

EXHIBIT 1



STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

ROY COOPER
GOVERNOR

J.R. "JOEY" HOPKINS
SECRETARY

Via electronic mail - Missy@SchmidtCopeland.com
US first class mail

5 December 2023

Melissa J. Copeland
Schmidt & Copeland
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Kara L. Daniels
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Re: Idemia Protest Petition Request Decision- Secretary of Transportation

Dear Ms. Copeland and Ms. Daniels,

Thank you again for your submissions and arguments contained in both your letters of October 26 and November 20, and in the meeting of November 16, 2023.

Idemia contends that the North Carolina Division of Motor Vehicles ("DMV") violated established laws and procedures in the procurement of the Driver License Credentials Issuance Replacement Contract ("the Contract") and, therefore, the award of the Contract to Canadian Banknote Secure Technologies Inc. ("CBNSTI") should be rescinded. I have reviewed all arguments made on behalf of Idemia, along with all submitted documentation by the parties, and have determined that the procurement was proper. Therefore, it is my determination that the award of the contract to Canadian Banknote Secure Technologies Inc. should be upheld.

The North Carolina Department of Transportation ("DOT"), in conjunction with DMV, procured the Contract in accordance with House Bill 650 or North Carolina Session Law 2021-134 (hereinafter, "SL 2021-134"), which authorized DOT to procure and enter into contracts for up to five (5) information technology projects. This legislation was created to facilitate streamlined procurements for the modernization of NC Division of Motor Vehicles ("DMV") systems under its limited exemptions. SL 2021-134 exempted DMV from the procurement process established in Parts 3 and 4 of Article 15 of Chapter 143 of the North Carolina General Statutes, and "any

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other provision of law to the contrary.” For the procurement of the Contract, DMV utilized a best value procurement that largely mirrored the process utilized in traditional procurements and worked with its partners at DOT and the Department of Information Technology (“DIT”) to ensure that the procurement utilized proper process, met all technical requirements, and conformed to statewide security policy.

During the best-value procurement of the Contract, DMV took the following steps to ensure that it balanced the quality of product with price in delivering credentials to the citizens of North Carolina.

This procurement was a competitive process that was comprehensive and fair in its consideration of all evaluated vendors. The selection of CBNSTI was not done as a “sole source,” but was based on market research, reviewing the limited number of capable, experienced companies in the industry to determine what solution would meet North Carolina’s requirements and needs, both now and in the future.

As part of the procurement process, each vendor was offered the opportunity to schedule a presentation or demonstration of their solution to DMV. Each of the three companies emerging from the market research (Idemia, Thales, CBNSTI) were given a full day to present their solutions and receive questions and feedback from DMV, DIT-T, and DOT subject matter experts. The visits by the respective companies were planned in advance, with each receiving an agenda with certain time slots for the various parts of the demonstrations. With respect to Idemia’s opportunity, Idemia made its presentation with several of its personnel and leadership in attendance, constituting substantial familiarity with their process, history, future plans, as well as knowledge of North Carolina cards and needs.

Prior to these scheduled presentations, DMV communicated to the vendors that it intended to upgrade and replace its card issuance solution with an application that would be used for all credential issuances. As has been mentioned previously, Idemia, both as the present company and its predecessors in interest, has held the contract in North Carolina for almost 30 years. This procurement occurred due to the contract with Idemia reaching its final available contract term, which expires at the end of June 2024. Therefore, both parties were aware of the need for future service contracting. During this time, DMV has been in constant communication with Idemia, including holding weekly meetings that address operations, credential problems, and other parts of its contracted service. As such, Idemia was in the best position of the considered vendors in this respect, with the most knowledge of the past and current issues to address in any future solutions.

Additionally, DMV provided each vendor an opportunity to host DMV and other agency personnel at their respective production facilities during the procurement process. While DMV did not visit Idemia’s card manufacturing site in 2022, this was due to Idemia’s inability to properly demonstrate its manufacturing facilities, which were under construction after their relocation of manufacturing from Massachusetts (where DMV had previously visited their site) to California. Instead, DMV was limited to Idemia’s offer to host an off-site demonstration, which was not sufficient for the intended review of the live manufacturing process. Despite DMV ensuring that the opportunity was presented to all considered vendors, Idemia was unable to provide relevant, practical information regarding this portion of the project.

After conducting its comprehensive review of the considered vendors, DMV, assisted by subject matter experts familiar with its systems and operations, evaluated a number of factors in reaching its determination. These included, amongst others, the enumerated factors and description of conducting a “Best Value procurement.”

“Best Value procurement. – The selection of a contractor based on a determination of which proposal offers the best trade-off between price and performance, where quality is considered an integral performance factor. The award decision is made based on multiple factors, including: total cost of ownership, meaning the cost of acquiring, operating, maintaining, and supporting a product or service over its projected lifetime; the evaluated technical merit of the vendor's proposal; the vendor's past performance; and the evaluated probability of performing the requirements stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objectives and maintains industry standards compliance.” NCGS§ 143-135.9(1).

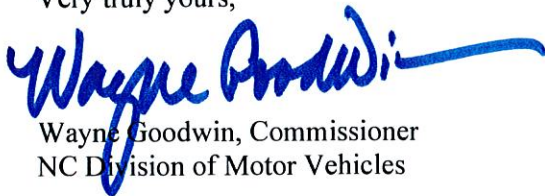
DMV correctly evaluated all of these factors in making its selection, a process which involved leadership and personnel from DMV, DOT, and DIT, who are actively engaged in and support the operation, reliability, and security of the applicable DMV IT information technology systems.

Further, DMV subject matter experts stated the security of the credential is just as important, if not more important than the cost per card. DMV is entrusted to provide, and every customer expects to receive, a State-issued credential that is accurate and is not susceptible to being hacked or unlawfully reproduced. Along with these concerns regarding fraud were DMV’s considerations of Idemia’s past issues with credential production. Despite DMV focusing its efforts and attention for years to identify or otherwise correct the issues that continue to occur with Idemia’s production process, these failures to control their manufacturing service has weighed negatively when weighing their past performance as part of this procurement process.

For all of the stated reasons and incorporating all of the exhibits hereto, including data and documents supplied pursuant to Idemia’s public records request related to this procurement, I, as the Commissioner of the North Carolina Division of Motor Vehicles, through authority delegated by the Secretary of the NC Department of Transportation, find that the protest of the contract award to CBNSTI is without merit and not valid, and affirm the contract award.

Thank you for your attention to this matter.

Very truly yours,


Wayne Goodwin, Commissioner
NC Division of Motor Vehicles

Cc: Joseph (“Joey”) Hopkins, Secretary, NC DOT
Daniel Johnson, General Counsel, NC DOT
William A. Marsh III, Sr. Deputy General Counsel, NC DOT
David O’Neal – NC Dept. Of Administration
James Weaver, Secretary, NC Dept. Of Information Technology

EXHIBIT 2

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October 26, 2023

BY ELECTRONIC DELIVERY

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Re: Protest of Idemia Identity Security USA LLC of the Department of Motor Vehicles Driver License Issuance Credential Replacement Contract to CBN Secure Technologies Inc.

Dear Mr. O'Neal, Mr. Weaver, and Ms. Robbins:

IDEMIA Identity & Security USA LLC ("IDEMIA USA"),¹ by undersigned counsel, protests the illegal award of the Driver License Credentials Issuance Replacement Contract to Canadian Bank Note Secure Technologies Inc. ("CBNSTI") by the North Carolina Department of Transportation ("NCDOT") and North Carolina Department of Motor Vehicles ("NCDMV") (NCDOT and NCDMV are collectively referred to herein the "Department") based on an

¹ IDEMIA is located at 11951 Freedom Drive, Reston, VA 20910. IDEMIA requests that the Department direct all communications regarding this protest to IDEMIA USA's undersigned counsel.

anticompetitive market research selection process conducted in violation of the North Carolina law and the Department's procurement regulations.

IDEMIA USA is the successfully performing incumbent Driver License Credential provider for North Carolina. Despite advising IDEMIA USA that a solicitation was forthcoming, the Department made award to CBNSTI based on a noncompetitive, unfair, and arbitrary market research assessment. On October 11, 2023, IDEMIA USA learned that rather than comply with the law to ensure North Carolina residents receive the best value solution, the Department informally solicited information about the capabilities of three potential competitors and awarded a substantial (likely tens of millions of dollars) contract based on selectively limited market research. The Department did not prepare and share specifications or requirements to enable industry to propose a solution based on the Department's actual needs. The Department did not disclose any evaluation criteria or even suggest that the late 2022 demonstrations were anything more than market research for an upcoming solicitation, secreting the fact that the Department was evaluating capability statements against undisclosed criteria and thus preventing a fair process with common ground rules. *Dubinsky v. United States*, 43 Fed. Cl. 243, 259 (1999) ("making offerors aware of the rules of the game in which they seek to participate is fundamental to fairness and open competition.").

The Department's election to substitute market research for the required procurement process was not only anticompetitive, but it was also unequal. IDEMIA USA learned based on recent sworn testimony of Commissioner Goodwin and Deputy Commissioner Manley before the North Carolina House Oversight and Reform Committee that the Department apparently visited the manufacturing facilities of the other companies and interviewed them about their capabilities but did not afford IDEMIA USA the same opportunity. Moreover, the Department apparently discussed pricing with CBNSTI but—contrary to its representations at this recent hearing—did not afford IDEMIA USA the same opportunity. As best as IDEMIA USA can discern, it appears that the Department held IDEMIA USA to a different standard, erroneously comparing CBNSTI's latest offering to IDEMIA USA's solution for the incumbent contract requirements. The hearing testimony also makes clear that the Department decisionmakers misunderstood IDEMIA USA's corporate structure and capabilities to IDEMIA USA's competitive prejudice.

Although the Department did not issue a solicitation from which one could determine the scope and contractual terms nor publish the total awarded price, the information provided at the

hearing and IDEMIA USA's incumbent experience leads the public to one conclusion regarding how much NC taxpayer money is at stake: CBNSTI's Driver License Credentials Issuance Replacement Contract is tens of millions of dollars. There is no indication, however, that the Attorney General even knows about, much less sanctioned, this unlawful, anticompetitive contract award as required by N.C. Gen. Stat. § 143-134.

Notably, the selection "process" is not the only unlawful element of this award. Testimony by Commissioner Goodwin reveals that CBNSTI's proposed "solution" for the credential violates North Carolina license format requirements as explicitly mandated in statute. N.C. Gen. Stat. at § 20-7(n)(4). An unlawful solution cannot by definition be the best value solution for North Carolina residents.

For the reasons described below, IDEMIA USA requests a meeting with the DOT Procurement Director, the State Purchasing Officer ("SPO"), and the State Chief Information Officer and asks that (i) this protest be sustained, (ii) the Department rescind the illegal selection of CBNSTI as the new Driver License Credential Issuance contractor for the State of North Carolina, and (iii) the Department be required to conduct a fair and transparent best value procurement for the Driver License Credential Issuance Replacement project as required by North Carolina law.

I. IDEMIA USA IS AN INTERESTED PARTY WITH STANDING TO PROTEST AND THIS PROTEST IS TIMELY.

IDEMIA USA, the current driver license credential issuer for North Carolina and presenter to the NCDMV about its driver license capabilities, is an interested party harmed by the anticompetitive selection of CBNSTI as the State's Driver License Credentials Issuance Replacement Contractor. But for the unlawful and unfair actions challenged herein, IDEMIA USA would have had a substantial chance of award, and the North Carolina taxpayers would receive a more secure driver license solution at a lower price.

IDEMIA USA protests this award within 30 days of learning of the award and the anticompetitive process. *See, e.g.*, NCDOT Purchasing Manual at <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Chapter=0> ("THE OFFEROR SHALL SUBMIT A WRITTEN REQUEST FOR A PROTEST MEETING TO THE DIRECTOR OF PURCHASING WHICH SHALL BE RECEIVED BY THE DIRECTOR WITHIN 30 CONSECUTIVE CALENDAR DAYS FROM THE DATE OF THE CONTRACT AWARD.");

see also 1 NCAC 5B.1519(b).) On October 4, 2023, following a public meeting announcing but providing no details of the award, IDEMIA USA learned that the Department's apparent attempts to provide earlier notice of this unlawful award were misdirected and unfulfilled. Information received after the October 4 meeting indicates Commissioner Goodwin first mailed a letter purporting to provide IDEMIA USA notice of the award to an outdated address that IDEMIA USA had previously updated with the Department and then, 12 days later, emailed a copy of said letter to a non-IDEMIA USA email address. (*See* Oct. 4, 2023 Email from Goodwin to Shoemaker, Ex. A (showing misdirected email from Goodwin to Michael.Hash@us.demia.com, mistyping "demia.com" for "idemia.com"); *see also* Novation Am. 5, Ex. B (showing that DOT understood IDEMIA USA's mailing address is "11951 Freedom Drive, Reston VA 20190"). The notice finally received on October 4, 2023 indicates that the award "is a final decision and has been approved by the Division of Motor Vehicles based on Session Law 2021-134 HOUSE BILL 650." (Oct. 4, 2023 Email from Goodwin to Shoemaker at 3 (attaching letter dated September 1, 2023 but received October 4, 2023), Ex. A.) No other information about the basis for the award decision was disclosed. On October 6, IDEMIA USA by counsel submitted a FOIA request to learn more information about the award decision but, to date, has not received any responsive information.

On October 11, 2023, IDEMIA USA attended a hearing conducted by the House Oversight Reform Committee during which Commissioner Goodwin and Deputy Commissioner Manley testified about the award and disclosed information the first time that made clear to IDEMIA USA the Department unlawfully agreed to a multi-million dollar contract with CBNSTI based on an arbitrary and unequal market research assessment in lieu of the required transparent best value procurement process. This timely protest followed.

II. FACTUAL BACKGROUND

A. The Parties

IDEMIA USA, incorporated in Delaware, issues Driver Licenses/ID cards, passport cards, and other identity documents from its highly secure, International Organization for Standardization (ISO) 27001, ISO 14298, North American Security Products Organization (NASPO)-certified CIPS facilities. Currently, IDEMIA USA produces more than 55 million secure credentials annually for 34 U.S. states—more than three times the production volume of any other U.S. secure document issuance vendor.

IDEMIA USA focused on the U.S. market and customers and maintains robust security and governance procedures that ensure customer information is not stored or transferred to any foreign affiliates. Specifically, under IDEMIA USA's national security agreement with the U.S. Government, secure credentialing (driver's licenses and passports) production, processing, and data can only be accessed by US citizens that are not citizens of any other country, are background checked and individually approved each year by the US government (via DoJ). All data for secure credentialing resides and is processed in the United States, and is prohibited from being shared with third parties, foreign nationals, or other entities of IDEMIA. IDEMIA USA thus operates on a separate regulated network and does not share secure credentialing systems or facilities with the affiliates of global IDEMIA.

IDEMIA USA is the incumbent NC Driver License Credential services provider through June 2024. (*See* Novation Am. 5, Ex. B.)

To provide these and other trusted services throughout the United States, IDEMIA USA proudly employes nearly 2,000 U.S. workers--each of whom operates on U.S. soil for all services provided to U.S. government customers at the federal, state, local, and tribal levels.

NCDMV is a division of the NCDOT which oversees driver licenses and vehicle registrations within the state.

CBNSTI "design[s], launch[es], and support[s] secure solutions for currency, border security, identification, excise and lottery operations." ² CBNSTI often subcontracts with its Canadian parent company, Canadian Banknote Company, Ltd., a company incorporated under the laws of Province of Ontario, to perform its credentialing services. (*See e.g.*, Services Agreement, Ex. J (agreement between CBNSTI and CBN to perform similar services for the State of South Carolina).)

B. The Department's Market Research

On October 19, 2022, the Department indicated it was "is in the process of seeking to upgrade/replace its current card issuance solution," and requested that IDEMIA USA demonstrate its DMV Credentialing Solution to NCDMV in accordance with the following agenda:

- Vendor Corporate Background and Experience – 30 minutes
- Vendor Capture Solution – 60 minutes

² <https://www.cbnco.com/why-cbn/about-us/>.

- Back Office Tools, Fraud Investigation Tools & Facial Recognition – 60 minutes
- Card Design, Production & Manufacturing Processes – 60 minutes
- Portable Capture Solutions, Tablets, mDL – 50 minutes
- Project Mgt., QC Processes and Procedures, Support and SLA – 45 minutes
- Final Comments and Wrap Up – 25 minutes.

(Oct. 19, 2022 Email from Henry to IDEMIA, Ex. C.) The Department did not issue a Request for Quotes or a Request for Proposals. The Department also did not share written specifications, requirements, contract terms, or evaluation criteria. Instead, the Department provided a summary overview of the Driver License Capture and Card Production project:

The State of North Carolina (NC) seeks to implement a Driver License Capture and Card Production application for North Carolina Division of Motor Vehicles (NCDMV). This application will be used for all NCDMV credential issuance functionality. This includes full capture, integration with the system of record, back-office functionalities, homebound issuances, fraud investigations, facial recognition, card design, manufacturing, and production. NCDMV is also seeking a mobile capture solution and the use of a tablet solution in the Driver License offices.

(Driver's License Capture and Card Design Replacement Project Presentation/Demonstration Agenda, Ex. D.)

IDEMIA USA presented on the topics set forth in the Department's agenda on November 30, 2022. (IDEMIA USA Demonstration Slides, Ex. E.) During a substantial portion of the time allotted for IDEMIA USA's presentation, the NCDMV asked questions about the incumbent contract which limited the amount of time IDEMIA USA could present on the agenda topics. Several NCDMV individuals arrived late to IDEMIA USA's presentation.

At an NCDMV Committee Meeting on December 1, 2022, NCDMV publicly announced as a "**Future** DMV Project" that "DMV is seeking to improve/upgrade current front and back-office Driver Services program" and noted that NCDMV is "*[c]onsulting with vendors seeking information* for replacement of the current credentialing program." (Dec. 1, 2022 Minutes (Excerpts) at 220-21 (emphasis added), Ex. F.)

The Department did not advise IDEMIA USA in November 2022 or any other time that the Department intended the demonstration to substitute for a follow-on Driver License procurement under a best value or other competitive method. Nor could it as the demonstration was not an offer that can be accepted by the State to form a binding contract. Just the opposite,

the Department continued to tell IDEMIA USA that the Department was behind in completing the solicitation but intended to issue one. Accordingly, IDEMIA USA reasonably believed, as the NCDMV publicly disclosed in its early December 2022 meeting, that the demonstration was informational, i.e., for planning purposes for a fair and transparent competition.

C. The Award To CBNSTI

On October 4, 2023, Commissioner Goodwin notified IDEMIA USA that the Department had attempted to notify IDEMIA USA of the Driver License Credential Issuance Replacement contract award to CBNSTI in September 2023. (Oct. 4, 2023 Email from Goodwin to Shoemaker, Ex. A.)

While the notification letter is dated September 1, 2023, Commissioner Goodwin apparently mailed the letter to IDEMIA USA's former Billerica, Massachusetts address even though the Department understood that IDEMIA USA's current address is in Reston, Virginia. (Oct. 4, 2023 Email from Goodwin to Shoemaker at 3, Ex. A (attached letter dated September 1, 2023 but received October 4, 2023).) After all, the latest extension of IDEMIA's incumbent contract executed in May 2023 correctly and plainly notes IDEMIA's address in Reston, Virginia, as referenced in Amendment Five to the Novation Agreement (dated May 5, 2023). (Novation Am. 5, Ex. B.)

In fact, NCDMV has been aware of IDEMIA's current Reston, Virginia address since at least February 2021. (2021 NDA at 3, Ex. G.)

On September 12, 2022, Commissioner Goodwin emailed a copy of the notification letter to an invalid email address, Michael.Hash@*us.demia.com* instead of the correct email address Michael.Hash@*us.idemia.com*. (Oct. 4, 2023 Email from Goodwin to Shoemaker, Ex. A.)

On October 11, 2023, Commissioner Goodwin and Deputy Commissioner Manley testified before the North Carolina House Oversight and Reform Committee. In his prepared statement, Commissioner Goodwin observed that the Department identified a need to update the Driver License and ID credentials "to the industry standard" and increase security to guard against identity theft and other fraudulent crimes. (*See* Goodwin Prepared Statement at 6, Ex. H.)

Commissioner Goodwin also stated that the Department's goal for the new contract included portable DMV units for deployments across the state. (*Id.* at 8.)

According to the Department's testimony, "DMV subject matter experts conducted a market analysis among the microverse of private companies that make credentials and are

recognized by AAMVA [American Association of Motor Vehicle Administrations], the federal government, and state governments for their compliance." (*Id.* at 9.) The Department identified three companies, including IDEMIA USA, and in late 2022 each presented. (*Id.*)

In the prepared statement, Commissioner Goodwin explained that the Department made the award based on the presentations:

After considering (1) the presentations and first-hand knowledge of their respective facilities and the multitude of factors sought by the subject matter experts, (2) both DMV agency and customer needs, (3) the challenges the agency has faced in recent years with credential errors and the desire to seek improvements – including adoption of best and most secure cards using the top industry standards to date – and (4) to help onboard the portable units DMV needs for its customers across the state, all of which interest with our IT modernization efforts, DMV selected CBN Secure Technologies.

(*Id.*)

The Deputy Commissioner described the selection process for the CBNSTI Contract as follows: (i) NCDMV surveyed other jurisdictions and determined that the top three vendors were IDEMIA, CBNSTI, and Thales; (ii) NCDMV did in person interviews at the facilities of CBNSTI and Thales but not IDEMIA USA purportedly because NCDMV was "familiar with their facility"; (iii) the offerors were invited to Raleigh to "give a full presentation of all of their equipment, technology that was new to the industry, and what they were bringing out"; and (iv) once the presentations were over, the Department selected CBNSTI. (Oversight Hearing Tr. at 15, Ex. I.)

