditions;
 - 3.9.3 Statement or Scope of Work;
 - 3.9.4 Specifications;
 - 3.9.5 Attachments;
 - 3.9.6 Exhibits;
 - 3.9.7 Special Instructions to Bidders.
 - 3.9.8 General Instructions to Bidders.

GENERAL INSTRUCTIONS TO BIDDERS

- 3.10 **Delivery.** Unless stated otherwise in the Solicitation, all prices shall be F.O.B. Destination and shall include all delivery and unloading at the destination(s).
- 4 **Submission of Bid**
- 4.1 **Sealed Envelope or Package.** Each Bid shall be submitted to the submittal location identified in this Solicitation, in a sealed envelope or package that identifies its contents as a Bid and the Solicitation number to which it responds. The appropriate Solicitation number shall be plainly marked on the outside of the envelope or package.
- 4.1.1 Each Bid shall be accompanied with a Bid Bond worth of Rs. 2 million.
- 4.2 **Bid Amendment or Withdrawal.** A Bid may not be amended or withdrawn after the Bid due date and time except as otherwise provided under applicable law.
- 4.3 **Public Record.** Under applicable law, all Bids submitted and opened are public records and must be retained by the State. Bids shall be open to public inspection after Contract award, except for such Bids deemed to be confidential by the State. If a Bidder believes that information in its bid should remain confidential, it shall stamp as confidential that information and submit a statement with its Bid detailing the reasons that information should not be disclosed. The State shall make a determination on whether the stamped information is confidential according to applicable law.
- 4.4 **Non-collusion, Employment, and Services.** By signing the Bid and Acceptance Form or other official contract form, the Bidder certifies that:
- 4.4.1 It did not engage in collusion or other anti-competitive practices in connection with the preparation or submission of its Offer; and
- 4.4.2 It does not discriminate against any employee or applicant for employment or person to whom it provides services because of race, color, religion, sex, national origin, or disability, and that it complies with all applicable laws and executive orders regarding employment.
- 5 **Evaluation**
- 5.1 **Unit Price Prevails.** Where applicable, in the case of discrepancy between the unit price or rate and the extension of that unit price or rate, the unit price or rate shall govern.
- 5.2 **Taxes.** All applicable taxes stated in the bid will be considered by the State when determining the lowest bid or evaluating proposals. At all times, payment of taxes and the determination of applicable taxes and rates are the sole responsibility of the Contractor.
- 5.3 **Late Bids.** A Bid submitted after the exact Bid due date and time shall be rejected.
- 5.4 **Disqualification.** The Bid of a Bidder who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall be rejected.

GENERAL INSTRUCTIONS TO BIDDERS

- 5.5 **Bidder Acceptance Period.** A Bidder submitting a Bid under this Solicitation shall hold its Bid open for the number of days from the Bid due date that is stated in the Solicitation. If a Best and Final Bid is requested pursuant to a Request for Proposals, a Bidder shall hold its Bid open for ninety (90) days from the Best and Final Bid due date.
- 5.6 **Waiver and Rejection Rights.** Notwithstanding any other provision of the Solicitation, the State reserves the right to:
- 5.6.1 Waive any minor informality;
 - 5.6.2 Reject any and all Bids or portions thereof; or
 - 5.6.3 Cancel a Solicitation.
- 6 **Award**
- 6.1 **Number or Types of Awards.** Where applicable, the State reserves the right to make multiple awards or to award a Contract by individual line items or alternatives, by group of line items or alternatives, or to make an aggregate award, whichever is deemed most advantageous to the State. If the Procurement Officer determines that an aggregate award to one Bid is not in the State's best interest, "all or none" Bids shall be rejected.
- 6.2 **Contract Inception.** A Bid does not constitute a Contract nor does it confer any rights on the Bidder to the award of a Contract. A Contract is not created until the Bid is accepted in writing by the Procurement Officer's signature on the Bid and Acceptance Form. A notice of award or of the intent to award shall not constitute acceptance of the Bid.
- 6.3 **Effective Date.** The effective date of this Contract shall be the date that the Procurement Officer signs the Offer and Acceptance form or other official contract form, unless another date is specifically stated in the Contract.
- 7 **Protests.** A protest shall comply with and be resolved according to relevant laws & regulations in Sri Lanka. Protests shall be in writing and be filed with the Procurement Officer of the purchasing agency. A protest of a Solicitation shall be received by the Procurement Officer before the Bid due date. A protest of a proposed award or of an award shall be filed within ten (10) days after the protester knows or should have known the basis of the protest. A protest shall include:
- 7.1 The name, address and telephone number of the protester;
 - 7.2 The signature of the protester or its representative;
 - 7.3 Identification of the purchasing agency and the Solicitation or Contract number;
 - 7.4 A detailed statement of the legal and factual grounds of the protest including copies of relevant documents; and
 - 7.5 The form of relief requested.

GENERAL INSTRUCTIONS TO BIDDERS

8. Disclaimer

The content of this invitation is provided to Bidders / Project Proponents to assist them in obtaining a general understanding of the proposed project. It does not constitute a recommendation to Bidder / Project Proponent to participate in the proposed project.

