

March 10, 2009

Gregory W. Sullivan
Inspector General
John W. McCormack Building
One Ashburton Place Room 1311
Boston, MA 02108

RE: “Notice of a Deal Too Good to Pass Up – AAA Pilot Program”

Dear Inspector General Sullivan:

I am writing in regards to the above-referenced notice issued by the Commonwealth’s Registry of Motor Vehicles on Comm-PASS for a “Pilot Program” which would allow AAA to provide RMV transactions at AAA branches.

The “Pilot Program” is being issued utilizing the “Deal Too Good to Pass Up” provision in the state procurement handbook that was the subject of an investigation conducted by your office in 2004 regarding certain contracts entered into by the Commonwealth’s Information Technology Division (ITD). (Which I have included)

In your correspondence of December 7, 2004 regarding ITD’s use of the loophole, you stated that “There does not appear to be any legal authorization to use the “Deal Too Good to Pass Up” process to bypass competitive bidding procurement rules. The law says that the state’s procurement rules, which govern Operational Services Division (OSD), require bid advertisements that encourage the stimulation of competition.

In the present matter, “The Deal Too Good to Pass Up” issued by the RMV clearly does not encourage the stimulation of competition. While the contract was published on Comm-Pass, the state’s procurement website, to presumably determine if there are any other interested bidders, the document title “Notice of a Deal Too Good to Pass Up—AAA Pilot Program,” is clear evidence that this contract was created to favor one vendor only, AAA. Furthermore, AAA is listed as the vendor throughout the contract specifications. In light of the document title and the contract specifications, it is highly unlikely that another contractor would bid on the contract which is clearly tailored for AAA.

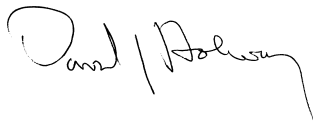
According to your 2004 investigation, “the law only waives the requirement of an advertised competitive process in very limited circumstances, including emergencies.” As president of SEIU/NAGE, the union representing the RMV employees currently performing the services at issue, I have not been made aware of any “emergencies” which would provide the RMV with a waiver from the requirement to use the competitive process.

At our urging we have met with representatives from EOT and RMV, including the Registrar herself to discuss the pilot program. During the course of these meetings we were told that the goal of the program was to reduce wait times and lines at RMV branches. Yet when we discussed these issues, we were not presented with any statistics regarding current services and/or benchmarks to determine improvements. The Department stated further that similar programs in other states have been successful. We requested information to support the program, including their assertions of success in other states.

The Department failed to provide any data or research to support the program and the matter is now the subject of unfair labor practice charge filed at the Division of Labor Relations. In recent discussions with representatives for the RMV and EOT, it has been revealed that they did not conduct a study regarding the program. Furthermore, they have acknowledged that they do not have research or reports to support the program. It is my understanding that OSD's Deal Too Good to Pass Up policy requires departments to "conduct adequate research to determine if the deal is legitimate." In this matter, the RMV has clearly not fulfilled that requirement.

For all of the reasons stated herein, I would respectfully request that you conduct an investigation into this matter at your earliest convenience.

Sincerely,

A handwritten signature in black ink, appearing to read "David J. Holway". The signature is written in a cursive style with a large initial "D" and "H".

David J. Holway,
President of SEIU/NAGE