In turn, Commissioner Goodwin suggested that the Department chose CBNSTI based on security functions which purportedly were verified at the AAMVA Annual International Conference. That conference, however, was held at the end of September 2023—*after* the Department made the selection decision. (*Compare id.* at 16 with AAMVA Website (showing that the conference was held September 26-28, 2023).)³

The Department's testimony fails to disclose that IDEMIA's presentation described multiple options for upgrades of the security options of the current card as well as security features of its polycarbonate card should North Carolina seek a change. (*See e.g.*, IDEMIA USA Demonstration Slides at 23-39, Ex. E.) Had IDEMIA USA been given an opportunity to submit a proposal against the Department's stated priorities and requirements, IDEMIA USA would have

³ AAMVA Website at <https://www.aamva.org/events-education/event-archives/presentations-archive/2023-annual-international-conference-presentations>.

highlighted its many security features, which offer the highest protection of driver's license against fraud.⁴

The Commissioner also suggested the Department selected CBNSTI based on its capability to provide portable units. (Oversight Hearing Tr. at 15, Ex. I ("these portable units are so important, because they can go into the undeserved communities like rural counties... And that was a big point, was making sure whoever we ended up going with, that was going to be apart of their portfolio and what they could do"). But, as described in its late 2022 Presentation, IDEMIA USA also offers portable units as well as a self-service KIOSK capability that CBNSTI lacks. (*See* IDEMIA USA Demonstration Slides at 50, Ex. E (describing how its Portable Examiner Workstations can be unpacked, set up, and working within five minutes); *id.* at 12.)

The NCDMV hearing testimony suggested the presentations involved all the same questions to the vendors and that each vendor was given equal time. (Oversight Hearing Tr. at 4, Ex. I.) But that cannot be the case as a significant portion of IDEMIA's presentation was redirected by the NCDMV to discuss the current contract. Moreover, the Department testified that price "was part of what each of the [three] companies were asked to present," but neither the Department's October 19, 2022 presentation request did not solicit price information nor did the Department ask IDEMIA USA for price information during the presentation or thereafter. (*Id.* at 16.)

At the hearing, Commissioner Goodwin testified that the Department purportedly followed DOT's procurement rules, allegedly substituting an "RFQ" process for an "RFP" process because of the relatively small pool of eligible applicants for this type of goods and service. (*See* Oversight Hearing Tr. at 4, Ex. I.) Commissioner Goodwin stated that this NCDMV process "relies on the same data and evaluations, but in a much more quicker manner" than the typical IT procurement process required by Part 4 of Article 15 of Section 143B. (*Id.* at 13.)

The Department's Purchasing Manual defines a Request for Quote as "[a] solicitation document, normally used for smaller competitive procurements."⁵ But the demonstration agenda is not a solicitation document and pricing was not a topic on the NCDMV agenda. Again, although Commissioner Goodwin testified to the Oversight Committee that pricing was part of the process, NCDMV never solicited pricing information from IDEMIA. (*Compare* Oversight Hearing Tr. at

⁴ *See e.g.*, <https://na.idemia.com/dmv-2/physical-drivers-licenses-and-id-cards/>.

⁵ <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Definitions>.

16, Ex. I *with* Oct. 19, 2022 Email from Henry to IDEMIA, Ex. C and IDEMIA USA Demonstration Slides, Ex. E.)

The NCDMV representatives disclosed at the hearing for the first time that the awarded contract price to CBNSTI is valued at \$2.55 per card, which is approximately one cent more than the current incumbent contract. Considering IDEMIA USA never received from the Department specifications, requirements, contract terms, or evaluation criteria for any award, much less a request for any pricing information for future services, the NCDMV at best errantly compared CBNSTI's new offer against IDEMIA's incumbent contract price and arbitrarily assumed IDEMIA USA could not provide a better value. If provided the opportunity, based on the information disclosed by the Department to date, IDEMIA USA would have demonstrated it could have met or exceeded the security and other measures now sought by the Department and offer a better value.

Despite that N.C. law requires "a color photograph of the license holder applied to material that is measured by the industry standard of security and durability and is resistant to tempering and reproduction," N.C. Gen. Stat. 20-7(n)(4), Commissioner Goodwin testified that "color is against industry standard and that the awardee proposed instead a "black and white monochromatic photograph." (Oversight Hearing Tr. at 7, Ex. I.) It is unclear to which industry standard Commissioner Goodwin was referring, but it clearly is not the statutory standard set by the North Carolina General Assembly. Notably, North Carolina's statutory license requirements align with the majority—thirty-seven—of the states, currently placing a color photo on their driver license. And industry standards—including International Civil Aviation Organization⁶ and AAMVA DL/ID Card Design Standard—prefer color photographs.⁷ REAL ID also provides for color photographs. 6 C.F.R. § 3717(e)(2) ("A full facial photograph must be taken pursuant to the standards set forth below: (1) States shall follow specifically ISO/IEC 19794–5:2005(E) (incorporated by reference; see § 37.4). (2) Photographs may be in black and white or color").

⁶https://www.icao.int/Security/mrtd/Downloads/technical%20reports/annex_A-photograph_guidelines.pdf ("Photographs taken with a digital camera must be high quality colour and printed on photo-quality paper.").

⁷ See AAMVA-2020 DLID Card Design Standard at 4.2(h) at <https://www.aamva.org/getmedia/99ac7057-0f4d-4461-b0a2-3a5532e1b35c/AAMVA-2020-DLID-Card-Design-Standard.pdf> ("A reproduction of the cardholder's photograph/image. The *portrait must be in color* unless laser engraving card production is used.") (emphasis added).

The Department's market research also appears to have overlooked key factors with respect to the security of personally identifiable information. For example, when questioned about the vetting of the awardee's security, Commissioner Goodwin simply testified that CBNSTI follows the ISO standards—standards unrelated to the security of personally identifiable information of North Carolinians. (Oversight Hearing Tr. at 8, Ex. I.)

III. GROUNDS OF PROTEST

A. The Award To CBNSTI, Made Without A Competition, Violates Applicable Law and Is Arbitrary and Capricious.

The Department made a substantial award and committed North Carolina public funds for a follow-on driver license credentialing contract without competition. Rather than publicize its specifications, requirements, and evaluation criteria and select the best value offeror, the Department improperly substituted limited and incomplete market research for the procurement process. The Department's anticompetitive and unfair selection process violates North Carolina law and requires cancellation of the contract and selection based on a best value procurement method. N.C. Gen. Stat. § 143-58.

The Department claims it made the award pursuant to Session Law 2021-134, Section 11, which states:

SECTION 11.(a) Notwithstanding Part 3 and Part 4 of Article 15 of Chapter 143[B]⁸ of the General Statutes or any other provision of law to the contrary, *the Department of Transportation may manage, procure information technology goods and services, and enter into contracts for up to five information technology projects for Division of Motor Vehicles system modernization, and these projects are exempt from Department of Information Technology oversight and requirements.* These projects may include modernization of the Division of Motor Vehicles' electronic services and the Division's mail intake, handling, and management systems and practices.

SECTION 11.(b) The Department of Transportation shall notify the Department of Information Technology of the nature and scope of an information technology project the Department of Transportation is undertaking pursuant to the exemption under subsection (a) of this section.

SECTION 11.(c) The Department of Transportation shall report to the Joint Legislative Transportation Oversight Committee, the Joint Legislative Oversight Committee on Information Technology, and the Fiscal Research Division within

⁸ Article 15 of Chapter 143 is the Council of State Governments, whereas Article 15 of Chapter 143B is the Department of Information Technology and Part 3 is Information Technology Projects and Management and Part 4 is Information Technology Procurement.

30 days of entering into a contract for an information technology project the Department of Transportation is undertaking pursuant to the exemptions under subsection (a) of this section.

S.L. 2021-134, Section 11 "Limited Exemption from Department of Information Technology Oversight and Requirements for Division of Motor Vehicles Information Technology Modernization Projects." (Emphasis added.) By its terms, this provision exempts the Department from "Department of Information Technology oversight and requirements" set forth in Parts 3 and 4 of Article 15, Chapter 143B of the North Carolina General Statutes. In other words, the Department rather than the State Chief Information Officer will be responsible for the acquisition and efficient and timely management of the five information technology projects for the NCDMV system modernization covered by Section 11.

But Section 11 does not exempt the Department from its own procurement policies and other statutory provisions requiring competition and a best value procurement process for this significant information technology award. Commissioner Goodwin expressed as much at the recent Oversight hearing, contending that the selection process employed by the Department followed its own procurement processes. Available public information, however, reveals that the Department did not follow its own procurement policies or North Carolina law to the significant competitive prejudice of IDEMIA USA and to the detriment of North Carolina residents and taxpayers. The anticompetitive award to CBNSTI is unlawful and void under North Carolina law.

1. The Department's Own Procurement Policies And North Carolina Law Prohibit the Department from Substituting Market Research for the Best Value Procurement Method Required to Commit Public Funds for an IT Project.

Commissioner Goodwin testified to the Oversight Committee that the Department followed its own procurement rules and adopted a selection process for this replacement contract that "relies on the same data and evaluations, but in a much more quicker manner" than the Information Technology procurement process set forth in Article 15 of Chapter 143B. But the testimony and information available to IDEMIA USA reveal plainly that the Department substituted market research for a competitive procurement process and that market research process collected selectively limited information ultimately to the favor of the non-incumbent contractors. The process was unfair and did not follow the best value procurement method required before public funds are used for Information Technology project under North Carolina law. N.C.

Gen. Stat. 143-135.9(c) ("The acquisition of information technology by the State of North Carolina shall be conducted using the Best Value procurement method."); *id.* at § 143-135.9(b) ("The intent of the Best Value procurement is to enable contractors to offer and the agency to select the most appropriate solution to meet the business objectives defined in the solicitation and to keep all parties focused on the desired outcome of a procurement.").

The Department of Transportation Purchasing Manual makes clear that "fairness and impartiality in all phases of the process are an essential ingredient in public purchasing. Dealings with vendors and peers must be open, honest, and objective."⁹ The Department explains that "utmost fairness is required in expending public funds":

DEALINGS WITH VENDORS AND PEERS MUST BE OPEN, HONEST, AND OBJECTIVE.... IN THE CASE OF PUBLIC PURCHASING, UTMOST FAIRNESS IS REQUIRED IN EXPENDING PUBLIC FUNDS. THE RESULT OF FAVORITISM EXTENDED TO EITHER A USER OR SELLER IS THE SAME. THE PRACTICE IS NOT PERMISSIBLE. NO MATTER HOW STRONGLY A USER MAY PREFER A PARTICULAR PRODUCT OVER OTHERS, EQUIVALENT PRODUCTS MUST BE GIVEN EVERY REASONABLE CONSIDERATION. WE MUST COMMIT AND ADHERE TO FAIR AND OPEN COMPETITION. INTEGRITY IS A PRINCIPAL STOCK IN TRADE FOR THE PUBLIC PURCHASER. INTEGRITY IS MANIFESTED BY FAIRNESS, OPENNESS, AND IMPARTIALITY AND CAN BE TARNISHED BY EVEN THE SLIGHTEST APPEARANCE OF IMPROPRIETY. ONCE THIS OCCURS, IT IS VERY DIFFICULT TO REGAIN.

Id. (Emphasis added). For this reason, "North Carolina's purchasing program [is] built on the principle of competition." *See* 1 NCAC 5B.203(b). Where competition is available, the purchasing agency "must use/write specifications and requirements that are reasonable to satisfy the need, but not unduly restrictive, which shall encourage competition in the open market and result in the best possible contract" for the needed good or service. *Id.* The procurement regulations likewise require the procuring agency to consider and evaluate all responsive offerors against the evaluation criteria stated in the solicitation. 1 NCAC 5B.0309. In fact, the solicitation shall include, among other details:

- (1) Purchasing Agency contract lead name, contact information, Solicitation identifying information, and commodity codes;
- (2) Purpose and background information such as:

⁹ <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Integrity>.

- (A) a description of the requested Goods or Services;
 - (B) a description of the Purchasing Agency's needs; and
 - (C) the intent of the solicitation;
- (3) Contract Term information, including any Renewal period;
- (4) General information regarding the Solicitation and bid process including:
- (A) date and time when the bids will be opened;
 - (B) instruction as to how and when the Vendor is to respond to the Solicitation;
 - (C) the intended schedule of events and responsibilities of the Solicitation;
 - (D) instructions for submitting written questions to the Purchasing Agency;
 - (E) a list of content that should be included in the Vendor's response; and
 - (F) instructions on how to submit an alternate bid, if permitted;
- (5) The method of award and bid evaluation process including:
- (A) the number, type, and structure of the intended award;
 - (B) description of the evaluation criteria; and
 - (C) notice of the State's option to negotiate in accordance with 1 NCAC 5B.0503;
- (6) The terms of the Vendor's performance, including:
- (A) the terms of pricing, invoicing, and methods of delivery of the requested Goods or Services;
 - (B) the scope of work required by the Solicitation;
 - (C) Specifications for the required Good or Service;
 - (D) licensing requirements, as applicable;
 - (E) statement of warranty or maintenance option; and
 - (F) instructions for submitting samples, demonstrations, or descriptive literature;
- (7) Requirements and instructions for submitting references;
- (8) Notice of confidentiality and prohibited communications;
- (9) Contract administration requirements including:
- (A) post award contract management meetings and periodic status reports schedule;
 - (B) provisions for the review of the Vendor's performance as stated in Subparagraph (6) of this Paragraph; and
 - (C) dispute resolution.
- (10) Terms and conditions approved by the Division pursuant to 1 NCAC 5B .0318.
1 NCAC 5B.0314.

The Department may waive competition only under limited conditions—including if the needed product or service is available from only one source of supply, an emergency or pressing

need exists, or competition was solicited but no satisfactory offers were received.¹⁰ *See also* 1 NCAC § 5B.1401. None of these conditions exists here.

The Department currently has a qualified vendor performing the services it seeks, and it solicited presentations from three companies that perform the solicited services for other jurisdictions, making clear that competition is available. Moreover, under N.C. Gen. Stat. § 143-53(a)(5), the Department must seek prior approval of a waiver of competition above \$10,000 to the Division of Purchase & Contract, which the Department did not do.

Notably, N.C. Gen. Stat. § 143-135.9, requires all information technology purchases involving the expenditure of state funds to be competitively bid in conformity with the "Best Value" information technology procurement method. By statute, this procurement method requires an award decision based on multiple disclosed evaluation factors including the total cost, the evaluated technical merit of the offeror's proposal, the offeror's "past performance, and the evaluated probability of performing the requirements stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objective and maintains industry standard compliance." N.C. Gen. Stat. § 143-135.9. The Department's purchasing manual follows this law, defining "best value procurement" as the "method required for purchasing Information Technology commodities and services."¹¹

Nevertheless, the Department made award to CBNSTI without performing a best value procurement. The Department did not issue any written solicitation. It did not disclose specifications or requirements describing its needs or provide instructions for the offerors' proposals. It did not specify contract terms and requirements to which the Department would subject the award. It did not solicit proposals describing the vendor's qualifications and solution to meet a stated agency need. Instead, the Department only sought information about the technical capabilities of three potential vendors.

This market research is not a competition under North Carolina law. To the best of IDEMIA USA's knowledge, none of the presenters even knew they were competing at all. The Department neither disclosed evaluation criteria against which each offeror could prepare its

¹⁰<https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Waiver%20of%20Competition>.

¹¹<https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Definitions>.

proposed solution or presentation, nor discussed pricing tailored to its current needs with all vendors. Without providing common and transparent ground rules, no competition occurred, and the selection process was unfair. *Dubinsky*, 43 Fed. Cl. at 259 ("making offerors aware of the rules of the game in which they seek to participate is fundamental to fairness and open competition.").

Moreover, even if a market research presentation process could substitute for the best value procurement method required by North Carolina law (*it cannot*), the Department treated the market research participants unequally. Specifically, the Department interviewed and visited the facilities of the non-incumbent presenters but assumed incorrectly it knew everything to know about IDEMIA USA because it was the current provider. For starters, contradicting this unsupported assumption is the fact the facility the Department visited back in 2020 is a different facility (in Massachusetts) from IDEMIA USA's current operations (in California), and the facility IDEMIA USA discussed in its presentation. IDEMIA USA has made extensive security upgrades to its facilities and has added equipment that enables IDEMIA USA to produce the type of cards the Department apparently solicited from CBNSTI. Had the Department visited IDEMIA USA's facilities, IDEMIA USA would have demonstrated production of the cards across their whole lifecycle. Although IDEMIA USA offered to host Department representatives at a site visit, the Department ultimately cancelled the visit it had planned.

The Department also did not give the presenters equal time or ask the presenters the same questions. A significant amount of IDEMIA's presentation involved questions about the incumbent contract rather than how IDEMIA USA might perform different requirements to modernize the process. Additionally, contrary to the Department's testimony otherwise, while the Department discussed pricing with the awardee CBNSTI, it did not discuss pricing with IDEMIA USA or—to the best of IDEMIA USA's knowledge—the other company involved in the market research.

The forgoing makes clear that the selection process was improper. The awardee was not properly vetted, and the Department did not conduct a best value procurement required for what the Department has characterized a significant information technology project. Instead, the Department improperly made its selection decision based on an incomplete and unfair market research process. Accordingly, the CBNSTI contract award is void under N.C. Gen. Stat. § 143-58, and this protest should be sustained.

B. The Award To CBNSTI Is Also Arbitrary and Capricious Because CBNSTI's Solution Violates North Carolina License Requirements.

The award to CBNSTI is arbitrary and capricious and the contract also should be rescinded because CBNSTI's solution violates clear statutory requirements for North Carolina driver license credentials.

By statute, North Carolina licenses requires "a color photograph of the license holder applied to material that is measured by the industry standard of security and durability and is resistant to tampering and reproduction." N.C. Gen. Stat. at § 20-7(n)(4). Yet, Commissioner Goodwin testified that CBNSTI proposed, and will be providing, a "black and white monochromatic photograph." (Oversight Hearing Tr. at 7, Ex. I.)

Although Commissioner Goodwin represented to the House Oversight Committee that color is against industry standard, Commission Goodwin is mistaken. As discussed in Section II.C. above, industry standards—including International Civil Aviation Organization and AAMVA DL/ID Card Design Standard—prefer color photographs. Commissioner Goodwin's reliance on some unstated standard conflicts with the statutory standard set by the North Carolina General Assembly. Notably, North Carolina's statutory license requirements align with the majority of the states—thirty-seven have a color photograph on their license today. And there is no federal mandate to change the statutory standard set but the General Assembly; REAL ID also provides for color photographs. 6 C.F.R. § 3717(e)(2). Regardless, nothing in S.L. 2021-134, Section 11—the authority improperly relied on by the Department to subvert the best value procurement process—allows the Department to rewrite the statutory license requirements promulgated by the General Assembly.

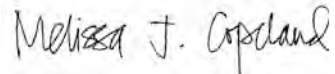
Accordingly, because the CBNSTI solution violates current North Carolina law specifying the format for drivers' licenses issued by the Department, the anticompetitive award lacks a rational basis and cannot be the best value solution for North Carolina residents.

IV. CONCLUSION

For the foregoing reasons, IDEMIA USA requests a meeting with the SPO, CIO, and the Director of Procurement for the Department. As discussed above, IDEMIA's protest should be sustained, the Department should rescind the invalid award to CBNSTI, and the Department should conduct a valid competitive, best value procurement for the Driver License Credential Issuance

Replacement contract to ensure North Carolina residents have the benefit of a modernized credential, that is secure and compliant with North Carolina law, at a fair and reasonable price.

Very truly yours,



Melissa J. Copeland
N.C. Bar No. 34933
*Local Counsel to IDEMIA Identity & Security USA
LLC*

Kara L. Daniels
Arnold & Porter Kaye Scholer LLP
601 Massachusetts Ave., N.W.
Washington, D.C. 20001
Counsel to IDEMIA Identity & Security USA LLC

Enclosures (Exhibits A-J)

cc: Commissioner Goodwin (gwwgoodwin1@ncdot.gov)

EXHIBIT A

From: Goodwin, Wayne <gwwoodwin1@ncdot.gov>
Sent: Wednesday, October 4, 2023 11:49:32 AM
To: Shoemaker, Lisa <Lisa.Shoemaker@us.idemia.com>
Subject: Fwd: Copy of NC DMV decision letter

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Wayne Goodwin
Commissioner
Division of Motor Vehicles (DMV)
North Carolina Department of Transportation

919-615-7020 **office**
919-930-5565 **mobile**

gwwoodwin1@ncdot.gov

3101 Mail Service Center
Raleigh, North Carolina 27697-3101

Get [Outlook for iOS](#)

From: Goodwin, Wayne <gwwoodwin1@ncdot.gov>
Sent: Tuesday, September 12, 2023 1:53 PM
To: Michael.Hash@us.demia.com <Michael.Hash@us.demia.com>
Subject: Copy of NC DMV decision letter

Attached is a duplicate in electronic format of the previously mailed letter. If you have any questions, then please let me know. Thank you.

Respectfully yours,

Wayne Goodwin
Commissioner
Division of Motor Vehicles (DMV)
North Carolina Department of Transportation

(919) 615-7020 office
(919) 930-5565 mobile

gwwoodwin1@ncdot.gov

3101 Mail Service Center



SKIP the TRIP
TO THE DMV



MyNC DMV.gov

DON'T WAIT! RENEW YOUR DRIVER LICENSE TODAY!

*Did you know you can renew your license up to 6 months before it expires?
Skip the Trip to the DMV and renew online today.**

*If you renewed online last time, you must renew in-person this time. Schedule your appointment today at skiptheline.ncdot.gov.