The information, estimates or opinions are based on present circumstances, intentions and beliefs and may require subsequent modification. While the State / DMT have taken all reasonable care to ensure that the information in this RFP is accurate, they make no representation or warranty, express or implied, nor take any responsibility of any kind with respect to the completeness or accuracy of any of the information contained herein. Therefore, the State / DMT will not be liable for any loss or damage that may arise from interpretations, errors or omissions from this RFP.

Bidders / Project Proponents should not rely on presentation made by government employees or their agents in relation to this project, other than expressly provided for herein.

Bidders / Project Proponents shall bear all costs and expenses incurred by them associated with the preparation and submission of their Bid / Proposal. The State / DMT shall not be responsible or liable for such costs and expenses, including but not limited to those of professional advice.

Bidders / Project Proponents shall have no rights to claim costs or to appeal against a decision arising from the evaluation process.

The State / DMT shall have the right to accept or reject any or all of the Bids / Proposals received. The State / DMT reserves right to terminate the process.

There shall be no contractual or other obligations by the State / DMT arising from this RFP.

The State / DMT shall have the right to seek any further information and/or clarifications that they may require from Bidders / Project Proponents.

The State / DMT reserves the right not to disclose any details regarding the evaluation process.

8.10 No verbal agreement or conversation with any officers, agents or employees of the State / DMT, either before or after the execution of the Project Documents shall affect or modify any of the terms or obligations contained therein.

8.11 The State / DMT shall not be responsible for any interpretations or conclusions by the Bidder /Project Proponent based on data furnished by the APO or which the Bidders / Project Proponent may obtain or arrive at from information given in the RFP.

SPECIAL INSTRUCTIONS TO BIDDERS

- 1 **Definition of Terms.** As used in these Instructions, the terms listed below are defined as follows:
- 1.1 “*Attachment*” means any item the Solicitation requires a Bidder to submit as part of the Bid.
- 1.2 “*Contract*” means the combination of the Solicitation, including the General and Special Instructions to Bidders, the General and Special Terms and Conditions, and the Specifications and Statement or Scope of Work; the Offer and any Best and Final Bids; and any Solicitation Amendments or Contract Amendments; and any terms applied by law.
- 1.3 “*Contract Amendment*” means a written document signed by the Procurement Officer that is issued for the purpose of making changes in the Contract.
- 1.4 “*Days*” means calendar days unless otherwise specified.
- 1.5 “*Exhibit*” means any item labeled as an Exhibit in the Solicitation or placed in the Exhibits section of the Solicitation.
- 1.6 “*Gratuity*” means a payment, loan, subscription, advance, deposit of money, services, or anything of more than nominal value, present or promised, unless consideration of substantially equal or greater value is received.
- 1.7 “*Bid*” means offer, proposal or quotation.
- 1.8 “*Bidder*” means a vendor who responds to a Solicitation.
- 1.9 “*Procurement Officer*” means the person duly authorized by the State to enter into and administer Contracts and make written determinations with respect to the Contract or his or her designee.
- 1.10 “*Solicitation*” means an Invitation for Bids (“IFB”), a Request for Proposals (“RFP”), or a Request for Quotations (“RFQ”).
- 1.11 “*Solicitation Amendment*” means a written document that is authorized by the Procurement Officer and issued for the purpose of making changes to the Solicitation.
- 1.12 “*Subcontract*” means any Contract, express or implied, between the Contractor and another party or between a subcontractor and another party delegating or assigning, in whole or in part, the making or furnishing of any material or any service required for the performance of the Contract.
- 1.13 “*State*” means the Government of Sri Lanka and the Department or Agency of the government that executes the contract.
2. **SOLICITATION INQUIRIES**
- 2.1 All questions regarding this RFP, including technical specifications, proposal process, evaluation of proposals etc., shall be directed to the Solicitation Contact Person as indicated on page i of this document. Where possible, DMT will respond to inquiries informally by referring Bidders to specific portions of the RFP. In the event that it is not possible to respond to a Bidder’s inquiry by reference to the RFP, DMT may elect to respond by issuing a Solicitation Amendment.
- 2.2 In order to assist DMT in preparing for the Pre-Proposal Conference, please submit any written questions by the deadline for submission of written questions given on page 74.
- 2.3 Because DMT must award the Contract to a responsive Bidder, Bidders are strongly encouraged to submit questions by the deadline with regard to any concerns about the provisions of the RFP. The DMT would like to address, via Solicitation Amendment, as many concerns as possible about responsiveness prior to opening proposals.