AVAILABLE ONLINE SERVICES

- Renew Driver License/ID Card*
- Renew Vehicle Registration & Pay Property Taxes
- Change Address
- Signup for Email Notifications
- Order Duplicate License/ID/Registration Cards
- Order Driving Records
- Order Personalized Plates
- Pay Insurance Lapse Penalties
- Renew Commercial Carrier Registration



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STATE OF NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION
DIVISION OF MOTOR VEHICLES

ROY COOPER
GOVERNOR

J. ERIC BOYETTE
SECRETARY

September 1, 2023

Idemia Identify & Security USA LLC
Michael Hash
296 Concord Road, Suite 300
Billerica, MA 01821

RE: Award Decision for Driver License Credential Issuance Replacement (DLCIR)

Dear Mr. Hash,

This is to notify you that the North Carolina Division of Motor Vehicles has selected a vendor based on the procurement for the Driver License Credential Issuance Replacement (DLCIR), awarding the contract to CBN Secure Technologies, Inc. This award is a final decision and has been approved by the Division of Motor Vehicles based on SESSION LAW 2021-134 HOUSE BILL 650. As you know, Idemia (and its predecessor companies) has partnered with North Carolina for many years on its credential production. Thank you for your service during the contract term and extension.

We will greatly appreciate your cooperation and professionalism through the end of the contract term as we make this transition.

If I can be further assistance, please feel free to contact me at gwwoodwin1@ncdot.gov.

Kind regards,


DocuSigned by:

6647937AF64D453...
Wayne Goodwin
NCDMV Commissioner

EXHIBIT B

(Order Admin will fill in) **FILE LOCATION:** Q:\U.S\States\North Carolina\DL\Contract for North Carolina Digital Imaging DL_4.26.96

CUSTOMER NAME : North Carolina Department of Transportation

QUOTE # : N/A

CUSTOMER PO/CONTRACT # : PO4300313805 - Amendment 5

ORDER AMOUNT : \$6,900,000.00

ORDER TYPE : New PO

DESCRIPTION : DL/ID Card Production

BUSINESS LINE : CI

ORDER DATE : 05/08/23

SALESPERSON : John Corson

J Corson

PM : Liz Morgan

OP.s : _____

FP&A : _____

PROJECT ACCT : _____

DELIVERY : <<< select the appropriate Order Type f/ the Box below

TERM in Years : _____

EXPECTED START : _____

EXPECTED DELIVERY COMPLETE : _____

WARRANTY START : _____

WARRANTY END : _____

M&S START : _____

M&S END : _____

If ISSUANCE BASED, enter the \$PPC : _____

Milestone # :	Description	Amount \$	Date Complete
1	1 Year contract extension (7/1/23 - 6/30/24)	\$6,900,000.00	06/30/24
2			
3			
4			
5			
6			
7			
8			
9			
10			

\$6,900,000.00 Delivery Total

Annual M&S :	Description	Amount \$	Date Complete
1			
2			
3			
4			
5			
6			
7			
8			
9			
10			

\$0.00 M&S Total

BOOKING AMOUNT : \$6,900,000.00

<<< Entered from Approved cost model

\$0.00 <<< Audit Chk

Finance Approval : YES

DELIVERY : Change Order, no Warranty/M&S
DELIVERY & WARRANTY : Delivery w/ Warranty, optional M&S needs Renewal
DELIVERY, WARRANTY, & MAINTENANCE : Delivery w/ Warranty & M&S included, needs Renewal following original Term
ISSUANCE BASED : Delivery w/ Warranty & M&S included, but priced as PPC

RE: Idemia Identity & Security USA, LLC

**AMENDMENT FIVE / NOTICE OF EXTENSION
DIGITAL IMAGING DRIVER LICENSE SYSTEM**

This Amendment Five (5) and Notice of Extension is entered into by and between Idemia Identity & Security USA, LLC, 11951 Freedom Drive, Reston, VA 20190 (VENDOR) and the North Carolina Department of Transportation, 4101 Capital Blvd., Raleigh, NC 27604 (AGENCY or NCDOT), collectively "the Parties."

Whereas on or about April 26, 1996, the Parties entered into a contract under which VENDOR was to provide to NCDOT a Driver's License System. The Contract was amended with Amendments numbered One through Thirteen, a Novation Agreement and Amendment 1 executed on July 31, 2013, an amendment executed on December 13, 2013 that extended the contract for one period of seven years until December 31, 2021 with the option by NCDOT to extend it for two additional years, and an amendment executed on October 22, 2015 that extended the contract by an additional six months until June 30, 2022, with NCDOT retaining the option to extend it up to two additional years.

Whereas on or about June 24, 2022, the Parties entered into Amendment Four to continue to provide the ID Card Production services for the period beginning July 1, 2022 and ending June 30, 2023 for a not-to-exceed amount of \$6,900,000.00. NCDOT has one one-year renewal option available.

The Parties now agree:

1. To continue to provide the ID Card Production services for the period beginning July 1, 2023 and ending June 30, 2024 for a not-to-exceed amount of \$6,900,000.00.
2. That the cumulative cost of the CONTRACT is for an amount not to exceed \$70,952,130.48.

Except as modified herein, the CONTRACT continues in full force and effect as written and agreed.

Executed by authorized officials as of the day and date indicated below.

PARTIES

Idemia Identify & Security USA, LLC.

DocuSigned by:
Signature: Michael Hash
C244B8454DDA496...

Printed: Michael Hash

Date: 5/4/2023 | 9:38 AM EDT

North Carolina Department of Transportation
Division of Motor Vehicles

DocuSigned by:
Signature: Charlotte Boyd-Malette
01503AF20F994F7...

Printed: Charlotte Boyd-Malette

Date: 5/5/2023 | 7:13 AM PDT

STATE OF NORTH CAROLINA
COUNTY OF WAKE

RE: Idemia Identity & Security USA, LLC

North Carolina Department of Transportation

DocuSigned by:
Signature: Rena E Henry
B0404DA60831476...

Printed: Rena E Henry

Date: 5/5/2023 | 10:16 AM EDT

North Carolina Department of Transportation

DocuSigned by:
Signature: Brian Watkins
C9736C673AAC4D9...

Printed: Brian Watkins

Date: 5/5/2023 | 4:37 PM EDT

POT-4300313805

REQUISITION NO. PR12595744

Issued: Monday, May 8, 2023 EDT, Created: Monday, May 8, 2023 EDT by Christie L Murphy

ORDERED

LINE ITEMS

SUPPLIER:

Idemia Identity & Security USA LLC
5515 E. La Palma Ave., Suite 100 Suite 100
Anaheim, CA 92807
United States
Contact: Susana Sun

TOTAL AMOUNT
\$13,300,000.00000 USD

BILL TO:

NC Dept. of Transportation
SEE LINEITEM COMMENTS FOR ADDRESS XXXXXX, XX 00000
XXXXXX, XX 00000
United States

Tax Rate:

FOB Code: (EPLite) Destination

Entity: 15 - Department of Transportation

GRAND TOTAL AMOUNT INCLUDING TAX AND OTHER COSTS:

IsCollaborationReq: No

Order No.: 4300313805

Contract Type: Agency Specific Term Contract

Agency Contract ID: 504405

Blanket Purchase Order?: No

Tax Amount:

Other Costs:

Line Total of Tax and Other Costs:

Recycled Content Indicator: No

LINE ITEM DETAILS (12 LINE ITEMS)

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
1	ITEM DESCRIPTION: Driver License/ID Card		0 dollar	-	\$1.00000 USD	\$0.00000 USD

...

Full Description: ITEM DESCRIPTION: Driver License/ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 2,804,283 Coverage Period: 7/1/2016-06/30/2017 NCDMV ATTN: BUSINESS SERVICES 3119 MAIL SERVICE CENTER RALEIGH NC 27699-3119 cdbattle@ncdot.gov
BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011624011
1.000 AU @ \$ 6172406.24 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV FIELD SERVICES ATTN: PORTIA MANLEY
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
2	ITEM DESCRIPTION: Driver License/ID Card		0 dollar	-	\$1.00000 USD	\$0.00000 USD
	...					

Full Description: ITEM DESCRIPTION: Driver License/ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 2,894,736.842 Coverage Period: 7/1/2017 - 06/30/2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27699-3100 cdbattle@ncdot.gov Quantity: 6100000.000 UOM: EA ItemNumber: 10 ItemDescription: Driver License/ID Card Production GrossPriceItem: 1.00 GrossPriceTotal: 6100000.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
 DOT Requisition #: 0011723741
 1.000 AU @ \$ 6100000.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV FIELD SERVICES ATTN: PORTIA MANLEY
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
3	ITEM DESCRIPTION: IMPLEMENTATION HEARING ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: IMPLEMENTATION HEARING IMPAIRED IND MATERIAL NUMBER: 809000001 LOT NUMBER:

COMMENTS

- DOT REF: 6*1137 / CONTACT: TIM KNOX @(919)707-2045 *****INVOICE INSTRUCTIONS TO VENDOR***** PLEASE INCLUDE PO # ON ALL INVOICES AND SUBMIT INVOICES TO EMAIL ADDRESS: NCDOTITInvoices@ncdot.gov
 BillTo Address: EMAIL inv to: NCDOTITInvoices@ncdot.gov ,
 Custom Price Unit: 1.00 per/ 1
 DOT Requisition #: 0011766866 (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

NCDOT IT DISTRIBUTION CENTER
 1529 S. BLOUNT STREET
 RALEIGH, NC 27603
 United States
 Phone: +1 919-733-6664

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
4	ITEM DESCRIPTION: Driver License/ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Driver License/ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 723,590 Coverage Period: June, July and August 2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 cdbattle@ncdot.gov Quantity: 723590.000 UOM: EA ItemNumber: 10 ItemDescription: Driver License/ID Card Production GrossPriceItem: 1.00 GrossPriceTotal: 723590.00 PriceUnit: 1

 BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
 DOT Requisition #: 0011820925
 1.000 AU @ \$ 723590.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV DRIVER SERVICES CHARLOTTE BOYD-MALETTE 919-615-5630
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
5	ITEM DESCRIPTION: Drivers License / ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 438,496 Coverage Period: July 2018 and August 2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 awbeasley@ncdot.gov Quantity: 1000000.000 UOM: EA ItemNumber: 10 ItemDescription: Driver Lecense / ID Card Production GrossPriceItem: 1.00 GrossPriceTotal: 1000000.00 PriceUnit: 1

 BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
 DOT Requisition #: 0011841820
 1.000 AU @ \$ 1000000.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV DRIVER LICENSE CHARLOTTE BOYD-MALETTE (919) 615-5630
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
6	ITEM DESCRIPTION: Drivers License / ID Card ...		0 each	-	\$2.28000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: 162A00286 LOT NUMBER:

COMMENTS

- Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 1,798,246 Coverage Period: SEPTEMBER 2018 TO JUNE 2019 5-2134/6-2556 CONTACT: LAQUISHA HUNTER @(919) 861-3457 *****INVOICE INSTRUCTIONS TO VENDOR***** PLEASE INCLUDE PO # ON ALL INVOICES AND SUBMIT INVOICES TO EMAIL ADDRESS: NCDOTITinvoices@ncdot.gov
 BillTo Address: EMAIL inv to: NCDOTITinvoices@ncdot.gov ,
 Custom Price Unit: 2.28 per/ 1
 DOT Requisition #: 0011852086 (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

NCDOT IT DISTRIBUTION CENTER
 1529 S. BLOUNT STREET
 RALEIGH, NC 27603
 United States
 Phone: +1 919-733-6664

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: NT00

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
7	ITEM DESCRIPTION: Drivers License / ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each Coverage Period: July 2018 and June 2019 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 awbeasley@ncdot.gov
 Quantity: 4410048.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ ID CARD STOCK GrossPriceItem: 1.00 GrossPriceTotal: 4410048.00 PriceUnit: 1

 BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
 DOT Requisition #: 0011852086
 1.000 AU @ \$ 4410048.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV DRIVER LICENSE CHARLOTTE BOYD-MALETTE
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
8	ITEM DESCRIPTION: Drivers License / ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2019 to June 30, 2020 RE: CONTRACT # 504405 DOT REF: 5004268 | CONTACT: MAGGIE GIVENS @(919) 615-5630 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100
 Quantity: 6880014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00 GrossPriceTotal: 6880014.00 PriceUnit: 1

 BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
 DOT Requisition #: 0011852086
 1.000 AU @ \$ 6880014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

DMV DRIVER LICENSE
 1100 NEW BERN AVE.
 RALEIGH, NC 27697
 United States
 Phone: +1 919-861-3808

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
9	ITEM DESCRIPTION: Drivers License / ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

- COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2020 to June 30, 2021 (To be paid annually) RE: CONTRACT # 504405 DOT REF: 5004268 | CONTACT: MAGGIE GIVENS @(919) 615-5630 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100
 Quantity: 6880014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00 GrossPriceTotal: 6880014.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011852086
1.000 AU @ \$ 6880014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:
DMV DRIVER LICENSE
1100 NEW BERN AVE.
RALEIGH, NC 27697
United States
Phone: +1 919-861-3808

DELIVER TO:
Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
10	ITEM DESCRIPTION: Drivers License / ID Card ...		0 dollar	-	\$1.00000 USD	\$0.00000 USD

Full Description: ITEM DESCRIPTION: Drivers License / ID Card Production MATERIAL NUMBER: LOT NUMBER:

COMMENTS

• COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2021 to June 30, 2022 (To be paid annually) RE: CONTRACT # 504405 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100
Quantity: 6580014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00 GrossPriceTotal: 6580014.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011852086
1.000 AU @ \$ 6580014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:
DMV DRIVER LICENSE
1100 NEW BERN AVE.
RALEIGH, NC 27697
United States
Phone: +1 919-861-3808

DELIVER TO:
Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
11	ITEM DESCRIPTION: IDEMIA RENEWAL 1 YEAR ...		6,400,000 dollar	-	\$1.00000 USD	\$6,400,000.00000 USD

Full Description: ITEM DESCRIPTION: IDEMIA RENEWAL 1 YEAR MATERIAL NUMBER: 809000001 LOT NUMBER:

COMMENTS

• ID Card Production services for the period beginning July 1, 2022 and ending June 30, 2023 RE: AMENDMENT FOUR / NOTICE OF EXTENSION FOR DIGITAL IMAGING DRIVER LICENSE SYSTEM DOT Ref: 5007097 | CONTACT: Charlotte Boyd-Malette @ (919) 615-7029 cboyd-malette@ncdot.gov EMAIL invoice to: NCDOTInvoices@ncdot.gov

BillTo Address: EMAIL inv to: NCDOTInvoices@ncdot.gov ,
 Custom Price Unit: 1.00 per/ 1
 DOT Requisition #: 0012020716 (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

NCDOT IT DISTRIBUTION CENTER
 1529 S. BLOUNT STREET
 RALEIGH, NC 27603
 United States
 Phone: +1 919-733-6664

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

NO.	DESCRIPTION	PART NUMBER	QTY	NEED-BY DATE	UNIT PRICE	AMOUNT
12	ITEM DESCRIPTION: IDEMIA RENEWAL 1 YEAR ...		6,900,000 dollar -		\$1.00000 USD	\$6,900,000.00000 USD

Full Description: ITEM DESCRIPTION: IDEMIA RENEWAL 1 YEAR MATERIAL NUMBER: 809000001 LOT NUMBER:

COMMENTS

- Idemia Renewal 1 year renewal Term: July 1, 2023 - June 30, 2024 Qty. 1 DOT Ref: 5009229 CONTACT: Michael Newsome @ (919) 615-7050
 mlnewsome@ncdot.gov EMAIL invoice to: NCDOTInvoices@ncdot.gov
 BillTo Address: EMAIL inv to: NCDOTInvoices@ncdot.gov ,
 Custom Price Unit: 1.00 per/ 1
 DOT Requisition #: 0012075809 (Christie L Murphy, Monday, May 8, 2023 EDT)

SHIP TO:

NCDOT IT DISTRIBUTION CENTER
 1529 S. BLOUNT STREET
 RALEIGH, NC 27603
 United States
 Phone: +1 919-733-6664

DELIVER TO:

Multiple Delivery Addresses

Terms Of Payment: Net 30 Days

TOTAL AMOUNT
\$13,300,000.00000 USD

Approvals

No Approval Requests

REQUISITION COMMENTS

- COMMENT by **Christie L Murphy** on *05/08/2023*
Header Text: RENEWAL - ADDED LINE 120
Validity Start Date: 20160701
Validity End Date: 20240630
SalesPerson: MARK HAMILTON
Vendor Telephone: 817-501-8568
FOB Text: Destination
Bid/Quote: 504405 (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 1) by **Christie L Murphy** on *05/08/2023*
COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 2,804,283
Coverage Period: 7/1/2016-06/30/2017 NCDMV ATTN: BUSINESS SERVICES 3119 MAIL SERVICE CENTER RALEIGH NC 27699-3119 cdbattle@ncdot.gov
BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011624011
1.000 AU @ \$ 6172406.24 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 2) by **Christie L Murphy** on *05/08/2023*
COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 2,894,736.842 Coverage Period: 7/1/2017 - 06/30/2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27699-3100 cdbattle@ncdot.gov
Quantity: 6100000.000 UOM: EA ItemNumber: 10 ItemDescription: Driver License/ID Card Production GrossPriceItem: 1.00
GrossPriceTotal: 6100000.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011723741
1.000 AU @ \$ 6100000.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 3) by **Christie L Murphy** on *05/08/2023*
DOT REF: 6*1137 / CONTACT: TIM KNOX @(919)707-2045 *****INVOICE INSTRUCTIONS TO VENDOR***** PLEASE INCLUDE PO # ON ALL INVOICES AND SUBMIT INVOICES TO EMAIL ADDRESS: NCDOTITinvoices@ncdot.gov
BillTo Address: EMAIL inv to: NCDOTITinvoices@ncdot.gov ,
Custom Price Unit: 1.00 per/ 1
DOT Requisition #: 0011766866 (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 4) by **Christie L Murphy** on *05/08/2023*
COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 723,590
Coverage Period: June, July and August 2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 cdbattle@ncdot.gov
Quantity: 723590.000 UOM: EA ItemNumber: 10 ItemDescription: Driver License/ID Card Production GrossPriceItem: 1.00
GrossPriceTotal: 723590.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011820925
1.000 AU @ \$ 723590.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 5) by **Christie L Murphy** on *05/08/2023*
COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 438,496
Coverage Period: July 2018 and August 2018 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 awbeasley@ncdot.gov
Quantity: 1000000.000 UOM: EA ItemNumber: 10 ItemDescription: Driver License / ID Card Production GrossPriceItem: 1.00
GrossPriceTotal: 1000000.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697
DOT Requisition #: 0011841820
1.000 AU @ \$ 1000000.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)
- COMMENT (ITEM 6) by **Christie L Murphy** on *05/08/2023*
Driver License/Identification Card Production ID Cards Cost: 2.28 each QTY: 1,798,246 Coverage Period: SEPTEMBER 2018 TO JUNE 2019 5-2134/6-2556 CONTACT: LAQUISHA HUNTER @(919) 861-3457 *****INVOICE INSTRUCTIONS TO VENDOR***** PLEASE INCLUDE PO # ON ALL INVOICES AND SUBMIT INVOICES TO EMAIL ADDRESS: NCDOTITinvoices@ncdot.gov
BillTo Address: EMAIL inv to: NCDOTITinvoices@ncdot.gov ,

Custom Price Unit: 2.28 per/ 1

DOT Requisition #: 0011852086 (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 7) by **Christie L Murphy** on 05/08/2023

COMPLETED - DO NOT DUPLICATE Driver License/Identification Card Production ID Cards Cost: 2.28 each Coverage Period: July 2018 and June 2019 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100 awbeasley@ncdot.gov

Quantity: 4410048.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ ID CARD STOCK GrossPriceItem: 1.00
GrossPriceTotal: 4410048.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697

DOT Requisition #: 0011852086

1.000 AU @ \$ 4410048.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 8) by **Christie L Murphy** on 05/08/2023

COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2019 to June 30, 2020 RE: CONTRACT # 504405 DOT REF: 5004268 | CONTACT: MAGGIE GIVENS @(919) 615-5630 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100

Quantity: 6880014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00
GrossPriceTotal: 6880014.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697

DOT Requisition #: 0011852086

1.000 AU @ \$ 6880014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 9) by **Christie L Murphy** on 05/08/2023

COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2020 to June 30, 2021 (To be paid annually) RE: CONTRACT # 504405 DOT REF: 5004268 | CONTACT: MAGGIE GIVENS @(919) 615-5630 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100

Quantity: 6880014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00
GrossPriceTotal: 6880014.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697

DOT Requisition #: 0011852086

1.000 AU @ \$ 6880014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 10) by **Christie L Murphy** on 05/08/2023

COMPLETED - DO NOT DUPLICATE ID Cards Cost: 2.28 each Coverage Period: July 1, 2021 to June 30, 2022 (To be paid annually) RE: CONTRACT # 504405 NCDMV ATTN: BUSINESS SERVICES 3100 MAIL SERVICE CENTER RALEIGH NC 27697-3100

Quantity: 6580014.000 UOM: AU ItemNumber: 10 ItemDescription: SUPPLIES, DL/ID CARD STOCK GrossPriceItem: 1.00
GrossPriceTotal: 6580014.00 PriceUnit: 1

BillTo Address: 1100 New Bern Ave. Raleigh, NC 27697

DOT Requisition #: 0011852086

1.000 AU @ \$ 6580014.00 per AU (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 11) by **Christie L Murphy** on 05/08/2023

ID Card Production services for the period beginning July 1, 2022 and ending June 30, 2023 RE: AMENDMENT FOUR / NOTICE OF EXTENSION FOR DIGITAL IMAGING DRIVER LICENSE SYSTEM DOT Ref: 5007097 | CONTACT: Charlotte Boyd-Malette @ (919) 615-7029 cboyd-malette@ncdot.gov EMAIL invoice to: NCDOTITinvoices@ncdot.gov

BillTo Address: EMAIL inv to: NCDOTITinvoices@ncdot.gov ,

Custom Price Unit: 1.00 per/ 1

DOT Requisition #: 0012020716 (Christie L Murphy, Monday, May 8, 2023 EDT)

- COMMENT (ITEM 12) by **Christie L Murphy** on 05/08/2023

Idemia Renewal 1 year renewal Term: July 1, 2023 - June 30, 2024 Qty. 1 DOT Ref: 5009229 CONTACT: Michael Newsome @ (919) 615-7050 mlnewsome@ncdot.gov EMAIL invoice to: NCDOTITinvoices@ncdot.gov

BillTo Address: EMAIL inv to: NCDOTITinvoices@ncdot.gov ,

Custom Price Unit: 1.00 per/ 1

DOT Requisition #: 0012075809 (Christie L Murphy, Monday, May 8, 2023 EDT)

EXHIBIT C

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Wednesday, October 19, 2022 5:09 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>
Cc: pmanley@ncdot.gov
Subject: Vendor Demonstration Request

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Good afternoon,

As you are aware, The North Carolina Division of Motor Vehicles (DMV) is in the process of seeking to upgrade/replace its current card issuance solution. On behalf of the State of North Carolina Department of Information Technology and The North Carolina Division of Motor Vehicles, I am requesting a demonstration of your DMV Credentialing Solution. The location of the demonstration can be at one of our State offices or at a destination of your choosing in the Raleigh NC 27610 area. We are offering the following dates for the demonstrations: November 7th, 8th, 9th, 29th, 30th and December 1st.

I request you to kindly let me know which dates you are available to demonstrate your solution to our North Carolina team and where you would like the demonstration to take place. I will respond with your demonstration date once the schedule is finalized. Attached is the demonstration agenda.

Please note that if desired, we will allow a small team of your choosing to visit a Driver License office. This visit will be pre-arranged and approved.

If you have any questions, kindly contact me at REHENRY@NCDOT.GOV or 919-618-6887.

Regards,
Rena E. Henry, CPM, PMP
Deputy Chief Information Officer, Division of Motor Vehicles
NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

Century Center Building B
1020 Birch Ridge Drive

1521 Mail Service Center
Raleigh, NC 27610

[Website](#) [Twitter](#) [Facebook](#) [LinkedIn](#) [YouTube](#) [Flickr](#)



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EXHIBIT D

North Carolina Department of Information Technology - Transportation



Driver License Capture and Card Design Replacement Project

Presentation/Demonstration Agenda

Section 1 Overview

The State of North Carolina (NC) seeks to implement a Driver License Capture and Card Production application for North Carolina Division of Motor Vehicles (NCDMV). This application will be used for all NCDMV credential issuance functionality. This includes full capture, integration with the system of record, back-office functionalities, homebound issuances, fraud investigations, facial recognition, card design, manufacturing, and production. NCDMV is also seeking a mobile capture solution and the use of a tablet solution in the Driver License offices.

Section 2 Topics

AGENDA

No.	Topics	Duration (Min)	Start Time	End Time
1.	Vendor Corporate Background and Experience	30	9:00 AM	9:30 AM
2.	Vendor Capture Solution	60	9:30 AM	10:30 AM
3.	Break	10	10:30 AM	10:40 AM
4.	Back Office Tools, Fraud Investigation Tools & Facial Recognition	60	10:40 AM	11:40 AM
5.	Lunch	60	11:40 AM	12:40 PM
6.	Card Design, Production & Manufacturing Processes	60	12:40 PM	1:40 PM
7.	Portable Capture Solutions, Tablets, mDL	50	1:40 PM	2:30 PM
8.	Break	10	2:30 PM	2:40 PM
9.	Project Mgt., QC Processes and Procedures, Support, SLA	45	2:30 PM	3:15 PM
10.	Final Comments and Wrap Up	25	3:15 PM	3:40 PM
Meeting adjourned – Everyone Dismissed Approved Visitors to travel to DMV location				
11.	Travel to DMV Office (If approved)	20	3:40 PM	4:00 PM
12.	DMV On-Site Visit	30	4:00 PM	4:30 PM
13.	Final Comments	10	4:30 PM	4:40 PM

EXHIBIT E

**EXHIBIT EXCLUDED IN FULL
DUE TO PROPRIETARY INFORMATION**

EXHIBIT F

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December 1, 2022

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NORTH CAROLINA
Department of Transportation

DMV Projects and Initiatives

Jennifer Keel

12.1.2022

Connecting people, products and places safely and efficiently with customer focus, accountability and environmental sensitivity to enhance the economy and vitality of North Carolina

Future DMV Projects

Driver License Replacement

DMV is seeking to improve/upgrade current front and back-office Driver Services program.

Consulting with vendors seeking information for replacement of the current credentialing program.

Requirements are to issue modern and reliable ID documents compliant with AAMVA 2020 Card Design Standards and Real ID.



EXHIBIT G

MUTUAL NON-DISCLOSURE AGREEMENT

This Mutual Non-Disclosure Agreement ("Agreement") is entered into as of the date executed by both parties ("Effective Date") by and between **Idemia Identity & Security USA LLC**, with its principal office as stated in the signature block below ("IDEMIA") and the other entity stated in the signature block below (the "Company").

In consideration of the mutual promises contained in this Agreement and the mutual disclosure of Confidential Information, the parties hereto agree as follows:

1. Purpose. The purpose ("Purpose") of this Agreement is to enable the parties to disclose confidential information to one another relating to a potential transaction between the parties.

2. Confidential Information and Exclusions. In this Agreement, "Confidential Information" means all information or material disclosed by one party hereto ("Discloser") in any manner, whether orally, visually or in tangible form, to the other party hereto ("Recipient"), or otherwise discovered by or made available to Recipient. Confidential Information includes, but is not limited to, the following types of information: software (in various stages of development), designs, drawings, specifications, models, source code, object code, know-how, techniques, documentation, diagrams, flow charts, marketing and development plans, business plans, financial information, customer lists, and other similar information and intellectual property that is proprietary to and confidential information of Discloser, and all copies, descriptions and summaries thereof, whether created by Discloser or Recipient. In the course of disclosing Confidential Information to the Recipient, Discloser shall endeavor to identify such information as "confidential", but failure to so identify such information as confidential shall not relieve the Recipient of its obligations hereunder. Confidential Information shall not include information that: (a) is already known to Recipient without restriction on use or disclosure prior to receipt of such information from Discloser; (b) is or becomes part of the public domain other than by breach of this Agreement by Recipient; (c) is developed by Recipient independently of and without use of or reference to any of Discloser's Confidential Information; or (d) is received by Recipient from a third party who is not under any obligation to Discloser to maintain the confidentiality of such information.

Except as otherwise indicated in this Agreement, the term "Discloser" and "Recipient" includes all Affiliates of such parties. For purposes of this

Agreement, an "Affiliate" means any person, partnership, joint venture, corporation, or other form of enterprise, domestic or foreign, including subsidiaries that directly or indirectly control, are controlled by, or are under common control with a party.

3. Ownership. All Confidential Information disclosed by Discloser shall remain the sole property of Discloser. Nothing herein shall be construed as a grant by Discloser to Recipient or any third party of any license, directly or by implication, estoppel or otherwise, in any Confidential Information. Nothing contained herein shall create any obligation on the part of Discloser to provide Recipient with any Confidential Information.

4. Obligations Regarding Confidential Information. (a) Recipient shall use Confidential Information only for the purposes of evaluating Discloser's technology, software, products, services and any proposed business transaction between the parties in furtherance of the Purpose. Except as expressly permitted herein, Recipient shall protect and maintain the Discloser's Confidential Information in the strictest confidence and shall prevent the disclosure of such information by Recipient or its employees and consultants. Recipient shall use the same degree of care to keep confidential the Confidential Information as it uses to keep confidential its own confidential information, but in no event less than a reasonable degree of care.

(b) Recipient may disclose Confidential Information only to its employees and consultants on a need to know basis and who are under written or legal obligations of confidentiality.

(c) Recipient shall notify Discloser immediately upon discovery of any unauthorized use or disclosure of Confidential Information or any other breach of this Agreement by Recipient or its employees or consultants, and will cooperate with Discloser in every reasonable way to help

Discloser regain possession of the Confidential Information and prevent its further unauthorized use or disclosure.

(d) Recipient shall refrain from disclosing any Confidential Information of Discloser to third parties for three (3) years following the date of expiration or termination of this Agreement for any reason.

(e) Recipient shall refrain from creating derivative works from, or reverse engineering, decompiling or disassembling any software code and/or pre-release hardware devices disclosed by Discloser to the Recipient under the terms of this Agreement, except as expressly permitted by applicable law.

(f) Notwithstanding any other provision of this Agreement, Recipient may disclose Confidential Information in response to a valid order to a court, regulatory agency, or other governmental body in the United States or any political subdivision thereof, but only to the limited extent and for the limited purposes stated in such order; provided, however, that Recipient shall first notify Discloser in writing of the order and cooperate with Discloser if Discloser desires to seek an appropriate protective order.

5. Return of Information. All Confidential Information, copies and summaries thereof shall be returned to Discloser within 10 days of Discloser's request. At Discloser's option, Confidential Information, including all copies, may instead be destroyed by Recipient, provided Recipient certifies such destruction in writing to Discloser within five days of Discloser's instructions to Recipient. This obligation survives expiration or termination of this Agreement.

6. No Assignment. Neither party may assign any of its rights or delegate any of its duties, in whole or in part, without the prior written consent of the other party. Any attempted assignment or delegation shall be void.

7. Severability. If any provision of this Agreement should be held to be invalid in any way or unenforceable, it shall be severed and the remaining provisions shall not in any way be affected or impaired. This Agreement shall be construed so as to most nearly give effect to the intent of the parties as originally executed.

8. Term and Termination. The term of this Agreement shall commence on the Effective Date and, unless terminated sooner in accordance with the express terms of this Agreement, shall continue for a period of two (2) years. Either party may terminate this Agreement without cause upon 30 days advance written notice to the other party. The term of this Agreement may be extended upon the express written agreement of the parties.

9. Governing Law. This Agreement is made under and shall be governed and construed in accordance with the laws of the State of North Carolina. The place of this Agreement, its situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or in tort, relating to its validity, construction, interpretation and enforcement shall be determined. The parties agree and submit, solely for matters relating to this Agreement, to the jurisdiction of the courts of the State of North Carolina, and stipulates that Wake County shall be the proper venue for all matters.

10. Notices. Any notice required by this Agreement or given in connection with it, shall be in writing and shall be given to the appropriate party by personal delivery or by certified mail, postage prepaid, or recognized overnight delivery services to the parties' addresses first set forth above. Except as otherwise provided herein, such notices shall be deemed given when received. Copies of all notices to Idemia Identity & Security USA LLC shall be sent to Idemia Identity & Security USA LLC, ATTN: Legal Department, 296 Concord Road, Billerica MA 01821.

11. Export Control. Notwithstanding anything to the contrary in this Agreement, the Company acknowledges and agrees that it may be subject to regulations of the U.S. Department of Commerce which prohibit the export or diversion of certain products and technologies to certain countries. The Company agrees that it shall not export or divert the information provided hereunder without fully complying with all relevant laws of and regulations, including without limitation, the US Export Administration Act of 1979, as amended, any successor legislation, and the Export Administration Regulations issued by the US Department of Commerce.

12. Immunity from Liability Under U.S. Federal Defend Trade Secrets Act. In furtherance of the U.S. federal Defend Trade Secrets Act, each party to this Agreement shall not be held criminally or civilly liable under any U.S. federal or state trade secret law for the disclosure of a another's trade secret that is made in confidence to a U.S. federal, state or local government official, either directly or indirectly or to an attorney, and is made solely for the purpose of reporting or investigating a suspected violation of law. The same immunity will be provided for the disclosure of a trade secret that is made in a complaint or other document filed in a lawsuit or other proceeding, if such filing is made under seal. An individual who files a lawsuit for retaliation by an employer for reporting a suspected violation of law may disclose the trade secret to the individual's attorney and use the trade secret information in the court proceeding if the individual files any document containing the trade secret under seal and does not disclose the trade secret, except pursuant to court order.

13. Entire Agreement. This Agreement contains the entire understanding between the parties concerning the subject matter hereof and supersedes all prior and contemporaneous communications and agreements with respect to such subject matter. There are no representations, warranties, terms, conditions, undertakings or collateral agreements, express, implied or statutory, between the parties other than as expressly set forth in this Agreement. No provision of this Agreement can be waived or cancelled, and this Agreement cannot be changed, modified or amended, except by an instrument in writing executed by both parties.

14. Counterparts. This Agreement may be executed in counterparts, each of which shall be deemed an original Agreement for all purposes and which collectively shall constitute one and the same Agreement. A facsimile copy of any such executed counterpart shall be deemed an executed original.

IN WITNESS WHEREOF, the parties hereto have caused this Agreement to be executed.


Idemia Identity & Security USA LLC

State of North Carolina

11951 Freedom Drive, Suite 1800
Reston, VA 20190

Department of Information Technology - Transportation
4101 Capital Blvd. Raleigh, NC 27610

BY: 

DocuSigned by:
Frank Winn
BY: 

Name: ROBERT MIKELL

Name: _____

Title: VP of OPERATIONS

Title: _____

Date: 02/23/2021

Date: _____

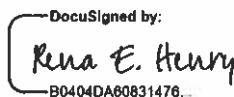
DocuSigned by:
Rena E. Henry


EXHIBIT H

Wayne Goodwin, NC DMV Commissioner
Written Statement of Proposed Testimony to the
House Oversight and Reform Committee
11 October 2023

Co-Chairs Johnson and Warren, Members of the Committee, Other Legislators, Legislative Staff, Guests, and Members of the Public:

Good morning.

Thank you for inviting DMV Chief Deputy Commissioner Portia Manley and me to the meeting of this committee.

One of the highlights of my public service career over the last thirty (30) years is my tenure as a member of the North Carolina House of Representatives. Only a few years out of law school in my first term, I valued then, and over the decades, and now the immense work that House members do on behalf of their districts and citizens statewide. I recognize the vital work you do every day - whether in session or not - to address constituent needs and concerns, improve the laws and governance and direction of this great State. The vast majority of the public has no idea about the constant tsunami of materials, facts, opinions, meetings, data, and the analyses you must receive, review, discern, deliberate, and publicly act upon – all while navigating the pressures and demands placed upon you by deadlines and perhaps the competing efforts of your contemporaries as they shoulder those same burdens. Thank you, All, for your service to North Carolina.

Most of my professional career since completing college has been dedicated to public service. Helping people solve problems and finding solutions for challenges facing our State has always been a passion of mine. For that reason, I have worn many hats in the public arena – some of those roles being in the legislature, later on the Council of State, and now within a division of a Cabinet agency.

In January 2022, based upon my past service and germane experiences in State government, I began serving as Commissioner of the Division of Motor Vehicles, what we all know as the DMV. As you know, prior to both the COVID-19 pandemic and to my service in this position, state leaders decided to move DMV headquarters - its primary state office - from Raleigh to Rocky Mount. I directly reported to then-DOT Secretary Eric Boyette, an inspiring leader and dedicated public servant who had previously served as DMV Commissioner and Secretary of DIT.

Working with senior executive leadership, very soon on the job in January 2023 I helped develop our DMV mission and goals for my tenure. Desiring greatly to tackle head-on long-standing agency challenges that were exacerbated by the pandemic and labor force dynamics, our goals became these:

- (1) Shorten wait times
- (2) Shorten lines
- (3) Modernize our technology internally and for customers externally
- (4) Fill DMV Examiner vacancies
- (5) Protect customers from identity fraud and investigate fraud/theft regarding IDs
- (6) Provide more online service options for customers
- (7) Improve customer service overall for individuals and businesses

I have reported on those goals on multiple occasions, including, to the best of my memory, to a meeting earlier this year of the Joint Appropriations Committee on Transportation and in other correspondence and discussions.

As much as possible, the micro and macro decisions and work of DMV management and rank-and-file DMV colleagues have been to include one or more of those seven (7) goals.

Without getting into the weeds on them, DMV's renewed, revised focus resulted in our observing successes in each of those categories – while still recognizing there remains much more work to do to build on that momentum to better meet our goals. Ultimately, when you get down to it, our DMV during this administration is about improving the customer experience with the limited resources available. I'll be happy to answer any questions about DMV goals and what I have observed.

Today, though, Co-chairs Johnson and Warren invited me to explain two topics:

- (1) North Carolina's driver license renewal policy, and**
- (2) the recently awarded contract to CBN Secure Technologies.**

I greatly anticipate there will be some overlap with comments provided by DMV Chief Deputy Commissioner Manley, a long-serving DMV leader with decades of institutional knowledge.

First, I will discuss North Carolina's driver license renewal policy.

Incorporating by reference the relevant portions of Chapter 20 of our North Carolina General Statutes and not knowing how detailed you wish for me to be, here is an executive summary of

our state's driver license renewal policy to the best of my knowledge and memory, condensed from the early 1980s to the present:

For many years – including when I first obtained my own driver license in the early 1980s - persons eligible for and receiving their drivers license were required to return every four years. During that renewal visit, you had to appear in-person. There was no choice because there was no Internet and, thus, no online opportunities. Further, you physically received your renewed license that same day – literally hot off the press after it was laminated. Those cards *no longer meet industry standards* using many metrics.

Eventually the legislature extended the time period for renewals by another year and then extended it to where it is now: generally, eight (8) years before renewal.

Further, and instead of each Driver License Office printing laminated licenses for customers and handing them to customers before they left the Driver License Office, North Carolina moved to a Central Issuance system. In other words, after getting one's license or renewal the customer receives a paper Temporary Driving Certificate (TDC) and then awaits receipt of the official plastic credential via the U.S. Mail from one vendor in one location somewhere in the country. I'm not sure how long it took in the earlier days, but now I believe we advise customers it may take 7-10 business days to receive their renewal from the credential provider. If the mail is going cross-country, then we have learned it may take longer these days. (One must also consider that between the time a customer applies for a license or ID, or a renewal, there is work performed by the DMV team to prevent fraud, etc.)

Eventually, state leaders determined that for public safety there should be a smaller renewal window for persons over a certain age. More specifically, customers between 18 and 65 would have renewals at eight years, while customers over age 65 would have renewals every five years.

With the development of the Internet and the ability to pay renewal fees online, eligible DMV customers were able to renew their licenses online through a web portal, now MyNC DMV.gov. However, because of federal and state laws, customers seeking a renewal had to alternate each visit between in-person and online. Those laws state that the picture - the image - of the customer could not be any older than 16 years.

What that meant for customers is this: In most circumstances a DMV customer only had to *physically* be in a DMV Driver License Office once every 16 years. And if someone is over 65 years old, then they only physically have to appear in a DMV office once every 10 years.

That message is one I began sharing with customers on social media and everywhere I could in early 2023 because many folks thought that they had to visit the DMV every time in person. It is

certainly less daunting when one realizes that they do not have to physically appear in the office for such an extended period.

As of now, DMV offers more than 22 online services so customers do not need to come in-person to a DMV office. Those online services *include*:

Renew Driver License/ID card
Renew Vehicle Registration & Pay Property Taxes
Change Address
Signup for Email Notifications
Order Duplicate License/ID/Registration Cards
Order Driving Records
Order Personalized Plates
Pay Insurance Lapse Penalties
Renew Commercial Carrier Registration

Even if a customer does not own a smartphone or a computer, customers can obtain those services online on a smartphone or computer of a friend, or at school, or the local library, or at work. Recent surveys indicate that over 85% of the American public owns a smartphone.

Notwithstanding, I have discovered a frustrating phenomenon during my Undercover Boss travels to Driver License Offices: Many customers eligible for online license renewal and other services are still appearing in-person and yet have their smartphones with them. On multiple occasions I have talked with a customer in line and asked if they knew about whether they were eligible for online services. To their surprise, while waiting in line we went online and they completed their service with their smartphone and then they left.

Perhaps more frustrating, though, are the instances where someone knows they're eligible for online services but won't pay the \$3 convenience fee but will go wait in line instead. For example, I learned of one instance where a fellow told a member of the news media he had been in line on several different days because he did not want to pay the \$3 convenience fee.

Meantime, in discussing our driver's license renewal policy it is necessary to address appointments and walk-in customers. These are two distinct categories of service.

With the advent of online services, DMV began providing the opportunity for customers to schedule appointments for whatever DMV services they need. They can choose a location, day, and time block that best suits them – subject to availability.

Speaking of availability and why DMV spends a great deal of time advocating for more customers to use online services is the mathematics of it all:

Out of 10+ Million NC residents there are approximately 7.4 Million NC residents with a driver license or state ID. When one estimates the maximum possible number of in-person service opportunities assuming quarter-hour service with our 538 license examiners per year and then diffusing those drivers over the span of either an 8- or 5-year credential, there are not enough time blocks mathematically available – which is complicated by factors persons seeking multiple services, road tests, and examiners out sick or on leave or vacation. In other words, there is good reason why we highly promote online service renewals and for other DMV needs.

Meanwhile, from my observations it appears that a significant segment of the DMV customer base has mistakenly come to believe that they could only obtain services if they have a pre-set appointment.

I also learned when starting this position that the policy of DMV Driver License Offices is to try and balance each workday between appointments and walk-ins. Why? It is because some customers need the certainty of an appointment at a given time on a given day of the year at a set location, while walk-in customers want more immediate service at any DMV location and time.