SPECIAL INSTRUCTIONS TO BIDDERS

- 2.4 Bidders may submit with their questions suggestions to change areas of the RFP that cause costs that can be avoided. The DMT would also appreciate hearing Bidders' views on the cost and system performance impacts of the items below. While specific references to sections of the RFP are given below, Bidders may point out and discuss how other sections also impact the areas listed below.
- 2.4.1 Fraud detection measures (2.2.20 of the Scope of Work);
- 2.4.2 Giving motorists a means to exit the queue at some point in time without having continue through the testing bay ;
- 2.4.3 Web site requirements (5.4 of the Scope of Work);
- 2.4.4 Provision of real time data to DMT (3.1.10 of the Scope of Work);
- 2.4.5 Liquidated damages (Section 10 of the Special Terms and Conditions), Bidders are encouraged to provide any alternative scenarios for wait time matrix and liquidated damage amounts, specifying the effects of these alternative scenarios on cost and performance;
- 2.4.6 Performance Bonds (Section 15 of the Special Terms and Conditions);
- 3. PRE-PROPOSAL CONFERENCE:**
- 3.1 Prospective Bidders are invited to attend a Pre-proposal Conference. The conference will be held on 3rd October 2003. Bidders will be given an opportunity to discuss cost and system performance impacts of the areas listed in 2.4 above. Please contact the Solicitation Contact Person on page i if you would like to be placed on the agenda for the conference.
- 3.2 Oral statements or instructions at the Pre-proposal Conference shall not constitute a Solicitation Amendment.
- 4. COMPONENTS OF A COMPLETE PROPOSAL:** The following information shall be submitted with each proposal in the order of the "major subsections" (4.1, 4.2, 4.3, etc.) below. Bidder shall provide all the information requested in each major subsection in any appropriate order. Failure to include all of the requested information may result in a proposal being rejected as not responsive. One (1) original and fifteen (15) copies of each proposal shall be submitted on the forms and in the sequence specified in this section. The original copy of the proposal shall be clearly labeled "**ORIGINAL**". In order to ensure Project Committee members receive copies as early as possible, Bidder must provide all requested copies.
- 4.1 **Bid and Contract Award Form:** Complete the top half of Attachment 1 and submit with the proposal. The Form must be signed by a person authorized to bind the Bidder.
- 4.2 **Solicitation Amendment(s):** Receipt of a Solicitation Amendment shall be acknowledged by signing and returning first page of the Solicitation Amendment with the proposal, or prior to proposal due date and time, to APO listed on the page i of this RFP.

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.3 **Suspension or Debarment Status:** If the firm, business, or person submitting a proposal has been debarred, suspended or otherwise lawfully precluded from participating in any public procurement activity with the Government, any Provincial Council or any Local Authority, the Bidder shall include a letter with its proposal setting forth the name and address of the governmental unit, the effective date of the suspension or debarment, the duration of the suspension or debarment, and the relevant circumstances relating to the suspension or debarment. Failure to supply the letter or to disclose in the letter all pertinent information regarding a suspension or debarment shall result in rejection of the proposal or cancellation of a Contract. The Bid of a Bidder who is currently debarred, suspended or otherwise lawfully prohibited from any public procurement activity shall be rejected. The DMT also may exercise any other remedy available by law.
- 4.4 **Certification regarding Bidder's Business:** DMT shall not enter into any Contract with a Bidder who is engaged in the business of manufacturing, selling, maintaining or repairing vehicles, except that the Bidder shall not be precluded from maintaining or repairing any vehicle owned or operated by the Contractor. Bidder shall certify in the proposal that they are not engaged in the business of manufacturing, selling, maintaining or repairing vehicles.
- 4.5 **Bidder's firm's collaboration with a foreign firm:** Every Bidder should prove that his firm is in collaboration with a foreign firm, which is competent to perform the services outlined in the solicitation.
- 4.6 **Proof of Ability to Provide Performance Security.** Bidder shall provide with its proposal proof of a binding agreement that the Bidder, if awarded the Contract, will be able to provide the Implementation Phase Performance Bond, such as a letter of intent from a surety.
- 4.7 **Experience, Expertise and Reliability of Bidder's Firm and Key Personnel**
- 4.7.1 **Narrative:** Provide a narrative (not to exceed two (2) pages) reflecting why your firm (includes foreign partner(s)) would be best able to perform the services as outlined in this Solicitation.
- 4.7.2 **Experience, Expertise and Reliability of Bidder's Firm:** Bidder shall submit information of the firm documenting successful and reliable experience in past performances, including but not limited to:
- 4.7.2.1 Bidders shall detail their organization's experience designing and running a centralized, enhanced transient loaded emissions test program serving 10,000 or more vehicles per year. This information is distinct from the experience, expertise and reliability of the firm's Key Personnel, which is requested in 4.7.3 below.
- 4.7.2.2 Bidder shall include an organization chart identifying the number and type of professional staff.