Appointments are most often sought out by persons planning their in-person renewals months in advance. In many instances appointments are available 2-3 months out – similar to a non-urgent doctor or dental visit. If someone needs more immediate, more instant DMV customer needs, then DMV highly recommends being a walk-in customer. To be a walk-in customer it is best to make a smart plan – considering location, type of service needed, time of day, etc. Earlier this year DMV instituted our Walk-In Wait Time Tool, for weekday afternoon hours. As with many of our challenges with lines and wait times, the accuracy of that Walk-in Wait Time Tool will improve greatly if DMV is able to fill more positions and DMV receives authorization for more positions. That tool will also improve as more customers check-in using the QR code they can scan upon arrival.

You're also probably aware we have increased the number to 45 offices that open at 7AM now and Saturday hours during summer peak season.

After visits statewide with many of our approximate 115 Driver License Offices, I learned directly from supervisors that up to 25% of customers with appointments they themselves had preset were no-shows. No-shows significantly and negatively impacted our ability to provide services smoothly, and were aggravating lines and wait times. Consequently, as of May 2023 we instituted a new policy: appointments receive service in the morning and walk-ins after 12. And

if there was a no-show for an appointment in the morning it did not disrupt the day anymore, but allowed someone who was there early as a walk-in to receive service.

Meanwhile, state law allows DMV customers to renew their licenses up to six months in advance, whether in person or online. In my opinion, we need to do more to educate the public about that. To that end, DOT and DMV have launched a reminder service that supplements the one postcard mailed to a customer's home address: If someone has used online services to pay their DMV bills or pay their fees for taxes and tags or paid their vehicle taxes online, and if they've opted in, then DMV will send one or more email messages to remind persons in advance to renew before their deadline and to consider if they're eligible for online renewal.

Our Driver License renewal policy will improve not only as we are able to hire and retain more DMV examiners, but also with another improvement that has received the most public excitement this year: kiosks. The first set of kiosks are slated for launch in December and then the remainder of the first test phase will be deployed in early 2024. These kiosks will start off at metro-area grocery stores and military bases. Ultimately, I envision expanding the customer kiosks to more than 100 locations by the end of 2024. It will necessarily require customers using them so we meet the necessary triggers. Kiosks, like our online services, will be another tool for customers to stay out of the DMV office.

As I close my comments about DMV's driver license renewal policy, please note that we have implemented other operational changes - and have more in store - that are designed to make the renewal policy more convenient for customers and with shorter lines and shorter wait times.

Second, I will more briefly discuss the awarding of the contract to CBN Secure Technologies for production of driver licenses.

Upon starting as DMV Commissioner in January 2022, I learned from then-Secretary Boyette and DMV senior leaders that the contract with the current vendor was soon to run out. Further, I learned that the current vendor - and its predecessor companies - had held the contract with North Carolina for many years and that the last of the contracted extensions was coming near.

Moreover, I learned about the necessity for North Carolina to update its DL and ID credentials to the industry standard.

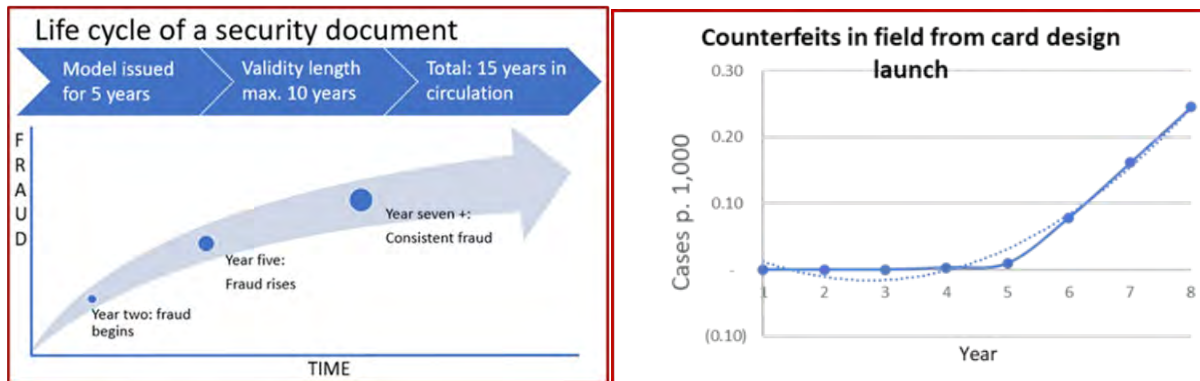
More specifically, I learned even more why credential security is important (prevent identity theft, guard against financial crimes, underage alcohol purchase, etc.)

Security Concerns

- Industry data indicates a correlation exists between the prevalence of fraudulent documents, the quality of fraudulent documents, and the period a design is valid in circulation.
- The exposure of a design to counterfeit attacks is the period during which the design version is being issued, plus the validity period measured from the date the final card is issued for that version.
- Counterfeiting attempts significantly increase approximately five years from the date a design is first released.
- Multiple valid design versions in circulation at the same time creates complexity for enforcement officials, and opportunity for counterfeiters to attack any of the circulating designs (especially older ones).

Best practice is to:

- Secure: Increase counterfeit deterrence (Monolithic inseparable card body, Security printing on multiple card layers, Complex windows, Advanced color shifting inks, Secure personalization)
- Secure: Continuously Upgrade Card; Don't wait 15-20 years stay ahead of counterfeiters (use best value evaluation)
- Control the length of time a design version is being issued to keep security features current.
- Control the document validity period to limit the total life cycle over which a design may be attacked.
- Control the quantity of valid design versions in circulation at the same time, to reduce enforcement complexity and opportunities for attacks on older designs.
- If a jurisdiction applies a document redesign cycle of about 5 years, this means a document with an 8-yr validity can be in circulation for close to 13 years, with up to 2 versions in circulation in that same time period.
- If document validity is extended to 16 years, one must consider the redesign cycle. If the design cycle is 5 years, then a 16-year validity document will be in circulation for almost 21 years with up to 4 versions in circulation.



I also learned from then-Secretary Boyette, DMV senior management, and our DIT-T subject matter experts about their concerns regarding credential production errors in recent years. I also saw the card errors and learned of disturbing examples, including from customers.

Further, the public and legislators had begun asking when the DMV would reinstate its mobile DMV unit. In the years since that was last tried, the technology has become much more advanced: In fact, instead of needing a bus or a van or a truck, we heard that we needed portable units. With our concerns about how to better tackle the lines and wait times as quickly as possible, and with so many new people moving into the state when they're required to go in-person to the DMV, we decided the credential issuance project needed to include a dual goal of obtaining portable units for deployment across the State. (We envision taking portable units into underserved areas of North Carolina and also using them at large-scale events.)

I learned that credentials and portable units necessarily rely upon IT and must interface with the IT (both front office and back office) that DMV relies upon. Further, credentials and portable units must also be able to work with the new systems we plan to come on line as soon as possible in the next few years. During a Spring 2023 legislative meeting – I believe it was the Joint Appropriations Committee on Transportation - I shared how DMV had decided it was best to modernize our major systems (including SADLS and STARS) at once instead of piecemeal and that we were focused in earnest on that, and described it as “turning a ship.”

Soon after joining DMV I also learned that in 2021 the North Carolina General Assembly ratified House Bill 650/Session Law 134. In that law, it indicated that DMV could select up to five (5) IT-related projects to help meet modernization goals without it taking years and years to address the modernization that NC DMV desperately has needed. DMV targeted several key projects where that law would help, including the largest of our modernization efforts involving a systems upgrade. We often call these special modernization projects the “DMV 5.”

Consulting with various internal subject matter experts, then-Secretary Boyette, DIT-T, DMV, legal experts, and I determined this modernization task regarding credential issuance would be best addressed by that new law.

DMV subject matter experts conducted a market analysis among the microverse of private companies that make credentials and are recognized by AAMVA, the federal government, and state governments for their compliance.

The search resulted in three companies – all three of which are global companies, which includes our present vendor.

In Fall 2022 each of the three companies were given an equal amount of time to present their proposed products and to answer questions. To the best of my recollection, they each had one day and presented at different locations on different days here in Raleigh. Attending the presentations were DMV, DOT, and DIT-T subject matter experts and legal experts. Many questions arose from both our IT and DMV operations experts.

After considering (1) the presentations and first-hand knowledge of their respective facilities and the multitude of factors sought by the subject matter experts, (2) both DMV agency and customer needs, (3) the challenges the agency had faced in recent years with credential errors and the desire to seek improvements - including adoption of the best and most secure cards using the top industry standards to date - and (4) to help onboard the portable units DMV needs for its customers across the state, all of which intersect with our IT modernization efforts, DMV selected CBN Secure Technologies. That global company not only produces American credentials just across the stateline in Danville, Virginia, but its portable units are the size of carry-on airline luggage and can be easily introduced into North Carolina in the time frame North Carolina needs. No one person made the decision. The decision relied upon the recommendations of subject matter experts and with the direction, approval, and blessing of then-Secretary Boyette and our legal team.

Thank you for your consideration of the above and inviting Chief Deputy Commissioner Manley and me here today.

EXHIBIT I

House Oversight and Reform Committee Meeting Transcript– October 11, 2023

Good morning. We call the Committee for Oversight and Reform to order. To get started, I'd like to recognize our Sergeant of Arms. Today, we're being helped out by Russell Salisbury. Russell, where are you? Where's Russell? Okay. And Thomas Terry, Glenn Wall, and David Layton. Thank you, gentlemen. Appreciate you being here this morning and helping us out. The reason we're meeting today is a prime example of why oversight is so important. It's incumbent upon the General Assembly to examine departments' activities and finances to ensure it's operating according to the law and exercising good stewardship of taxpayer dollars. We're here to make inquiries of the Division of Motor Vehicles for two reasons. First, Commissioner Wayne Goodwin, who is with us today, has spoken out about a provision included in the budget that would extend eight-year driver's license renewal periods to 16 years

01:05 - 02:01

and allow unlimited remote renewals until the age of 66. Commissioner Goodwin requested these changes in his budget submission in February. The Commission would like to understand when the DMV officials realized the request did not comply with federal requirements and if it's truly in conflict with federal law, why the Commissioner didn't communicate that to legislators as soon as possible. Second, the DMV has entered into a contract for printing driver's license with Canadian company CBN Secure Technologies. The timeline of this contract and the process for IT procurement in bidding are in question. It also appears that the company doesn't have the capability to meet one of the most important statutory requirements for driver's license, that they be printed in color. There is contention on the definition of color. The law is black and white on this issue, however. These issues raise many red flags and we're here to determine

02:01 - 03:03

the legitimacy of the contract and why such actions were taken. Commissioner Goodwin and Deputy Commissioner Manley, thank you for appearing before the committee this morning. If you would both please step forward and raise your right hands. Just stand where you're at, that's fine. And I ask you, do you affirm that your testimony is the truth, the whole truth, and nothing but the truth? Thank you very much. We will hear first brief opening comments from Commissioner Goodwin and then Deputy Commissioner Manley, after which each committee member will be allotted five minutes for questions. Members will have time for follow-up questions after all members who wish to speak have used their five minutes. Commissioner Goodwin, the committee members have each received a written testimony you submitted. So in the interest of time, please keep your remarks to no more than ten minutes in relative to the two topics we're addressing this morning.

03:03 - 04:04

You have the floor, sir. Co-chairs Johnson and Warren, members of the committee, other legislators, legislative staff, guests, and members of the public, good morning. Thank you for inviting DMV Chief Deputy Commissioner Portia Manley and me to this committee meeting. My opening statement this morning includes updates to my submitted testimony. In January 2022, I began serving as Commissioner of the Division of Motor Vehicles. I directly reported to then DOT Secretary Eric Boyette, an inspiring and longtime dedicated public servant who previously served as DMV Commissioner and Secretary of DIT. Working with senior executive leadership, I helped develop our DMV goals for my tenure. To tackle longstanding agency challenges exacerbated by the pandemic and labor force dynamics, our goals became these. Shorten wait times, shorten lines, modernize our technology internally and for customers externally, fill DMV examiner vacancies, protect customers from identity fraud and investigate fraud and theft regarding

04:04 - 05:04

IDs, provide more online service options for customers, and improve customer service overall for individuals and businesses. I publicly identified those goals multiple times, including on February 16th, 2023, to a meeting earlier this year in this building of the Joint Appropriations Committee on Transportation. Today, though, Co-Chairs Johnson and Warren invited me to explain two topics. Number one, specifically North Carolina's driver license renewal policy and number two, the recently awarded contract to CBN Secure Technologies. Joining me in providing comments today is DMV Chief Deputy Commissioner Manley, a long-serving DMV leader with decades of institutional knowledge. First, I'll

discuss North Carolina's driver license renewal policy. North Carolina General Statutes Chapter 20 identifies our driver license renewal policy. In the 1980s, persons receiving their driver licenses were required to return every four years. During that renewal visit, you had no choice but to appear in person. There was no internet back then. Further, you physically received your renewed license that same day, 05:04 - 06:02

literally hot off the press after it was laminated. Those cards no longer meet industry standards. Later, the legislature extended the renewal period by another year and then extended it to where it is now, with a public safety exception for persons over a certain age. Most customers between 18 and 65 would have renewals at eight years, while customers over age 65 would have renewals every five years. Further, instead of each driver license office printing laminated licenses for and handing them to the customers before they left the DMV as they once did, North Carolina moved to a central issuance system. In other words, after getting one's license or renewal, the customer receives a paper temporary driving certificate, TDC, and awaits receipt of the official plastic credential via the U.S. mail from the credential vendor. With the development of the internet and the ability to pay renewal fees online, eligible DMV customers were able to renew their licenses online through our web portal, now myncdmv.gov. Because of federal and state laws, customers seeking a renewal

06:02 - 07:03

had to alternate each visit between in-person and online. Federal law states that the customer image cannot be older than 16 years. What that means for customers is this very point. In most circumstances, a DMV customer only has to physically be in a DMV driver license office once every 16 years if they use the renewal online. If someone is over 65 years old, then they only physically have to appear in an office once every 10 years if they renew online. I began sharing that message on social media, in news interviews, and everywhere I could in early 2023, specifically in March, which is an important month to remember as it relates to these very comments this morning. I'll come back to that. As of now, DMV offers more than 22 online services, so customers do not need to come in person to a DMV office. Recent surveys indicate over 85 percent of the American public owns a smartphone. Just a few more points about our renewal policy, Mr. Chair. It's important to note that out

07:03 - 08:04

of 10-plus million North Carolina residents, there are approximately 7.4 million North Carolina residents with a driver license or state ID. When one estimates the maximum number of in-person service opportunities with our 538 licensed examiners, and considering a quarter-hour service time, and you spread that out over an eight-year or five-year credential, there's not enough time blocks mathematically available to provide those services with the folks that we have. In other words, that's why we promote online service renewals and for other DMV needs. I'll talk further at a subsequent visit with you, if invited, to address more separately the appointments and walk-in customers. There is a difference between appointments and walk-ins, and there have been new tools instituted online to assist customers to check in upon arrival with their smartphones and the like. We've also shifted those times. State law allows DMV customers to renew their licenses up to six months in advance. Most

08:04 - 09:05

customers do not take advantage of that, and that's a problem. They can do that in person or online. Our driver license renewal policy will improve not only as we're able to hire and retain more DMV examiners, but also with an upcoming popular improvement, kiosks. The kiosk launch is slated for December, with the remainder to be deployed in early 2024. Kiosks will start off in metro area grocery stores and military bases. I envision kiosks expanding to more than 100 by the end of 2024. As it relates to the statement that was made at the beginning, Mr. Chair, early on about what was known, as I've stated in another setting, I apologize for the miscommunication and for the confusion. Early on, we all were focused on trying to shorten lines and shorten wait times, and early on there was an attempt to try and do that. But as soon as we realized that there was a second federal law in play that said that the card could not be more

09:05 - 10:03

than eight years old, we already knew that the photograph could not be more than 16. That's what we use now. But we realized that there was another, and that's when, starting in March, we notified our legislative director's office, and it had effect, because by April, that provision was removed from the agency bill. And that's all we expected. It had to be removed from the agency bill. And that effort started in April. And of

course, the key point is to try and – knowing what we know now and knowing there's miscommunication and now we have a better understanding, is focusing on that we need to solve this problem and get us back on track so that North Carolinians don't lose access to real IDs. So like I said, there's a lot of confusion, and I apologize for that. But as soon as we knew, starting in March, and we have the – obviously, it had effect because it was removed from

10:03 - 11:03

the agency bill. The last thing regarding the first topic is that – regarding our license renewal policy, as we've stated since March of 2023, unless you've had your license suspended, in most circumstances, a DMV customer does not have to physically be in a DMV driver license office only once every 16 years if they use online renewal. And if they're over 65, they don't have to be physically in office if they use online renewal except once every 10 years, and that's been the law for years. On the second and final point, more specifically about the awarding of the contract to CBN Secure Technologies, upon starting as DMV commissioner in January of 2022, I learned from then-Secretary Bouillette, DMV senior leaders, and our DIT experts that the current vendor's contract would end in 2023 and that it only had a one – only had one one-year extension remaining in its contract. I also learned that the current vendor and its predecessor companies had held the contract with North Carolina, to the best of my knowledge, since

11:03 - 12:03

1996. The last of the contract extensions would end in June 24. I learned about the necessity for North Carolina to update its driver license and ID credentials to newer industry standards. And to do what the United States has done, our passports have changed. We need to be consistent with the way our U.S. passports are because they interrelate with each other. These updated standards for credential security prevent ID theft, guard against financial crimes, underage alcohol purchase, et cetera. Please note the security concerns outlined in my prepared testimony. I also learned from subject matter experts about best practices to institute and redesigning a credential for issuance to North Carolinians. Those best practices are outlined in my submitted testimony. I also learned that if a jurisdiction applies a document redesign cycle every – about five years, this means a document with an eight-year validity can be in circulation for close to 13 years, with two versions in circulation at the same time. If it's extended to 16 years, the design cycle would lead to a 16-year validity document being

12:03 - 13:02

in circulation for up to 21 years. That's a problem, another reason why this – the law needs to be addressed. Further, I learned from senior leadership at DOT and DMV and DIT about credential production errors over the years, and I personally saw the card errors in various examples. The last couple of points – if I may, Mr. Chair, I just need a couple of minutes if I may. No, that's fine. Continue. Is that the public and the legislators had begun asking when DMV would reinstate its mobile DMV unit. When it was last tried, the technology – since it was last tried, the technology has become much more advanced. Instead of needing a mobile bus, we learned about smaller portable units. This is important for this discussion about the contract regarding a vendor that provides credentials, because these units must be interoperable with the vendor that produces the contract. We decided the credential issuance replacement project

13:02 - 14:05

needed to include a dual goal of obtaining portable units for deployment across the state. A couple other items that I learned that are relevant to this presentation this morning. I learned that credentials and portable units from a vendor necessarily rely upon and interface with DMV IT systems. More importantly, I learned from IT professionals that one cannot even have a modern secure credential without IT.

Modernizing our credential to get years ahead of counterfeiters necessarily requires involvement of DMV IT systems. We planned to also develop a new system overall for DMV, and during the February 2023 meeting of the Joint Appropriations Committee on Transportation, I shared in a presentation – this is a copy of it – how DMV decided to best modernize our systems collectively instead of piecemeal and described it as turning a ship. Soon after joining DMV, Mr. Chair, I learned that the 2021 North Carolina General Assembly ratified House Bill 650 into Session Law 134, because

14:06 - 15:00

the regular RFP procurement process had failed to meet the state's DMV modernization needs, particularly in realizing that the standard process was taking years without success, a vital concern we

heard from legislators given the multiple DMV systems that are outdated. That law provides DMV up to five exceptions for IT-related contracted projects, goods, and services to help meet modernization goals. DMV targeted several key projects where that law would help, eventually including the largest of our modernization efforts, including a systems upgrade. We call these special modernization projects the DMV-5. Consulting with various internal subject matter experts, then-DOT Secretary Bouyet, DIT, Transportation, DMV, and legal experts, and myself, we determined early that the credential issuance replacement would be best addressed by that new law. As stated before, you cannot have credential

15:00 - 16:04
issuance without interfacing with DMV IT and its intertwined security requirements. Also noteworthy, members of the committee, among the PowerPoint slides presented by me to the Joint Appropriations Subcommittee on Transportation meeting on February 16, 2023, was a slide where we specifically indicated the DMV-5 projects. On that list was the driver license credential issuance replacement. Each member of the committee and the committee staff received a copy of the presentation. It was also shown on the PowerPoint, as you know. After the discussion, led by our DIT subject matter expert, I do not recall receiving any questions in opposition to using that process. I do not recall receiving any additional requests for further information. DIT also attended that meeting. That's why I want to reference that important February of this year and March of this year. Following the 2021 law on information and belief, DMV followed the procedures aligned with DOT's procurement policy, with the exception of issuing the actual RFP for the reasons

16:04 - 17:04
stated previously. We used an RFQ. Another reason is that there was a relatively small pool of eligible applicants for this type of good and service. DMV subject matter experts conducted a national survey via AMBA, the American Association of Motor Vehicle Administrators, and then market research analysis, and then determined among the micro-verse of private companies we also considered federal government laws and state government laws for their compliance. The search resulted in a list narrowed down by subject matter experts, eventually down to three companies. All three are global companies, including our present vendor. And then my last comment, Mr. Chair, in fall of 2022, each of the three companies were given an equal amount of time to present their proposed products and to answer detailed questions of our experts from various entities, agencies. To the best of my recollection, they each were allotted one whole day in addition to what they had previously submitted. They presented

17:04 - 18:02
at different locations on different days here in Raleigh. This was a year ago. DMV, DOT, and DIT subject matter experts and legal experts attended and asked questions. I've already referenced the RFQ that was submitted. After considering the presentations, their answers to questions, and DMV's firsthand knowledge of their respective facilities and the multitude of factors sought by the subject matter experts, both DMV agency and customer needs, the challenges the agency had faced in recent years with credential errors, the costs DMV and the state's taxpayers were bearing for those defects, and the desire to seek improvements, including adoption of the best and most secure cars using the top industry standards to date, including doing what half of the states in the country are already doing and what the United States government is already doing, and four, to help onboard the portable units DMV needs for its customers across the state, all of which intersect with our IT modernization

18:02 - 19:06
efforts, DMV ultimately selected CBN Secure Technologies. That global company produces American credentials just across our state line in Danville, Virginia, and its portable units are the size of carry-on airline luggage and can be easily introduced into North Carolina in the time frame that North Carolina needs. No one person made the decision. The decision relied upon the 2021 law, which was, again, discussed at the meetings earlier this year. It's also based upon recommendations of subject matter experts. It tracked DOT procurement and the RFP process and followed the direction, approval, and blessing of then-Secretary Boyette and our legal team. Thank you for the extra time, Mr. Chair. I believe it was important to address these points. Thank you, sir. Thank you. Thank you, Commissioner. Deputy Commissioner, did you have any comments you'd like to make before we open up for questions? Not at this time. Thank you. All right. Thank you very much. Members, Chair, we're ready to recognize any members who have questions at this time. Representative McNeely, you're recognized for five minutes.