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.7.2.3 Bidder shall provide information, with the proposal, detailing their vehicle emissions test program experience/knowledge in the fields of: center design, process design, system design, equipment, operating logistics, software, architecture, and other relevant fields.
- 4.7.2.4 **References:**
- 4.7.2.4.1 Provide a list of all of your firm's clients, current and for the past five years, for which your firm has provided vehicle emissions testing services. Include date and duration of contract, contact name, and scope of contract.
- 4.7.2.5 Bidders shall be financially capable of implementing and operating the Vehicle Testing Program.
- 4.7.2.5.1 Bidders shall describe their own financial situation and resources such as lines of credit that will give the Bidder the ability to perform.
- 4.7.2.5.2 Bidders shall also designate financial resources that the Bidder has designated solely for use in the Vehicle Testing Program.
- 4.7.2.5.3 Bidders shall furnish audited annual accounts including financial statements for the last 3 years ending in FY 2003. This information should be provided for all the members of the consortium proposed in the proposal.
- 4.7.2.6 DMT reserves the right to request similar information for any proposed sub contractors.
- 4.7.3 **Experience, Expertise and Reliability of Bidder's Key Personnel:** Bidders shall provide requested Key Personnel information for the proposed personnel who would be performing the day to day work and management of the project and any other information that documents successful and reliable past performance.
- 4.7.3.1 The term Key Personnel is defined in Section 3 of the Special Terms and Conditions.
- 4.7.3.2 In addition to such other Key Personnel as Bidders may elect to specify, Bidders shall identify personnel to fill the positions below.
- 4.7.3.2.1 For the Implementation of the Contract, the Contractor shall staff the following positions after receiving the Notice to Proceed.
- 4.7.3.2.1.1 Project Manager,
- 4.7.3.2.1.2 Equipment & Instrumentation Design, Construction, Assembly & Installation Manager,
- 4.7.3.2.1.3 Information Technology Manager,
- 4.7.3.2.1.4 Property Acquisition Manager, and

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.7.3.2.1.5 Training Manager(s).
- 4.7.3.2.1.6 Maintenance Quality Control Manager,
- 4.7.3.2.1.7 Administrative Manager.
- 4.7.3.3 Bidder shall detail their Key Personnel's experience designing and/or running a centralized, vehicle emissions test program that served ten thousand (10,000) or more vehicles per year.
- 4.7.3.4 Bidder shall provide résumés for Key Personnel including but not limited to: information detailing, previous employment, technical education and training, general or special experience, certifications, licenses and memberships in professional associations, societies, or boards, and a chronology and description of previous work assignments as may be related to this RFP. Resumes shall include a summary, limited to a single side of one page, of each Key Personnel's experience relevant to the Vehicle Emission Testing Program and relevant to the work to which they will be assigned under a resulting Contract.
- 4.7.3.5 The Bidder shall identify Key Personnel and reflect the relationship between specific Key Personnel for which résumés have been submitted and the specific tasks or assignments these individuals will be responsible for in order to accomplish the Scope of Work. The Bidder shall demonstrate that Key Personnel meet the requirements as set forth in the RFP.
- 4.7.3.6 Bidder shall provide an organizational chart showing the staffing and lines of authority for the Key Personnel to be used in this program. The relationship of the project leader to management and to support personnel shall be clearly illustrated.
- 4.7.3.7 Identify the individual who will manage the project on a day-to-day basis. Define this individual's position within the firm and indicate the degree to which this person will be able to commit the firm's resources to the DMT. Specify this person's availability for this project and the other commitments he or she has. Provide a brief summary of this individual's professional qualifications and experience and discuss how these are relevant to the services required by the DMT.
- 4.7.3.8 Identify back-ups for Key Personnel and plans to limit the impact on the program of Key Personnel who leave employment at your firm.
- 4.7.3.9 DMT would prefer that Bidder's Key Personnel have experience providing vehicle emission testing program services. Provide information, with the proposal, detailing the above experience/knowledge in the fields of: center design, process design, system design, equipment, operating logistics, software, architecture, and/or other relevant fields.
- 4.7.3.10 For all Key Personnel, identify the percentage of time per week that Key Personnel will spend working on the Vehicle Emission Testing Program.
- 4.7.3.11 Bidder shall provide similar information for any proposed subcontractors.

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.7.3.12 For all Key Personnel positions, including Implementation Phase Managers, identify the dates by which the positions will be filled.

- 4.8 **Method of Approach:** The Bidder shall present a proposed Method of Approach to the Scope of Work as specified herein.
 - 4.8.1 The Bidder's Method of Approach shall be in the form of an outline (such as, for example, that used in this RFP) that addresses, at a minimum, the Bidder's Method of Approach to the Implementation of the project (from receipt of the Notice to Proceed).
 - 4.8.2 The language of the Method of Approach shall be straightforward and limited to facts, solutions to problems, and plans of proposed action. The usage of technical language should be minimized and used only to describe a technical process.
 - 4.8.3 The Method of Approach shall, to the extent possible, be organized chronologically and contain a detailed schedule of tasks and subtasks to be accomplished and continuing until all proposed tasks and subtasks are completed. Tasks and subtasks shall have start and end dates indicated.
 - 4.8.4 The Method of Approach shall respond to the entire Scope of Work beginning with Section 2, Vehicle Emission Testing Program Requirements.
 - 4.8.4.1 For each paragraph of the Scope of Work, Contractor shall indicate on the Scope of Work Matrix (Attachment 4) the page number(s) and paragraph number(s) in which the proposal responds to that paragraph of the Scope of Work. Some paragraphs of the Scope of Work may not be applicable to both the Implementation and Operational Phases. While it may not be possible to provide a response other than acknowledging the requirement of the Scope of Work, such acknowledgment shall be indicated within the Method of Approach and the location of this acknowledgment given on the Scope of Work Matrix. The Comments column of the Matrix is to be used at Bidder's discretion.
 - 4.8.4.2 Bidder may also respond to Section 1 of the Scope of Work, Introduction and General Information, as Bidder deems appropriate.
 - 4.8.5 Contractor shall describe or list in the proposal any activities or equipment that the Contractor expects DMT to perform/provide and identify any additional responsibilities of the State.
 - 4.8.6 In addition to the above, Bidder shall consider the following factors in preparing the Method of Approach.
 - 4.8.6.1 Vehicle Population/Demand Estimates