19:06 - 20:02

Thank you, Mr. Chair. Commissioner Goodwin, a couple of things I'd like to just maybe clarify here or whatever. Would you repeat again when y'all realized that the provision to go into 16 years was not legal, we'll say, in conflict with the federal? When did y'all realize this? Thank you, Mr. Chair. Thank you, Representative McNeely. Based upon our discussions here, it was in March. The early request, and again, I apologize for the initial confusion. We were all trying to find ways how to shorten lines and shorten wait times. And what we were aware of was that the 16-year provision regarding photographs, that photograph could not be more than 16 years. We knew that already. That's what the current law is. That's what we rely upon now. You can have a photograph up to 16 years. But what we found out beginning

20:03 - 21:02

soon after the initial budget request, a long time ago, but soon after, no later than March is when we realized that of this year, we notified, I have copies of what we had sent to our legislative team, and it apparently did result in an ultimate change because it was removed from the agency bill. And it was removed, I believe, by April of this year. I don't know, so that's the agency bill. We didn't request it for a budget bill. Okay. Well, the House budget was passed in April. When you say you sent it to your legislative team, did you send it out to the DOT chairs in the House and the Senate? Who did you send that to? What legislative team? It was our policy that we work through our legislative liaison, so I sent it to our DOT legislative team, and we have an email dated March 13th that says, please remove this section

21:02 - 22:03

from the bill. And apparently, it got to where it needed to go because it was removed from the bill. Okay. All right. Now, being one of the chairs, my office did not receive any notification on this. So in the future, I would love to see notification to all the DOT chairs, so that we were all on the House and the Senate side, so that way everybody... Representative McNeely, I apologize for interrupting you, but for clarification, when you say it was removed from the bill, are you referring to the DMV's request or the House bill? My understanding is it was removed eventually from one of the later versions of the agency bill. I mean, I stand to be corrected, but I believe it was removed. From the agency bill? From the agency bill.

Representative McNeely, if you may continue. That's really all I had. Just seemed like lack of communication to the chairs is the problem that I felt like in this. More eyes could have maybe realized what was happening

22:03 - 23:04

and made sure we corrected this. So in the future, we need to broaden our net, I guess, as we cast it. Yes, sir. And I appreciate that and again apologize for the miscommunication, but I know now that to notify as many people as possible. Thank you, sir. Thank you, Representative McNeely. And you have more time allotted if you want to come back and revisit. Do we have any other members that have any other questions? Representative Williams? Thank you. Good morning. A couple of questions. Kind of goes another way. What kind of experience has DMV had with counterfeiting? I know that was one of the things you mentioned. What – have you had any problem with counterfeiting and how have you handled that? We have our – within DMV, the License and Theft Bureau, and it is a constant challenge.

23:04 - 24:03

I'm aware of there having been significant counterfeiting of North Carolina license IDs. As referenced in my prepared testimony, it indicates that after five years is when you start to see the counterfeiters start to have effect. And that's one of the reasons why it is imperative that the actual card be replaced within eight years, because the longer the actual card itself is out among the public and among the world, frankly, the more opportunities there are for counterfeiters to find out the secret sauce and find out the things that are embedded, the countermeasures that are embedded that involve IT and other modernization efforts. Now, did I understand you to say that you only had three companies that qualified to do this work here in North Carolina? When you put out the request for a proposal, you

24:03 - 25:02

only got three responses or three companies that fit all the things that you were asking for? There ultimately was not an RFP because of our reliance upon the 2021 law, but we thought we tracked the DOT procurement requirements. I'm subject to Chief Deputy Manley. I believe that they did the market. There was a market research done. It narrowed it down to five and then down to three. There's a small universe, as I understand it, of companies that provide credentials that are recognized by various standards and

various governments. Have you talked to other states, their DMV, as it relates to what we're trying to do here in North Carolina? Through the AMVA, the American Association of Motor Vehicle Administrators, we regularly interact with them about what other states are doing. Early on, we can elaborate more

25:02 - 26:00

on that, there was a survey among all the states in AMVA soliciting their thoughts and feedback and guidance, I believe, on what to look for with the next credential provider in North Carolina. I guess what I'm asking is that, I guess all the other states, they issue a driver's license too, so I'm asking if you've compared what we're doing with whatever they're doing, where it's legal, where it fits the federal regulations and also their local regulations. So have you done that or is that something that's in progress? Yes, we've done that and we have continued conversations with other states as part of it, and they have conversations with us. The states rely upon each other, and particularly when we're talking about industry standards and where the nation is moving, it's imperative, given what's happening in the world, that we have the most secure credential for our

26:00 - 27:04

citizens. So yes, the answer is yes. So the company that we're using now, is that a company, an American company, or is it a foreign company, or how is it? Are they registered here? The company we use now, I mean, all the companies are global. I mean, it's my understanding that the headquarters is in France, but they have offices in the United States. The company that's used now, that it and its predecessors, we've had since 1996. So we don't have any companies in America that can do this work right now. I mean, it's at home here in America. Again, I'd be happy to have our Chief Deputy respond, but the companies that the three all have American offices, and I'm not aware of – these are all global companies that do the credentials. The one that was selected actually got – was founded in New York, and then eventually moved to Ontario, as it began working there. But it has – its

27:04 - 28:06

office, production office, is in Danville, Virginia. Now, is this the same company that's been with us for the past few years, or is this company new? This is – this – I'm discussing the new – the selected company. The current vendor is – like I said, is also a global company and has offices across the United States, different parts of the world, as well as the United States. Okay. And they've had the contract, I believe, since 1996. If I may, Representative Willingham, Mr. Chair, may I have Chief Deputy Manley respond? Absolutely. You're recognized. Thank you. And to address your question, Representative Willingham. Deputy Commissioner, could you pull your mic down a little closer to – thank you. Can you hear me now? Yes, ma'am. Thank you very much. Just to address some of the questions that came from Representative Willingham, we did do an AMBER research – a survey. And on that survey, we have over 60-some

28:06 - 29:02

jurisdictions within the AMBER community. Thirty-one responded to the survey. And of those 31 that did respond, most of them are using the main providers of the credential, and they were CBN, Talus, and Idemia. There are two others, and only one each jurisdiction provided their service, as well as Florida. You mentioned Florida. So yesterday, because I'm not familiar with any Florida vendor, so I reached out to some of my colleagues within AMBER, and they are not familiar with the company that's producing a credential, a driver's license credential in the state of Florida at the current time. Mr. Chair, I was just given an update. There was a question about the – from Representative

29:03 - 30:05

Willingham about counterfeit. I have some data. Read briefly, if I may. Sure. You can go right ahead. And this was presented during our AMBA meeting in Wisconsin two weeks ago. In 2020-20, the number of counterfeit driver licenses purchased that were determined by all of law enforcement was 8.3 million in the United States. And of the 2020 population, the teen population – ages 15 through 20 – is estimated that 59 percent possess a false ID, and estimated 27 percent possess an actual counterfeit. And our North Carolina License and Death Bureau, working alongside our federal and other state law enforcement partners, regularly – regularly are going after counterfeit cards in large numbers. There have been reports of this, and there are also reports, obviously, we can't make because they are ongoing investigations. But it is a live concern. That's why we need to update the card.

30:05 - 31:01

Thank you for that. Commissioner, is there a breakdown on that information on a state-by-state basis where you can look at – see what the number of incidences of – that were in states that – I think you mentioned there were eight states that are using the advanced security. So we could see some type of relativity there. I'll be happy to get back with you and supply that. I do not have the breakdown state-by-state. And I will consult with our experts, and it will be with your permission, Mr. Chair. Oh, absolutely. And if you would just make that available to all the members. All right. Just one other question. You still have time. The vendors can only do the license in black and white. Did you say that? I did not say that. I learned that the selected vendor can do color. And what I understand is that they would prefer not to because the color is against the industry standards

31:01 - 32:01

and actually is opposite of what the U.S. passports use. Now, if you've gotten your passport in the last couple years, it is a black and white monochromatic photograph. And as I understand it, it's because with that, not only you can use your facial recognition more readily, the color is not the standard. Half the country has already gone to, as I understand from our experts, to the monochromatic, and the U.S. government has done that. And that's something that we'll continue to advocate for, Mr. Chair, is that North Carolina be among the states that seeks to protect its citizens as much as possible with a secure card. But it's my understanding that the selected vendor can do color but would prefer not because that actually goes against the industry standard. So we can look to have black and white photos from now on. Actually, it's a gray scale. So it's not – it's the same that you see with the U.S. military

32:01 - 33:02

and others, as I understand it, that they – so that's the industry standard. Okay. I understand. Yes, sir. Does that complete your questioning, Representative William? Thank you, sir. Representative Chess, are you recognized for five minutes of questioning? I think the chair will give you a little attitude. I didn't realize I needed a prop, but this is a military ID. That's a color photo. DOD issue right here. Color photo. So I don't believe the military standard is black and white. We were just – if I may, Mr. Chair, that's what we were told by another member of the military, but the U.S. passports are using black and white, and that's often used by

33:02 - 34:05

the military as well. Could you – for me, Mr. Commissioner, could you restate the name of the company that just was awarded this contract? CBN Secure Technologies. And could you clarify what CBN stands for? Canadian Bank Note. Canadian Bank Note. And what – through this procurement process, did you guys define what data they would have access to? Yes. It's the same data that the current global company from France has access to, which is the personal identifying information. It's the data that individuals provide to the DMV when they request their license or ID, and then – and also with a renewal. There are high security standards that the federal AMVA partners along with our state DIT put in place, and it'll be the same security standards that are used and enhanced, as I understand it, for the current vendor, again, which is – has its headquarters in

34:05 - 35:05

France, the current – What are those standards? I would have to get back with you from our DIT experts, Representative Chester. I'd be happy to provide that for you. There was a very detailed discussion with all the three companies during the consideration process, and it was a deep dive with the experts from our DIT family, along with our legal experts. And you made reference to these being global companies. All three of the finalists, we'll call them, that you guys were looking at were global companies with local offices. Including the current vendor. And CBN is the one you guys went with. How many countries is CBN servicing currently? Countries and states, I believe it's 73 jurisdictions. But the states that they provide, as I understand it, are New York, Virginia, Wisconsin, and it's been published that

35:05 - 36:04

South Carolina has selected CBN Technologies. But how many entities outside of our geographical border? I do not have the answer. I can get that for you. Please. As well as for the other companies, if you'd like. I'm more concerned about the one you guys are awarding a contract to. They also print the money for Canada. They also do a national identification and registry for several other countries, including the Republic of Trinidad and Tobago. So my concern is, is the data going to be firewalled? There's a reason that the government doesn't directly do business with Google anymore, and it's because

the data that's housed in their servers is not firewalled. So when Google decided to become a partner with China and some of our, what we'll call, not exactly allies, because they would not partition off the data, we stopped doing business with them. I'm curious if this was part of the application process and the vetting process that you guys looked into,

36:04 - 37:05

seeing as how we're not sure who they actually do business with. And if I may, Mr. Chair, these companies, including CBN, follow the ISO standards. So they're following the standards that are required, but I'll be happy to provide more detail. Saying that you follow ISO standards does not mean you do, especially in international law. ISO standards and international law are two completely different things, so we need to make sure that we're partnering with entities that are going to protect the citizens of North Carolina and not sell their data, not provide their data to foreign entities, and firewall that data. I understand they have to have access to data. They're printing stuff, and we have to make sure that there's quality control, quality assurance. We have to be able to give them the information and verify that they're doing the job that they're contracted to do. But we also have to – a priority should be to protect the PII and the personal data of the citizens of North Carolina. And if I may, Mr. Chair, before Chief Deputy Commissioner Manley comments,

37:05 - 38:03

and that is why it is imperative that we have the most secure, up-to-date cards. The company we selected was the only company recognized at the AIC in Wisconsin two weeks ago for having the most secure card. It was highlighted. That was – there were 250 people there across the country. And this is the company we selected, the one that was recognized as the best for preventing fraud. And I would hope – and I – as you stated, you and I both share a concern about protecting folks from fraud and from foreign interference and the like, but the AMVA recognized only this company as the one. If I may, Mr. Chair, if Chief Deputy Manley could respond. Absolutely. Chief Deputy, you're recognized. Thank you. Representative Chester, some of the questions that you were asking about the data that would be received by a vendor,

38:03 - 39:03

any vendor that produced our card. So we have a statewide automated driver's license system. You may know it as SADLS. And that system must be integrated with the vendor's solutions in order to provide the data required to be printed on our credentials. So SADLS is a system of record. It contains all information pertaining to the citizen's credential. It must be verified following state and federal guidelines to reduce the issuance of a driver's license ID or compliant real ID driver's license or ID. And this is for – this would benefit any vendor that was chosen. All applications that run on the – that run on IT is considered an IT project. And this is the most important point for you, Representative Chester. All applications that run on the state system must follow the statewide security policy.

39:03 - 40:03

And during all of the evaluations of the vendors that we talked to, we had our director of security there to make sure we complied with all the policies for DIT. I'm sorry, Representative Chester, is there a question? Or you might continue. All right. Thank you for that. So as someone who works in security and IT, like I said, I don't doubt that they follow ISO policies. I don't doubt that. It's the implication of whether or not this data is firewalled from international servers. The problem with Google isn't that they don't have tight security. It's they have no internal restraints. They still follow all the ISO protocols. They're one of the most secure companies on the planet. But we could not prevent entities, employees that have access to Google servers in China,

40:03 - 41:03

from accessing the information. I'm afraid – so you guys said that the regular RFP process failed in this and it's an IT project. But the only example you gave was that it would take too long to make the changes. When it comes to the security of the data of how many – 10 million people, is that what you said, for the state of North Carolina? More or less. Yeah. I don't think that's necessarily a process we need to rush. I think that is one that we should take the time and vet properly. And so that would be my concern, not stating that there's any malintent here at all, but just from a security standpoint, I think a little more vetting could be done. We don't know the countries that this company does business with. We don't know what entities they're doing. You know, the national information and registry stuff that they're involved in and the

countries that they're involved in it with throws up a red flag for me, but I'd be happy to talk with you guys offline about that.

41:03 - 42:04

Mr. Chair, I'd be happy to provide Representative Chess for any other information he needs. Again, we inherited, when I came into this, a company that has had the contract for since 1996 and, as my understanding, its headquarters is in Paris, France – or not Paris, but in France, and that the other company is in Paris, France. We're doing the best we can based upon the eligible companies that are recognized as meeting the national standards. But I share the representative's concerns about protecting our data and security, and that's why we will always advocate for the most secure card using the most secure industry standards. And we protect our data based upon how we're required to do it, and it's imperative that we always be a step ahead of the counterfeiters, and that's what we considered in earnest, and we followed what we understood to be the 2021 law, and that its basis was that the RFP process procurement wasn't working.

42:04 - 43:04

They were going years, and they couldn't get the systems changed and the like. So thank you. Representative Chess, your time has expired, but you are welcome to second round once everybody else has had a chance to ask questions. Commissioner, before we go further, I need some clarification for my benefit. So CBN has – prefers to do the license in black and white because of the enhanced security precautions. Is that correct? It's not just black and white. It's a gray scale, and that's because the U.S. passports are now that, and it's where half of the country has already gone because we've learned that that is the industry standard. They would prefer to keep with the most secure format for these cards to protect the holders of them.

43:04 - 44:01

And that was one of the considerations you had in selecting them. Is that correct? I understood that from your testimony. One of the considerations was that it would be – we wanted to have a company, ultimately, that provide the most secure card that North Carolina has ever had and that it be the top of the security measures. And that's what we did. Given that the existing statutory requirement is for the license to be printed in color, did the department reach out to any legislator or any agency, any department, any committee, to request that the statute be changed? And if it isn't changed, how do you contend to proceed forward if you go with this company and you can't do it in color? I mean, it kind of negates the security concerns that were part of the reason for selecting the company,

44:01 - 45:04

as I understand the whole thing here. Mr. Chair, we did request it earlier on to have the phrase or monochromatic as an alternative, and that was shared with the DOT leadership. And it did not make the – for whatever reason, did not make the final cut. But we have pledged to continue to work with the legislators because it says in general statute 20-7 subsection N, it says that in addition to color photograph – and by the way, the CBN card has color on it. But in the rest of that statute, it says using the most – basically using the most current industry standards. So we're in a little bit of a box here. We did ask for it, did not make it to the legislature because somehow it got pulled by the leadership. They didn't think that was needed. I believe it's needed, and we will continue to advocate to have that phrase in there because that is what the standard is now and what the United States government uses.

45:04 - 46:02

So as I understand it, your communication is with – not directly with the legislature or anybody in the legislature, but with leadership at DOT. Is that correct? Yes. As my understanding, it was conveyed – conveyed to somebody after that, and it was – it did not – it did not appear anywhere. You and your department have no confirmation or follow-up with DOT to confirm that your request for changes, both in the 8- and 16-week area and also in the color area, were actually communicated from DOT to the legislature. It's my understanding that because the bill – the agency bill did change where, as I understand it, it was taken out, that that indicates that there was, as I understand it, communication on that. Well, that's what I'm trying to establish is where are we missing the communication to avoid these kind of situations?

46:02 - 47:07

So I'm just trying to establish where – Yes, sir. Should we have communication from DMV copied to the chair of the Transportation Committee in the House and the Senate or something in addition to that? I'm just looking to try to help you out here a little bit. Yes, sir. I think going forward, that's certainly – again, I apologize for the miscommunication. We worked through the – as I was told, the process through our legislative team. And, again, as I've stated, I apologize for the confusion. But one of the things that I have learned is that we're going to need to copy everybody to make sure that everybody's on the same page. And when we saw that it was – you know, the agency bill wasn't going to go forward with it, then it wound up in the budget bill. And that's when we go back to, you know, we thought it was going to be addressed. And I've learned now that we needed to continue to – we need to have more writing back and forth and not just,

47:07 - 48:05

hey, don't forget to take this out. But I'm – We're learning to trust but verify. Yes, sir. Yes, sir. And I promise you that we are learning from this process. This 2021 law, for example, is – you know, we weren't given guidance on it. It doesn't even say to update the legislation until after the contract is signed. So we were – you know, and now admittedly we weren't able to get it to the folks within the 30 days. But as soon as we realized, oh, this new law says – but it's after the contract. That's what it says, notify the legislature after the contract is signed, not before. Though we did in February to the committee that I referenced, we did talk about that we were relying upon the 2021 law. As you all know, that was adopted by the legislature for the credential issuance renewal project.

48:05 - 49:01

Thank you. Representative Dahle, you're recognized. So, hi. I did a little bit of research just while Representative Chesser was talking. There is – in the ID world, I think there's a PVC ID and then a polycarbonate ID, which was a delineating – you can order PVC readily for counterfeiters. And I guess I'm making a statement, not asking a question. And the polycarbonate is harder to get. And also, what I understand, just very simply, was on the polycarbonate, there's also little holes poked through for security reasons that outline your picture.

49:01 - 50:04

So, is that – and I'm asking, did you know about this? So, obviously, you knew about this, and this is something that we need to take into consideration when looking at grayscale, color, that kind of thing. And I don't know that that was communicated to this broad group. I'm not sure. Did you say that in all of the words you said a while ago? No, but I thank you very much for the question, is that that's another reason why we selected this company. It's because it was the first in North America, I believe, to offer polycarbonate cards, which you can't peel these. They're in the current vendor, as I understand it. It's semi – cannot do that. Is that correct? Chief Deputy Manley would like to speak to that. I was just going to ask if she'd like to use her mic because we couldn't hear her response.

50:04 - 51:01

Thank you very much, and I would like to address your question, Representative. So, you are correct, and some people will call it PVC, but in the industry it's called teslin. And teslin is something that they are using now for counterfeiting. So, if a card is teslin, you can actually order the kit from China, and if you have the person's photo, you can go to your copier that you have right now and go ahead and print one, a card. And we saw those when Commissioner mentioned the conference that we just attended. It was three presentations done by the Department of Homeland Security, and they talked about this a lot. A polycarbonate card is very hard, and the only way that you can get to that is the etching. It is laser engraved, and so that's what the security part is, is laser engraved.

51:01 - 52:02

So, the picture that we are talking about today would be grayscale, but it's laser engraved, and it cannot be lifted off the card like you can off the teslin. This is a teslin or polycarbonate? Teslin, which you say PVC, but it's teslin material. Okay. I have a few more questions. Okay. I just wanted to make that – I hope that's clear, because I just got my new passport, and I noticed it was much different than my old passport. It had a whole lot more heft to it. So, let me get back to where – everybody is talking right now after COVID about staffing. Staffing is an issue that I think every company discusses and has.