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.8.6.1.1 **Background:** In order to ensure centers continue to be conveniently located throughout the term of the Contract, Bidder must take into account population growth projections. In responding to 2.1.2 through 2.1.4 of the Scope of Work, Bidder shall provide documentation detailing all information, reasoning, assumptions, projections and calculations used in determining center location and size. Placement and expandability determinations shall be further supported by projected growth estimates for the area, access to major highways and freeways, and analysis of site suitability over alternate sites, where applicable.
- 4.8.6.2 **Network Design Criteria:** DMT network design is key to the successful implementation of the Vehicle Emission Testing Program. Please address the following in your proposal:
- 4.8.6.2.1 **Location of Facilities:** A complete description of the proposed facility placement, including demographic analysis showing expected vehicle density, estimates of population growth, and accessibility to the proposed location. Proposed locations shall address the requirements of the Scope of Work, sections 2.1 through 2.2. Sources of demographic information, analysis, and availability shall be fully demonstrated.
- 4.8.6.2.2 **Number and Size of Facilities:** Bidder shall demonstrate adequacy of the proposed network through the term of the Contract, including any need for expansion within the Contract term, the availability of proposed expansion sites or additional land for expansion of existing sites. The proposed number of lanes at each site shall be supported by the number of expected tests and retests at the site, population density within the service area, and methodology/data by which the estimates were determined.
- 4.8.6.2.3 **Justification:** Bidder shall present methodology, demographics and their sources, trend analysis, real estate contracts or options, zoning records, and any other documentation which supports the proposed network design. It is the Bidder's responsibility to convince the evaluators of adequacy of the network design.
- 4.8.6.3 **Training, retention, and morale:** A well-trained and experienced staff is critical to the on-going success of the Vehicle Emission Testing Program. In addition to responding to 2.4.12 of the Scope of Work, Bidder shall discuss its plans to ensure that staff turnover is minimized and that appropriate steps are taken to maintain staff morale.
- 4.8.6.4 **The effect of equipment failures and maintenance on testing must be minimized.** As part of the discussion of Section 4 of the Scope of Work and its subsections, Equipment Requirements, Bidder shall discuss how it will use redundant systems, modular systems, or other techniques.
- 4.8.6.5 **Custom software is often very difficult to maintain by those other than its authors.** To the extent Bidder proposes to use custom software during performance of the Contract and as part of the discussion of Section 3 of the Scope of Work and its subsections, Data Management Operation Requirements, Bidder shall discuss techniques it will use to alleviate this problem, such as, for example, effective software manuals and documented code and its experience in using these and other such techniques.

SPECIAL INSTRUCTIONS TO BIDDERS

- 4.8.6.6 The Bidder that is awarded a Contract under this RFP will have to design a network that complies with the Disabilities Act of the State and Section 3.2 of the General Terms and Conditions. As part of the discussion of 2.1.6 of the Scope of Work, explain how vehicle emission testing centers will be made accessible to persons with disabilities.
- 4.8.7 The Bidder shall include in their proposal a summary, not to exceed five (5) pages, explaining why the proposed network of testing centers will be adequate to meet demand during the Operation. Briefly explain key assumptions such as, but not limited to: sustainable throughput per hour, test demand for each year of the contract, utilization rate by center, lane and year of the contract.
- 4.9 **Overall Costs:** Price is an important component of the evaluation process. The Bidder shall submit, with the proposal, a completed Contract Pricing Schedule (Attachment 2).
- 4.9.1 Pricing shall be on an all inclusive basis and shall contain the labor rate, labor benefits, payroll burden, insurance, Workman's Compensation, fees, all taxes, profit, overhead (including repairs and maintenance if applicable), administrative costs (including backup documentation, subcontractor administration and all other related administrative factors) and all other related cost factors.
- 4.9.2 For Task Assignments, the Contract Pricing Schedule shall include, as a minimum, hourly rate for (Contractor and Subcontractor) Key Personnel and other position classes needed to perform Task Assignments (See Special Terms and Conditions).
- 4.9.3 Bidder shall submit the Schedule of Values and Termination Claims (Attachment 3).
- 4.9.4 Cost Model**
- 4.9.4.1 Bidder shall provide a Cost Model. The Cost Model shall take into account all considerations, whether or not they are cost related, that are a material part of the consideration in setting Contractor Test Fees. The Cost Model shall also show how these matters inter-relate.
- 4.9.4.2 The Cost Model shall be constructed in such a way that it is possible for the DMT to calculate the Contractor's Test Fee for the initial Contract period and any renewal periods using only the information and instructions given in the proposal.
- 4.9.4.3 A variable in the Cost Model which may fluctuate over time is referred to as a "Cost Model Factor." Bidder shall specify a range, to include high and low values, of variability for each Cost Model Factor. The Cost Model shall be constructed with the assumption that variations outside of these ranges will cause the Cost Model to produce invalid results.
- 4.9.4.4 To the extent possible, numerical data (such as, for example, labor costs, cost of money, lane throughput, population) to be used as in Cost Model Factors shall be current, independently verifiable and from publicly available sources. Bidder shall provide as part of the explanation section of the Cost Model the source of the data