52:02 - 53:06

Are there staffing shortages at DMV that are unable to be filled due to lack of folks wanting to work at DMV? I can't imagine why. Or is it – because we seem to be under the impression that there's a backlog, and I don't know if there really is a backlog. My experience with DMV is it always takes four hours. That's just what it is. That's your rite of passage to go get a license. So, what I'm trying to figure out is has this time changed? Have you done any studies or looked at any data to talk about wait times? Would more staff help? Does less – I mean, I'm just trying to figure it out, because I have not been in a DMV office for a while,

53:06 - 54:05

and I didn't even know you didn't actually print the cards anymore. That's how long it's been since I've been in a DMV, because I renewed twice, and then I had to renew again during COVID, and I didn't have to go in. So, can you all elaborate on that, please? Yes, there are staffing shortages. With – I guess when I started this role, we had over, I think, 25 percent vacancies with examiners. And the fewer people we have, the fewer appointments and walk-in customers you serve. Over the last year and a half, I believe we filled approximately 200 of those positions. Though we have filled a significant number of the permanent positions, we need more permanent positions authorized, because our state has grown significantly since the last cap. And the greatest need is filling the temporary positions.

54:05 - 54:29

That's where we have 77 percent vacancy rate, and that's been reported on among our – and those temporary positions are important because they're the ones that work not the full year, but 11 months, and they do the same work as examiners. They're also the ones that do the triage when people show up at the DMV.

00:00 - 01:01

and talk about the initiatives that we've had over the time. So you asked about the shortage and what we have done. So we have some new projects or new initiatives that we've started, such as the Anywhere Project, where a customer could go in and actually scan with their card, with their iPhone or phone, the Q code to let them know, to put in the information, and that will let them then go wait in their car, go to a coffee shop or whatever is nearby, and come back in when their number is called. Also, if you do not have that type of device, we have pagers, just like you have in a restaurant now, that we would give our customers to do that as well. We also have initiated the walk-in wait time online. So if you walk in, you can actually go online and see where the shortest wait is in that particular area that you are looking for. So we have looked at different initiatives,

01:01 - 02:01

but as the Commissioner stated, we are still looking for employees. So if you know anyone that's interested in working for the DMV, by all means, have them go online and apply. Follow-up. I guess I've still got time. Have you done any statistical, has anybody done any statistical analysis on wait times, I know we have a lot of growth, I know that there are an exorbitant amount of growth here in North Carolina, but has anybody done any statistical analysis of wait times, whether they've grown, whether they've lessened, because it seems to me that we're trying to compare apples and oranges and getting nowhere. So I'd love to know, because my office did get a lot

02:01 - 03:03

of frustration during COVID, but that was a different time period than we are in now. And we're still trying to dig out from that, because many folks realize now their licenses have expired or it's time for them to either go in or to use the online renewal system. We've implemented a dashboard, which we have been asked to provide separately access to that, where we're able to analyze by day of the week, by hour of the day, by the office, by the service, and we do have, we're able to use that data and do use that data to see where things are working or things are not. And one of the things, one of the many things that we learned was that because of no-shows for appointments, that was upsetting the flow of the day, and that's one of the reasons why we moved the appointments to the morning and walk-ins to the afternoon. And then if somebody has a no-show in the morning, then a customer can be a walk-in and fill in there.

03:03 - 04:02

But we do use, we have done analyses, and we're going to continue to do that and look forward to working with you and other members of this committee to help address, you know, it's not just a North Carolina problem, it's a problem everywhere, exacerbated by how quickly this state is growing. We need

more offices. We need more staff. And one more question. Hopefully I still have five minutes or part of it. You're on your second five minutes, Reverend. Oh, man. You'll handle your last question. Okay. So the last question is, I have also been told that there is an issue with the interface between the court system, which is also causing a hang-up for people who have had their license suspended. They've gone through and done everything that they were supposed to do, but the court system, at one point, there was an interface, although, albeit difficult to negotiate because you have a hearing officer that may or may not change correctly,

04:02 - 05:01

the information correctly. But are you guys interfacing with them or not? Because I know the new e-court system has changed all of your, it's changed the world, actually, I think, the e-court system. So I just wondered if we're, where are we on that? As, right, I'll be happy to follow up in more detail on this, but to be very brief, this has been reported in news media and with others, that the e-court system, also called Odyssey, we did not select that vendor, that's AOC, that the number of errors that DMV has received was approximately 19,000 for the four pilot counties before expanding to Mecklenburg County this week, and that those 19,000 errors dwarfed the number of errors from the pre-e-court system

05:01 - 06:02

among the other 96 counties. We are working closely with AOC and trying to address that, but unlike what has been stated, it is not a problem with DMV systems, we can only have go into the record what we are sent, and we're not the ones sending it, we're receiving the data from the court system. Representative Cervania, did you have your hand up? You're next. Thank you so much, and I know we have limited time, but I do want to thank both of you, all three of you for coming today in person. I want to go through the process and have some questions about the RFP and why there was a failure point there. Clarify to me, Ademia, how long have we had a contract with them? It is my understanding, based upon what was provided to me, that Ademia and its predecessor companies,

06:02 - 07:03

as you know, companies change names and merge, that that company has had a contract with North Carolina since approximately 1996. And this was obviously procured before you and Deputy Chief? Long before. Yes, and then they were eligible for an extension, you said, in the last one? They were eligible for two extensions, they had already used one, and then the contract said that they were eligible for one more and they received that final extension. There was going to need to be a process anyway, because there were no more extensions according to the contract that predated us. Very good, okay. And so then, now that you're at a juncture point where you need to acquire and procure another company, help me understand, because there's an allusion, like alluding that it took too long, help me understand the failure of your RFP process

07:03 - 08:05

and the necessary legislation to be the mitigation of that? Thank you for your question. As I understand it, there were RFPs that were attempted on other things before Chief Manley and I were in these positions, that those failed. They went for years and years and they weren't able to be, and she can address it more specifically. And again, as I learned from then-Secretary Boyette and from others who were involved with the 2021 law, that the reason that the 2021 law was adopted was because of the frustration with how the system in place for procurement and RFPs was not working and that it was taking years and years and still nothing was happening. We couldn't, there were several instances where we had to stop it, but again, prior to,

08:05 - 09:01

but I think Chief Manley can provide more details about it. Please, thank you. Thank you for that question. I just have a few examples that I would like to share with the committee today. So the first one I would like to share is what we call the e-crash procurement and it is one of the DMV-5. So the original RFP was sent, it was assigned in March 3, 2023. Fully executed contract was 6-2023. So that only took like three months. E-crash actually started though in 2018 when a MOA was done with the University of North Carolina and the MOA was terminated because they found out that they could not really execute it. So we used this e-crash project

09:01 - 10:01

as one of our first DMV-5 to, so this is a good example of how quickly this was passed by using the Session Law 2021-134. We contract, I'm sorry, executed the contract fully executed in three months. So that was a good example. And the crash collects data, it's being done in-house and the analytical part is being done by a vendor. The next example of a great success for Session Law 2021-134 is the administrative hearing system. We completed that one from November 22 and it was fully executed May 2023. That's another DMV-5 project. So then I would like to talk about the ones

10:01 - 11:02

that were not part of the DMV-5 that were tried to execute on our own without using Session Law. So one in particular is Saddles Refactoring and Saddles, again, is the state automated driver's license system. So refactoring, we started the RFP in August 2020. We spent several years with that and the contract was never awarded. So we pulled that part because we need now to modernize all of the DMV systems. That was just going to do the Saddles part. So we pulled that to work with another in-house, working with a state that has actually implemented their systems and that's the state of Arizona and they're one of the leading jurisdictions within the AMVA community and I would say at least seven other jurisdictions

11:02 - 12:01

are looking at their systems and how they implemented it because they are not using a vendor. They're going in-house. So we pulled that one, but that was a very long one with no RFP. Another one that you might be familiar with is central issuance. That was assigned 12-2020 in the RFP. We started the process. It was never awarded and that had been going on probably for longer than 2020, but that's when we started the RFP process. That was pulled from that process because we wanted to separate the central issuance requirement from the print-on-demand requirements and we would like to have the print-on-demand requirements as a DMV-5 because we know we can move that quickly as well. Another one is the North Carolina

12:01 - 13:10

Online Motor Vehicle Title and Registration System. That was assigned in 8-2021 and it was awarded just last month, 9-23. So you can see from those that if they were part of the DMV-5 obsession law, they will move quickly because you don't have to go through the procurement process and it's not the procurement process. We might write the RFP, but once it's written, then you have to go through another process with DIT. So just as quickly as possible because I'm limited to five minutes. They're great examples. So the DMV-5 legislation was something that was agreed upon in working together with our body, correct? Now, what is the differentiating? What makes it a better process versus your RFP process prior?

13:10 - 14:04

In a very succinct way. Well, it addresses the legislative requirement that we modernize our systems. That's first of all, it meets what this body, as you know, requested that it's modernized more quickly. The RFP, the normal system that we're accustomed with was not working for modernizing IT systems for DMV and this is a huge collection of systems. And the benefit of it is that it meets what the intent, as I understand that law was, and it relies upon the same data and evaluations, but in a much more quicker manner. So I recognize that it's speed. And I've been a state worker for many years prior, and I've sat on RFP processes, sequestered IT projects.

14:04 - 15:02

I'm just trying to understand what is the criteria of that it's speed because it sounds like I'm going to just... She can do it. Okay, okay, thank you. And I'm going to do it speedily because I'm going to read the General Statute, what it says. It says, the Department of Transportation may manage, procure information technology goods and services and enter into a contract for up to five information technology projects. So just for clarification, and correct me if I'm wrong, that when you were in the process of doing a market analysis to fulfill this task, it was a micro level of people globally who can do this. But it sounds like you still had lawyers, experts, representatives from the three entities

15:02 - 16:01

that were necessary to make this decision, correct? Yes. Okay, so it sounds like it's just a very sped up process of an RFP process, but you still had all the elements for due diligence and legality. Correct, we had everybody there who would normally be there. Now, I'm going to ask, I also have the concerns of privacy, knowing that these are global companies, but you stress that also they have local or domestic

presence. So is there really a need in part of the process to even send this data outside our borders? If they have domestic entities here, it would stay within our borders. It sounds like Danville, Virginia would be the only extent, correct? That our data would go,

16:01 - 17:02

would there be any other reason why it goes outside of Danville, Virginia? Thank you for that question. Once the information leaves Saddles, it will go to their system, which is in the house in Danville. And we can create a contract that would prohibit it from going globally because it's a contract like criteria, correct? I mean, if there's only need to just send it to Danville, Virginia, or a domestic site, that would be hopefully quell concerns that we all have when it comes to data privacy internationally, correct? We'll be happy to provide more details on that. Appreciate that. We share those concerns, and we believe they were addressed. Very good. And then just a couple quick things. Yes. Representative Savenia, Chair's been very gracious on the time. You're well over 10 minutes.

17:02 - 18:01

Thank you. Appreciate the time. Thank you for the responses. Chair would like to ask, Commissioner, I'm a little confused on the 16-year renewal process. Where does that stand now? Because it sounded like there was a conflict between, you know, the pictures needing to be updated by... Could you just tell us what the status is of the proposal to do the renewals on people ages 18 to 65 on 16-year terms? Is that still an active policy that you're looking for or planning on implementing? We continue to advocate for a correction in the provision that was adopted. I'm not sure when you... You know, there are two federal statutes that undergird that. One we were aware of already, which everybody, including this body, was aware, that says the photograph or the image

18:01 - 19:01

cannot be more than 16 years. The provision that came out in the Real ID Act, section 37.25, talks about... I believe that's the correct one. Talks about the card itself cannot be... I'm sorry, the Real ID Act, it is HR 1268, says that the actual card cannot be more than eight years. We are respectfully requesting that if there's any technical correction bill, that that be addressed. As I understand it, the provision that was adopted... And again, I apologize for the confusion on the front end, but we've been working on since early on to try and address it. I believe it takes effect in July 1st of 2024. So if it's not corrected now, we would respectfully request that it be corrected before July 2024. Thank you. Representative Johnson, you're recognized. Thank you, Mr. Chairman. And Commissioner Goodwin, thank you for being here this morning.

19:01 - 20:01

We appreciate it with your staff. Were there any outside consultants used in this, or was it mostly done internal with DMV to evaluate vendors for this project? It's internal. Oh, internal. And really, I chair our IT Appropriations Committee, too, so when I say I know there are problems with the procurement process, I am very aware, because here's probably the issue we have, and it's been ongoing far before you were in this role and far before I was born, probably. So we've dealt with these procurement issues for a long time, and here's what I find is the problem. If it has to go through one department, whether it be transportation, DMV, and then there's an IT aspect of it, it usually gets lost in translation somewhere between departments, not necessarily in the reporting process, but sometimes it's between departments. And then we have to call and go,

20:01 - 21:02

okay, where's this RFP at? And say, well, we did our part, we sent it over. You call the other one, we did our part, we sent it over. And then we have to call people in to figure out where it actually is. I want this to be step one in a much bigger conversation that we have as partners trying to figure out how do we make this simpler? And really, I guess my main question is, this wasn't clearly a wide-open bidding process. Was there a reason that was the case, or how was the criteria put together for what these vendors would have to show and ultimately making the decision? And I'll ask Chief Deputy Manley to delve into the specifics, but we were following what we understood the intent of the 2021 law about IT modernization was to get the modernization done as quickly as possible with the tools and the experts that we have in place and to meet the industry standards.

21:02 - 22:02

But Chief Manley can address the rest. Thank you, Representative, for that question. The process, as you said, is a lengthy process. So with the general session law, we continue with the process that I will go through. So first, we did the AMBER survey, surveyed all the jurisdictions that were responding early. I said 31 responded. Based on the information we received from them, what vendors they were using, there were the top three. So we contacted the top three, and we did face-to-face interviews with them at their facilities or two at their facilities. With one, we did not because we were familiar with their facility and we had been there. But the face-to-face, it was a small staff did the face-to-face.

22:02 - 23:01

We then invited the vendor to come back to Raleigh to give a full presentation of all of their equipment, technology that was new to the industry and what they were bringing out. So everyone from DNV leadership as well as DITT's leadership, including application managers, security director, infrastructure, and all of those technical people there to look at the software. But they had to offer and then ask questions. Each vendor had the exact questions, and once this process was over, the team then evaluated the questions. And based on the answers, we came up with the selected vendor. Was the current vendor included in that? Yes.

23:01 - 24:02

Okay. Yes. This is probably, we're talking very high-level procurement stuff, but we'd love at some point to definitely have a follow-up with you guys and partner on ways we can work on the customer service side of it and what we need. Because when I think modernization, and I think there was some language in the IT budget this year as well regarding potential modernization efforts, and I'm thinking of it, and this is the way I always oversimplify it. I go to the airport, I'm getting on a plane, and we obviously want that to be secure. So we're going to the airport. I've got a barcode on my phone where I've put in all my information. I go up there. I scan it. It spits me out a piece of paper. I take it up to the counter. They check my ID. They verify it, make sure everything matches up, and then they have you through the line. Now, there is a person at the end of that line looking at that and a human eye is verifying it, so it's not totally automated. I know that would make me and others nervous

24:02 - 25:03

if it was totally automated. But you go up there. You've got everything verified on the back end, and, you know, when I look at the process, we have potential to do with these kiosks is the wrong word, but with these mobile units that we're starting to do. Does the new vendor have the capability to print from those potentially or to do the automated aspects that we've talked about in modernization to integrate with that going forward? Thank you, Mr. Chair. We look forward to partnering with you to improve the IT process, and you nailed it, that that's been a problem for a long time predating us. Again, that's why we took to heart the 2021 law. Because of, as you know, because of your requests that we have modernization and they were asking, well, what about mobile units? It's no longer the standard necessarily to have vans and trucks and the like,

25:03 - 26:00

but portable units is the phrase that is used. And, yes, the selected company can do that, and it will interface with our system and it will print out the TDC, just like you were in a temporary driving certificate, just like you were at the driver license office. It will be a mobile driver's license office, and that will help so many underserved communities and wherever we need to go. And I think it will be a blessing, a godsend once we do that. And that was part of this request. I'm probably going off script a little bit here, but going forward when we're looking at that plan, I'm from a small rural county, I think we're around 20,000 people or something like that. How is the decision made on where to set up permanent offices versus part-time temporary offices and things like that? How are those decisions made? Is it just a traffic count game?

Subject to Chief Deputy Manley,

26:00 - 27:00

I believe I've answered that question with other legislators before. In essence, it is based upon the staffing, but also based upon the demand. So that's what it's based upon. We do need more offices, but where the greatest demand is is in the metro areas. But that's why these portable units are so important, because they can go into the underserved communities like rural counties like you and I are from. And that was a big point, was making sure whoever we ended up going with, that was going to be a part of their portfolio and what they could do. And one more thing that Representative Chester did a great job

touching on is the security on the back end. I mean, we've obviously in the IT sector, and I tend to agree with one direction the DMVs went in considering these IT matters. They are the true joint of transportation and IT. And I think that when we start talking about the back end and being able to modernize these systems, being under the purview of IT, I think that makes a lot of sense,

27:00 - 28:03

especially when we're talking about cybersecurity and how we can work with these vendors to do that. Do you think going forward that this vendor truly was that when you're scoring? And, you know, we'll probably get into it at a later date about the actual criteria used. Was the security truly the trumping factor when deciding who to go with that you internally, when there was no outside consultants, you guys internally thought this is the most secure one going forward? Yes, including that was verified by the presentation done at the annual international conference where this company was highlighted among all the other states and the provinces of Canada. It would be great for us to get that and be able to see that on the back end. I noticed a lot of the questions posed. Maybe that will help us see the understanding of why this didn't go through a more traditional process if things outstanding like this you guys saw

28:03 - 29:00

and, you know, helped factor that big into the decision. So we'd love to see that presentation if they could provide it. We'll be happy to provide that presentation, but also provide the criteria that was used, which were summarized in my opening statement. We'll provide more details. And as one last follow-up, is there any way we can get as legislators, can we see the list of vendors that were being considered? Is there any way we can see that list? Yes. Perfect. Okay, that's what we need to know. And, again, if you guys would be willing to come in, we'd love to have a conversation regarding the modernization, not a report on the back end once it's done, that if we could partner during the process, I think that would be a great thing going forward. Yes, sir. Happy to do that. Mr. Commissioner, we appreciate it. Thank you so much. And thank you to the media outlets here covering this. We don't thank you guys enough.

29:00 - 30:00

We appreciate it. We can do all the good things in the world, but if nobody knows it's going on then we get the same calls from constituents. So us being able to share the articles about the improvements we're trying to make, that makes a big difference for our people back home. So thank you again, too.

Commissioner Goldman, when you provide that list of vendors who were offered an opportunity to buy for that contract, could you also include what their responses were? The Chair's been very gracious, I think, with some of the members and their questioning. You've gotten more than ten minutes, but we do have two members who did not use their full time, Representative Willingham, Representative McNeely. Do you have any last questions before we thank them? Yes, sir, very quickly. Mr. Chairman, I really don't have any questions other than the emails that were mentioned at the very first in my questioning where you said they'll pathway. Well, I'd love to get that information, so if you could supply us with those emails of the chain of how you went through

30:00 - 31:03

to try to get word to make the changes in the budget that didn't happen so you could provide that. It's pertinent information in that chain. Commissioner Goodwin, Deputy Commissioner Manley, we want to thank you for appearing here this morning. I'm sorry, Representative Willingham. Yes, sir, I've just got a couple more questions. In awarding the contract to CBN, who evaluated what was the price that we're paying, the amount we're paying to this company to do this work? That was part of what each of the companies were asked to present, and we'd be happy to provide the details on that. It's in the contract that we provided, but I'd be happy to answer any other questions related to it. If you'd like, I can tell you the price per card. This is what the – If you've already provided it, I can look at it. This was not in there because I was asked to have a short opening statement,

31:03 - 32:03

but it's \$2.55 per card, and the current vendor – while Chief Deputy Manley is looking at the current vendor, they're all about the same, but we're getting more security measures with, as I understand, with the selection that we had. So you're saying the prices that we're paying now – The current vendor is – Excuse me. The prices we're paying now is about the same as what we were paying before? Yes, sir. Chief, it's one penny more per card. Okay. With more security measures. Okay. That's fine. Representative Willingham, you could probably find it on one of the 1,367 pages of that contract if you just lean through it

pretty quickly. As I was saying, Commissioner Goodwin and Deputy Commissioner Manley, we really do appreciate you responding to our request to appear here today

32:03 - 33:00

on such short notice, and we also appreciate your testimony. We appreciate your service to the state. I believe we've learned a lot today about the budget – the method by which you award contracts and the budget process where we need some improvement on communication, apparently. So we trust that you and your staff will take appropriate steps to see that those changes are implemented. This committee does look forward to meeting with you again soon to discuss the customer service initiatives and challenges that you face and initiatives you've taken that you alluded to in the written statement that you submitted to us yesterday. Members of the committee, the chair wants to thank you for your attendance and for your questions. The chair would also like to acknowledge and thank the committee staff and the Sergeant of Arms for being here today to facilitate this meeting. And with no further business before us, this meeting is adjourned.