SPECIAL INSTRUCTIONS TO BIDDERS

used. If population data plays a part in Contractor's Cost Model, Contractor shall use the most recent twenty-year Sri Lanka's Population Projections prepared by the Department of Census and Statistics.

- 4.9.4.5 Bidder shall explain, preferably to include documentation, the assumptions that underlie the Cost Model. At a minimum, Bidder shall discuss assumptions for the following, for each testing center proposed and for each fiscal year of the Contract:
 - 4.9.4.5.1 Number of vehicles to be tested, by sequence, for each test fee category;
 - 4.9.4.5.2 Average test time for each test fee category;
 - 4.9.4.5.3 Available lane hours by lane type;
 - 4.9.4.5.4 Average hourly throughput; and
 - 4.9.4.5.5 Lane utilization by lane type.
- 4.9.5 **Cost Impacts:** Bidder shall address the cost impacts of the items below. Provide an estimated cost per test and a total cost over a five (5) year and a seven (7) year Contract term for each item below. DMT reserves the right to award a Contract that does not include any or all of the requirements below. If DMT exercises this option, the winning Bidder will be notified at the time of Contract award.
 - 4.9.5.1 Fraud detection measures (2.2.20 of the Scope of Work);
 - 4.9.5.2 Web site requirements (5.4 of the Scope of Work);
 - 4.9.5.3 Provision of real time data to the DMT (3.1.10 of the Scope of Work);
 - 4.9.5.4 Performance Bonds (Section 15 of the Special Terms and Conditions);
- 4.9.6 Mitigating Factors for Liquidated Damages
 - 4.9.6.1 **Other factors:** Contractor may specify scenarios that make Contractor's payment of liquidated damages to DMT inappropriate. Contractor shall specify the cost and performance impacts of these relieving from the obligation to pay damages. DMT reserves the right to accept or reject any or all of the mitigating factors (not including the Volume Cap) that Contractor proposes. DMT will inform the winning Bidder at the time of Contract award, which if any, of the mitigating factors will become part of the Contract.
- 4.10 **Exceptions to the Solicitation:** A Bidder wishing to take exception to any portion of the Solicitation must do so according as per Section 3.4 of the General Instructions to Bidders. If the Bidder is taking exception to a section or sections of Scope of Work, the Bidder may so indicate in the Comments area of the Scope of Work Matrix (Attachment 4) by designating it as an "Exception" instead of in a separate section of the proposal. Exceptions not made in the proper form shall not be construed as part of the Contract. Exceptions will be considered in accordance with Section 6.4.2 below.

SPECIAL INSTRUCTIONS TO BIDDERS

5. **PROPOSAL OPENING:** Proposals shall be opened at the time and date indicated in this document. The name of each Bidder and the identity of the Request for Proposals for which the proposal was submitted shall be publicly read and recorded in the presence of at least one witness. Prices shall not be read.
6. **EVALUATION**
 - 6.1 DMT may not enter into a Contract with a Contractor that does not have the capability, resources or technical and management skill to adequately construct, equip, operate and maintain a sufficient number of official vehicle emission testing centers to meet the demand for testing of every vehicle which is required to be submitted for testing.
 - 6.2 **Initial Determination of Susceptibility to Award:** DMT shall first review all proposals in order to make an initial determination of susceptibility to award based on the criteria given below in 6.2.1 and 6.2.2. Proposals will be evaluated first on 6.2.1 and then on 6.2.2. If a proposal does not meet the standard for a given criterion, DMT will determine the proposal is not susceptible to award and the proposal will not be evaluated further. Those proposals deemed susceptible to award will be evaluated based on the Evaluation Criteria in Section 6.3 below.
 - 6.2.1 Bidder's Certification regarding Bidder's Business demonstrating compliance.
 - 6.2.2 Bidders must demonstrate, in their proposal, that the Bidder's firm has experience designing and running a centralized, Vehicle Emission Testing Program that served ten thousand (10,000) or more vehicles per year. The experience of Bidder's Key Personnel with other firms running a centralized, Vehicle Emission Testing Program shall not be sufficient to make this demonstration.
 - 6.3 **Evaluation Criteria:** Awards shall be made to the responsive and responsible Bidder whose proposal is determined in writing to be the most advantageous to the State based upon the evaluation criteria listed below. The evaluation criteria are listed in 6.3.1 through 6.3.4 in relative order of importance.
 - 6.3.1 Method of Approach,
 - 6.3.2 Overall costs,
 - 6.3.3 Experience, Expertise and Reliability of Bidder's Organization and Key Personnel, and
 - 6.3.4 Conformity with RFP Requirements.
 - 6.4 **Determination of Responsiveness:**
 - 6.4.1 Bids must conform in all material respects to the Solicitation. DMT will determine whether or not the three highest scoring Bidders are responsive. If the highest scoring Bidders are not responsive, such Bidder(s) shall not receive award. DMT will then determine whether the next highest scoring proposal is responsive until either finding three Bidders responsive or rejecting all or remaining Bidders.

SPECIAL INSTRUCTIONS TO BIDDERS

6.4.2 Responsiveness will be determined by examining the exceptions that Bidders take to the Solicitation in order to ensure that such exceptions are not material. Exceptions not taken in the proper form (see Section 3.4 of the General Instructions to Bidders and Section 4.10 of the Special Instructions to Bidders) do not become part of the Contract and are therefore not material.

7. DISCUSSIONS WITH BIDDERS

7.1 After the initial receipt and evaluation of proposals, CANC in consultation with DMT may conduct discussions with Bidders whose proposals are determined to be reasonably susceptible to being selected for award. However, proposals should be submitted initially complete and on most favorable terms as discussions may not be held. DMT shall not pay for any expenses associated with this discussion and/or interview.

7.2 **Best and Final Bids:** In the event discussions are conducted with Bidders determined to be reasonably susceptible to award, the DMT shall issue a written request for Best and Final Bids. The request for Best and Final Bids shall inform Bidders, that if they do not submit Best and Final Bids or a notice of withdrawal, their immediate previous Bid will be considered as their Best and Final Bid.

7.3 **Timeline.** In order to assist Bidders in scheduling, DMT is providing the following tentative schedule:

15 th September 2003	Commencement of issuance of RFP to bidders
30 th September 2003	Final date for submission of written question relevant to pre proposal conference
03 rd October 2003	Pre proposal conference
13 th October 2003	Final date of submission of written information
20 th October 2003	Closing date of submission of RFP
04 th November 2003	Submission of Technical Evaluation Report by the Project Committee to Cabinet Appointed Negotiating Committee

ATTACHMENT 1

	BID AND CONTRACT AWARD FORM	SRILANKA DEPARTMENT OF MOTOR TRAFFIC
	SOLICITATION NO.	
<p>BID</p> <p>TO THE DEPARTMENT OF MOTOR TRAFFIC: The Undersigned hereby offers and bids to furnish the material, service or construction in compliance with all terms, conditions, Scope of Work and Solicitation Amendments and any written exceptions in the bid. Signature also acknowledges receipt of all pages.</p>		
Employer Identification _____	For clarification of this bid, contact: Name: Phone: Fax:	
Company Name _____	Signature of Authorized Person	Date
Address _____	Printed Name	
	Title	
<p>ACCEPTANCE OF BID (For Official Use Only)</p> <p>Your Bid is hereby accepted:</p> <p>The Contractor is now bound to sell the materials or services listed by the attached Contract based upon the Solicitation, including all terms, conditions, specifications/scope of work, amendments, etc., and the Contractor's Bid as accepted by the Department.</p> <p>This Contract shall henceforth be referred to as Contract No. _____.</p> <p>The Contractor is hereby cautioned not to commence any billable work or provide any material, service or construction under this Contract until the Contractor receives a Notice to Proceed.</p> <p align="center">DEPARTMENT OF MOTOR TRAFFIC SRI LANKA</p> <p align="center">Awarded this _____ day of _____,</p> <p align="center">Authorized Procurement Officer</p>		

ATTACHMENT 2
CONTRACT PRICING SCHEDULE
Page 1 of 2

Bidder shall provide pricing based on a five year Operational period. DMT will notify the awardee the pricing schedule that shall be used during the Contract. Prices will be held constant until at least December 31, 2005. Pricing will be adjusted according to the procedures given in Section 5 of the Special Terms and Conditions.

Pricing for the Contract period with two renewable period (may not be renewed for entire period)	
Contractor's Test Fee, per vehicle by Test Type	
Annual testing for gasoline vehicle	Annual testing for diesel vehicle

ATTACHMENT 3
SCHEDULE OF VALUES AND TERMINATION CLAIMS

Contractor shall specify the amount of liquidated damages to be incurred by the State on termination of the Contract. The Special Terms and Conditions contain details of when such liquidated damages will be applicable.

Time Period	Amount of Liquidated Damages

Time Period	Amount of Liquidated Damages

ATTCHMENT 4
SCOPE OF WORK MATRIX

Section of Scope of Work	Implementation Phase	Comment(s)
2.1.1		
2.1.2		
2.1.2.1		
2.1.3		
2.1.4		
2.1.5		
2.1.6		
2.1.7		
2.2.1		
2.2.2		
2.2.2.1		
2.2.2.2		
2.2.2.3		
2.2.2.4		
2.2.2.5		
2.2.2.6		
2.3.1		
2.3.2		
2.3.2.1		
2.3.2.2		
2.3.2.3		
2.3.2.4		
2.3.2.5		
2.3.2.6		
2.3.2.7		
2.3.3		
2.3.4		

Section of Scope of Work	Implementation Phase	Comment(s)
2.3.5		
2.3.5.1		
2.3.5.2		
2.3.6		
2.3.7		
2.3.8		
2.3.9		
2.3.9.1		
2.3.10		
2.3.10.1		
2.3.11		
2.3.12		
2.3.13		
2.3.13.1		
2.3.13.2		
2.3.13.3		
2.3.13.4		
2.3.14		
2.3.15		
2.3.16		
2.3.17		
2.3.17.1		
2.3.17.2		
2.3.18		
2.3.19		
2.3.20		
2.3.20.1		
2.3.20.2		
2.3.20.3		

Section of Scope of Work	Implementation Phase	Comment(s)
2.3.20.4		
2.3.21		
2.4.1		
2.4.2		
2.4.2.1		
2.4.2.2		
2.4.2.3		
2.4.2.4		
2.4.2.5		
2.4.2.6		
2.4.2.7		
2.4.2.8		
2.4.3		
2.4.4		
2.5.1		
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2.5.2.1		
2.5.2.2		
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2.5.2.4		
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2.5.4		
2.5.4.1		
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2.5.4.3		
2.5.5		
2.5.5.1		
2.5.5.2		
2.5.6		
2.5.6.1		

Section of Scope of Work	Implementation Phase	Comment(s)
2.5.6.2		
2.5.6.3		
2.5.6.4		
2.5.6.5		
2.5.6.6		
2.5.6.7		
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2.5.14		
2.5.15		

Section of Scope of Work	Implementation Phase	Comment(s)
2.5.15.1		
2.5.15.2		
2.5.15.2.1		
2.5.15.2.2		
2.5.15.2.3		
2.5.15.2.4		
2.5.15.2.5		
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2.5.18		
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2.5.18.1.6		
2.5.18.2		
2.5.18.3		
2.5.18.4		
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2.5.18.7		
2.5.19		
2.5.19.1		
2.5.19.2		
2.5.20		
2.6.1		

Section of Scope of Work	Implementation Phase	Comment(s)
2.6.2		
2.6.3		
2.6.4		
2.6.5		
2.6.5.1		
2.6.5.2		
2.6.5.3		
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3.2.2.4		

Section of Scope of Work	Implementation Phase	Comment(s)
3.1.2.5		
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3.1.16		
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3.1.18		
3.1.19		
3.1.20		

Section of Scope of Work	Implementation Phase	Comment(s)
3.1.20.1		
3.1.20.1.1		
3.1.20.1.2		
3.1.20.1.3		
3.1.21		
3.2.1		
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3.2.12.1.8.1		
3.2.12.1.8.2		
3.2.12.1.8.3		

Selection of Scope of Work	Implementation Phase	Comment(s)
3.2.12.1.8.4		
3.2.12.1.8.5		
3.2.12.1.8.6		
3.2.12.1.8.7		
3.2.12.1.9		
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3.4.1		

Section of Scope of Work	Implementation Phase	Comment(s)
3.4.2		
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Attachment 5

BIODATA FORMAT TO BE SUBMITTED WITH PROPOSAL

1. PROPOSED POSITION FOR THIS PROJECT :
2. NAME :
3. DATE OF BIRTH :
4. NATIONALITY :
5. EDUCATION QUALIFICATION :
(The years in which various qualifications are obtained must be stated)
6. PROFESSIONAL QUALIFICATIONS & OTHER TRAINING:
7. MEMBERSHIP OF PROFESSIONAL SOCIETIES :
8. COUNTRIES OF WORK EXPERIENCE :
9. EMPLOYMENT RECORD : (Starting with present position, list in reversed order **every employment held and state the start and end dates of each employment.**)

EMPLOYER	DURATION FROM TO	POSITION HELD	DESCRIPTION OF DUTIES

10. DETAILED TASKS ASSIGNED : WORK UNDERTAKEN WHICH BEST ILLUSTRATES CAPABILITY TO HANDLE THE TASKS ASSIGNED
(under the proposed project)

In this column, list tasks one by one and support each task by project experience in the right hand side column. in relation to proposed project	(In this column, list project name, location, year, position held, (in relation to key positions proposed in the proposal) and exact duties rendered and time spent on each project.

11. CERTIFICATION : I, the undersigned, certify that, to the best of my knowledge and belief, this bio data correctly describes myself, my qualifications and my experience. I understand that any willful mis-statement described herein may lead to my disqualification or dismissal, if employed.

SIGNATURE :

DATE OF SIGNING :

/ /
Day Month Year

*_ / Delete word as necessary

List of Exhibits

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|---------|---|-----------------------------------|
| Exhibit | 1 | - Vehicular Emissions Regulations |
| Exhibit | 2 | - VET Certificate |
| Exhibit | 3 | - Important Information Handout. |
| Exhibit | 4 | - First Test Failure Handout |
| Exhibit | 5 | - Re-Test Failure Handout |
| Exhibit | 6 | - Vehicle Test Report |
| Exhibit | 7 | - Performance Bond |
| Exhibit | 8 | - Damages Claim Form |