EXHIBIT J

UNDERTAKING

TO: CBN SECURE TECHNOLOGIES INC., (“CBNSTI”)

FROM: CANADIAN BANK NOTE COMPANY, LIMITED, (“CBN”)

RE: Request for Proposal (RFP) South Carolina Department of Motor Vehicles (SCDMV) for the central issuance driver’s licenses and identification cards (DL/ID) solution issued April 25th, 2023

DATE: May 15th, 2023

In consideration of CBNSTI submitting a response to the RFP issued by SCDMV for DL/ID solution noted above that includes services and deliverables to be performed by CBN as a subcontractor of CBNSTI, the parties undertake and agree that in the event that CBNSTI is the successful RFP bidder and is subsequently awarded a contract by the State of South Carolina, the parties, in a timely manner, will enter into a subcontract in substantially the same format and content as the draft agreement between the parties and as attached hereto as Schedule “A” to this undertaking.

Dated at Ottawa, Canada this 15th day of May, 2023.

CBN SECURE TECHNOLOGIES INC.

CONFIDENTIAL

CONFIDENTIAL

Name: Mark Houlton
Title: President

**CANADIAN BANK NOTE COMPANY,
LIMITED**

CONFIDENTIAL

Name: Craig Bascombe
Title: Chief Executive Officer

APPENDIX “A” RFP UNDERTAKING

SERVICES AGREEMENT

SOUTH CAROLINA DRIVER’S LICENSE/IDENTIFICARD ISSUING SYSTEM

THIS AGREEMENT is made this day of __ day of _____, 2023

Between:

CBN SECURE TECHNOLOGIES INC., a company incorporated under the laws of Florida, USA (hereinafter referred to as “CBNSTI”)

and:

CANADIAN BANK NOTE COMPANY, LIMITED, a company incorporated under the laws of the Province of Ontario, Canada (hereinafter referred to as “SUBCONTRACTOR”)

(CBNSTI and CBN may be referred to individually as a “Party” or collectively as the “Parties”).

WHEREAS:

- A. CBNSTI responded to a Request for Proposal (RFP) in the State of South Carolina (RFP # 5400023932) issued April 25, 2023 by the South Carolina Department of Motor Vehicles (SCDMV) State of South Carolina for the central issuance driver’s licenses and identification cards solution to provide security improvements in SCDMV customer processing and credential security; and
- B. As a result of being the successful RFP bidder and subsequently being awarded a contract by the State of South Carolina, CBNSTI has a requirement **CONFIDENTIAL**

_____ (collectively the “Services”); and
- C. SUBCONTRACTOR is willing to supply CBNSTI the Services to CBNSTI on mutually agreed terms in support of CBNSTI’s contract with the State of South Carolina.

NOW THEREFORE in consideration of the premises, the mutual covenants contained in this Agreement, and other good and valuable consideration (the receipt and sufficiency of which are hereby acknowledged), the Parties agree as follows:

ARTICLE ONE – DEFINITIONS AND INTERPRETATION

1.1 Definitions. In this Agreement, unless the context otherwise requires, each capitalized term shall have the following meanings:

“**Agreement**” means this written agreement between the Parties, including all appendices and other documents specifically referenced as forming part of this Agreement;

“**Business Day**” means any day from Monday to Friday inclusive, except statutory or civic holidays observed in South Carolina, Danville, Virginia, or Ottawa, Ontario, Canada;

“**Card**” means the blank State of South Carolina driver’s licenses and identification cards (DL/ID);

CONFIDENTIAL

“**Confidential Information**” includes all information of a secret, confidential or proprietary nature relating to the business, and management of the Discloser, or the Customer, which when disclosed, or prior to being disclosed, is designated in writing as confidential, provided however, that Confidential Information shall not include any data or information which:

- (a) is or becomes publicly available through no fault of the Recipient;
- (b) is already in the rightful possession of the Recipient prior to its receipt from the Discloser;
- (c) is independently developed by the Recipient;
- (d) is rightfully obtained by the Recipient from a third party under no obligation to keep such information confidential;
- (e) is disclosed with the written consent of the Discloser; or
- (f) is disclosed pursuant to court order or other legal compulsion;

“**Contract**” means a contract issued to CBNSTI by the State of South Carolina for the supply of Cards in relation to the RFP;

“**Customer**” means the State of South Carolina as represented by the Department of Motor Vehicles;

“**Discloser**” means the Party disclosing Confidential Information;

“**Deliverables**” includes **CONFIDENTIAL**

to be supplied by Subcontractor pursuant to this Agreement;

“**Force Majeure**” means:

- (a) Acts of God, explosion, flood, lightning, tempest, fire or accident;
- (b) war, hostilities, (whether war be declared or not), invasion, act of foreign enemies;
- (c) rebellion, revolution, insurrection, military or usurped power of civil war;
- (d) riot, civil commotion or disorder;
- (e) import or export regulations or embargoes when caused by Force Majeure;
- (f) strikes, lock-outs or other industrial actions or trade disputes of whatever nature;
- (g) defaults of suppliers or sub-subcontractors of a Party (where such default is caused by Force Majeure);
- (h) any pandemic, epidemic or similar occurrence; or
- (i) any cause or circumstances whatsoever beyond the Parties’ reasonable control.

“**Hardware**” means the hardware to be installed in South Carolina for the benefit of the Customer;

“**Installation Services**” means the services to install the **CONFIDENTIAL**;

“**Intellectual Property Rights**” includes:

- (a) any and all proprietary rights provided under (i) patent law, (ii) copyright law, (iii) trademark law, (iv) design patent or industrial design law, (v) semi-conductor chip or mask work law, or (vi) any other statutory provision or common law principle which may provide a right in ideas, formulae, algorithms, concepts, inventions or know-how; and
- (b) any and all applications, registrations, licenses, sub-licenses, franchises, agreements or any other evidence of a right in any of the foregoing;

“**Materials**” means the brochures, posters, manuals, guides and other documents to be provided by Subcontractor under the terms of this Agreement;

“**Person**” includes an individual, company, corporation, partnership, limited liability company, government or government agency, authority or entity howsoever designated or constituted;

“**Personal Information**” means personal identifier information used to identify individuals in the Customer’s issuing system including but not limited to name, age, sex, marital status, ancestry, eye colour, height, health, marital status, photograph, fingerprints, place of birth, citizenship, relatives, photograph, biometrics, blood type, etc;

“**Price**” means the price of the Services and Materials as set out in Appendix “F”;

“**Recipient**” means the Party receiving Confidential Information;

“**RFP**” means the request for proposal entitled “State of South Carolina Central Issuance of Credentials for the Department of Motor Vehicles” (RFP # 5400023932) issued April 25, 2023 by the State of South Carolina for the personalization and issuing of State driver’s licenses and identification cards, as amended;

“**Services**” means the services to be provided by Subcontractor as set out in this Agreement;

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“**Term**” means the period of time set out in Section 2.1; and

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1.2 Appendix. The documents initialed by the Parties and attached hereto as Appendix “A” to “G”, as the same may be amended by the Parties from time to time, form an integral part of the Agreement as if they were set forth herein in their entirety. The following are the Appendices to this Agreement:

Appendix “A” - Scope of Work

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Appendix “E” - CBNSTI Roles and Responsibilities

Appendix “F” - Fees and Payment

Appendix “G” - Flow-Through Clauses

1.3 Headings. The headings in this Agreement are for convenience of reference only and shall not affect the construction or interpretation hereof.

1.4 Extended Meanings. Words expressed in the singular include the plural and vice-versa and words in one gender include all genders.

1.5 Entire Agreement. This Agreement constitute the entire agreement between the Parties pertaining to the subject matter hereof and supersedes all prior agreements, understandings, negotiations and discussions, oral or written, between the Parties.

1.6 Amendment. This Agreement may only be amended, superseded or cancelled by a further written agreement signed by the authorized representatives of the Parties.

1.7 Currency. Unless otherwise indicated, all dollar amounts referred to in this Agreement are in United States Dollar (USD) funds.

1.8 Invalidity. If any of the provisions contained in this Agreement is found by a court of competent jurisdiction to be invalid, illegal or unenforceable in any respect, the validity, legality or enforceability of the remaining provisions contained herein shall not be in any way affected or impaired.

1.9 Governing Law. This Agreement is subject to the laws of the Ontario, Canada, and the Federal laws applicable therein. In the case of a dispute brought to a court of competent jurisdiction, each Party hereby waives their right to a trial by jury and consent to a trial by judge alone.

1.10 Order of Precedence. The documents listed below are hereby incorporated into this document by reference and deemed to be part hereof: In the event of any conflict of meaning or ambiguity between this Agreement and any other document, the order of precedence shall be:

- (a) this Agreement excluding the Appendices; and
- (b) the Appendices.

ARTICLE TWO - TERM

- 2.1 **Term.** The term of this Agreement shall commence on the date first written above and shall continue for the Term of the Contract.
- 2.2 **Termination of Agreement.** Notwithstanding Section 2.1, this Agreement shall terminate if the Contract between the State of South Carolina and CBNSTI is terminated.

ARTICLE THREE - OBLIGATIONS

- 3.1 **Deliverables.** SUBCONTRACTOR will supply to CBNSTI the Deliverables in accordance with the terms and conditions set out in this Agreement.
- 3.2 **Delivery Terms.** Unless otherwise indicated in writing between the Parties, all Deliverables are provided DAP Danville, Virginia, USA (Incoterms 2010).

ARTICLE FOUR - SUBCONTRACTING

- 4.1 **Subcontracting.** Subcontractor acknowledges that it may only subcontract its obligations under this Agreement with the consent of the Customer. Notwithstanding any permitted subcontracting Subcontractor shall not be relieved from its obligations under this Agreement nor will CBNSTI have any liability or obligation to the permitted subcontractor.

ARTICLE FIVE – PRICE AND PAYMENT TERMS

- 5.1 **Price.** CBNSTI shall pay to Subcontractor the fees, costs and charges set out in Appendix “F”. Unless otherwise indicated, applicable sales taxes are not included in the fees, costs or charges.
- 5.2 **Payment Terms.** CBNSTI shall make payment to Subcontractor for the Deliverables in accordance with the terms set out in Appendix “F”.

ARTICLE SIX - TITLE TO HARDWARE, MATERIALS **CONFIDENTIAL**

- 6.1 **Title.** Title to the Deliverables and Materials supplied by the SUBCONTRACTOR to CBNSTI will transfer upon delivery.

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ARTICLE NINE – RECORD KEEPING

- 9.1 Record Keeping.** Subcontractor shall keep proper accounts and records of the cost to Subcontractor of the Deliverables and Materials and of all expenditures or commitments made by Subcontractor in connection with this Agreement.

ARTICLE TEN – CONFIDENTIALITY

- 10.1 SUBCONTRACTOR Confidentiality.** Subcontractor covenants to CBNSTI that it shall, subject to any legislation to which Subcontractor may be subject, keep confidential the Confidential Information of both CBNSTI and the Customer which Subcontractor obtains access to as a consequence of entering into this Agreement and that it will take all reasonable precautions to protect such Confidential Information from any use, disclosure or copying except as expressly authorized by this Agreement.
- 10.2 CBNSTI Confidentiality.** CBNSTI covenants to Subcontractor that it shall, subject to any legislation to which CBNSTI may be subject, keep confidential the Confidential Information of Subcontractor which CBNSTI obtains access to as a consequence of entering into this Agreement and that it will take all reasonable precautions to protect such Confidential Information from any use, disclosure or copying except as expressly authorized by this Agreement.

ARTICLE ELEVEN – SUBCONTRACTOR WARRANTIES and REPRESENTATIONS

- 11.1 General Warranties and Representations.** Subcontractor acknowledges, represents and warrants, as of the date hereof, and agrees that during the Term of this Agreement including any extensions, and or renewals:
- (a) that it has the corporate authority to enter into this Agreement and that this Agreement will, subject to its terms, be a binding agreement upon Subcontractor;
 - (b) that it is not aware of any actual or alleged infringements of any Intellectual Property Rights of third parties and that it has the right to grant the property interests or the licenses granted under this Agreement.
 - (c) it has the personnel with the necessary qualifications, ability, knowledge, skill and experience to supply the Deliverables in a timely and effective manner;

- (d) it shall have good title and/or right to provide the Deliverables supplied by it under this Agreement to CBNSTI, and that the Deliverables will become the sole, exclusive and unencumbered property of CBNSTI in accordance with Section 6.1;
- (e) it will provide effective and efficient supervision to ensure that the quality of Deliverables is as stated in the Agreement;
- (f) it is engaged as an independent contractor for the sole purpose of supplying the Deliverables. Neither Subcontractor nor any of its personnel is engaged as an employee, servant or agent of CBNSTI. Subcontractor is responsible for all deductions and remittances required by law in relation to its employees including those required for pension plans, workers' compensation premiums, income tax remittances and every other statutory, regulatory or administrative levy or remittance in any relevant jurisdiction;
- (g) it will comply with the RFP flow-through clauses set out in Appendix "G".

11.2 Personal Information. SUBCONTRACTOR acknowledges that during the performance of the Services it may come in contact with Personal Information. Subcontractor acknowledges it has no ownership interest in any such Personal Information and agrees that it will not use such Personal Information for any purpose except for those purposes authorized by this Agreement.

ARTICLE TWELVE – CBNSTI WARRANTIES and REPRESENTATIONS

12.1 CBNSTI Acknowledgments and Warranties. CBNSTI acknowledges, represents and warrants that during the Term of this Agreement including any extensions, and or renewals:

- (a) that it has the corporate authority to enter into this Agreement and that this Agreement will, subject to its terms, be a binding agreement upon CBNSTI.

ARTICLE THIRTEEN - INSURANCE

13.1 Insurance. Subcontractor shall during the Term of this Agreement:

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ARTICLE FOURTEEN – INDEMNIFICATIONS and LIMITATION OF LIABILITY

14.1 CBNSTI Indemnity. CBNSTI will indemnify and save harmless SUBCONTRACTOR from all losses, claims, costs, damages, judgments, and reasonable legal fees that SUBCONTRACTOR may have as a result of CBNSTI's default in the performance of its obligations under this Agreement.

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ARTICLE FIFTEEN - DISPUTE RESOLUTION

- 15.1 Dispute Resolution.** Any dispute between the Parties of any nature arising out of or in connection with this Agreement shall be resolved pursuant to this Article.
- 15.2 Informal Resolution.** Any such dispute shall first be referred to the supervisors of the Parties' respective Project Managers who shall attempt to amicably resolve the dispute. In the event that they are unable to resolve the dispute within a reasonable time either Party may require that the dispute be referred to the President, Identification Systems at CBNSTI or his successor and the President of SUBCONTRACTOR (the "Executives") who shall use their best efforts to resolve the dispute within thirty (30) days.
- 15.3 Notice of Dispute.** In the event that the Executives are unable to resolve the dispute within thirty (30) days, either Party may give written notice to the other of its intention to submit the dispute to arbitration as provided below (a "Notice of Dispute").
- 15.4 Arbitration.** The Parties shall jointly submit the dispute to arbitration within sixty (60) days of the delivery of the Notice of Dispute.
- 15.5 Arbitration Rules.** Except to the extent the Parties may otherwise agree in writing, the arbitration shall be governed by the Arbitration Act (Ontario). The Parties agree that the award and determination of the arbitrator(s) shall be final and binding on both Parties.
- 15.6 Location.** The hearing of the arbitration shall take place in Ottawa, Canada, unless the Parties agree otherwise in writing. The scope of the proceeding shall be limited to the resolution of the dispute submitted to arbitration.
- 15.7 Costs.** The costs of the arbitration shall be in the discretion of the arbitrator(s) provided, however, that the prevailing Party in collecting any amount owed hereunder shall be entitled to recover, and the arbitrator(s) shall award, all reasonable costs and expenses, including attorney's fees and arbitration costs incurred in such proceedings to the prevailing Party.

ARTICLE SIXTEEN – FORCE MAJEURE

- 16.1 Excusable Delay.** A Party shall not be considered in default, and shall be excused from the performance of its respective obligations under this Agreement, for so long as any event of Force Majeure prevents performance of the obligations.
- 16.2 Notice of Force Majeure.** In the event either Party is delayed in the performance of its obligations herein by an event of Force Majeure the Party intending to invoke this Article shall, within twenty (20) consecutive days from the beginning of such delay, notify the other Party in writing of the cause of the delay, set forth the facts and the effects of the delay on the Agreement, enumerating any extension of time

which it considers necessary to complete its obligations, the details of any alternative method to deal with the situation and the amount of any additional cost and the Parties shall agree on the appropriate adjustments, if any.

ARTICLE SEVENTEEN- DEFAULT and TERMINATION

17.1 Termination for Default.

- (a) Where SUBCONTRACTOR is in default in carrying out any of its obligations under this Agreement, CBNSTI may, upon giving written notice to SUBCONTRACTOR, terminate for default the whole or any part of this Agreement, at the expiration of a cure period specified in a Appendix to this Agreement. If no cure period has been specified in this Agreement, the cure period will be as soon as commercially possible but in no event longer than thirty (30) Business Days. Minor noncompliance by SUBCONTRACTOR or its subcontractors or suppliers (i.e., noncompliance that does not preclude CBNSTI from completing its contractual obligations to the Customer without incurring additional costs or result in termination of CBNSTI's Contract with the Customer or written notice from the Customer of its intention to terminate that Contract with or without a cure period) shall not be considered a default under this Agreement.
- (b) Where CBNSTI is in default in carrying out any of its obligations under this Agreement, SUBCONTRACTOR may, upon giving written notice to CBNSTI, suspend performance of any of its obligations hereunder, or, after a period of five (5) Business Days if the default continues SUBCONTRACTOR may terminate for default the whole, or any part, of this Agreement.

17.2 Termination for Bankruptcy, etc. Either Party may terminate this Agreement immediately on notice to the other Party if the other commits any act of bankruptcy or insolvency.

17.3 Termination for Convenience.

- (a) SUBCONTRACTOR may at any time on written notice to CBNSTI terminate this Agreement for convenience. Except for liabilities incurred prior to the notice of termination for convenience, SUBCONTRACTOR shall have no further obligations to CBNSTI after the effective date of termination.
- (b) CBNSTI may, at any time by giving written notice to SUBCONTRACTOR (in this section sometimes referred to as a "termination notice"), terminate the Agreement as regards to all or any part of the Services if the Customer terminates for convenience the Contract with CBNSTI. SUBCONTRACTOR shall submit its termination claim under this section within thirty (30) days from receipt of the written notice by CBNSTI. The termination notice shall have an effective date of at least thirty (30) days from the date of delivery.

17.4 CBNSTI Obligations on Termination for Convenience.

The Contract may be terminated for convenience by the Customer upon written notice to CBNSTI. In the event of such a termination notice being given and the subsequent termination of this Agreement by CBNSTI, SUBCONTRACTOR shall be paid for all work completed, all work in progress and all capital related to this Agreement not yet fully amortized. Amortization will be based on the Agreement terminated on August 20, 2021.

17.5 Return of Materials. Upon request, each Party will:

- (a) destroy or return to the other Party any samples, documentation or other tangible materials belonging to the other Party;
- (b) delete the Confidential Information from any and all retrieval systems and databases in which it has been placed or recorded; and
- (c) cause an officer to certify in writing that it has complied with this section.

Notwithstanding the above the Legal Department of each Party shall be permitted to retain one (1) copy of the Confidential Information and documentation solely for archival purposes.

ARTICLE EIGHTEEN-GENERAL

18.1 Survival. Despite any other provision of this Agreement, those Articles which by their nature continue after the conclusion or termination of this Agreement shall continue after conclusion or termination, including but not limited to:

Article One	- Definitions and Interpretation
Article Four	- Subcontracting
Article Five	- Price and Payment Terms
Article Nine	- Record Keeping
Article Ten	- Confidentiality
Article Eleven	- Subcontractor Warranties and Representations
Article Twelve	- CBNSTI Warranties and Representations
Article Fourteen	- Indemnifications and Limitation of Liability
Article Fifteen	- Dispute Resolution
Article Seventeen	- Default and Termination
Article Eighteen	- General

18.2 Notice. All notices or other communications necessary for the purposes of this Agreement shall be in writing and shall be delivered personally or by courier, or shall be sent by registered mail, prepaid post or sent by email, addressed,

- (a) In the case of the SUBCONTRACTOR, to:

Canadian Bank Note Company, Limited
 145 Richmond Road
 Ottawa, ON, K1Z 1A1
 Canada
 Attention: Legal Department
 Phone: (613) 722-3421
 Email: CONFIDENTIAL

Attention: Legal Department

- (b) In the case of CBNSTI, to:

CBN Secure Technologies Inc.
 350 Stinson Drive
 Danville, Virginia, 24540
 USA
 Attention: President
 Phone: (434) 799-9280

Attention: Legal Department

or to such other address or email address as the Parties may, from time to time designate in writing to each other.

Any notice or communication will be considered to have been received:

- (a) in the case of email, on actual receipt; and
- (b) in all other cases, on the date of delivery.

If the postal service is interrupted, or threatened to be interrupted, or is substantially delayed, any notice shall be delivered personally or by email.

- 18.3 Assignment.** Neither Party may assign any of its rights or obligations hereunder, in whole or in part, without the prior written consent of the other Party, such consent not to be unreasonably withheld or delayed.
- 18.4 Binding on Successors etc.** This Agreement shall benefit and be binding upon the Parties and their respective successors and permitted assigns.
- 18.5 Further Assurances.** Each Party shall take every action necessary to give effect to the present Agreement.
- 18.6 Public Announcements.** Except as otherwise agreed to in writing and as directed by the governing national laws of the Parties, neither Party hereto shall make or permit any public statement or issue any press release respecting the particulars of the transactions contemplated by this Agreement except as may be necessary, in the opinion of counsel to the Party hereto making such disclosure, to comply with the requirements of applicable law and/or perform this Agreement. If any such public statement or release is desirable, the Party hereto making such disclosure shall consult with the other Party hereto prior to making such statement or release, and the Parties hereto shall use all reasonable efforts, acting in good faith, to agree upon a text for such statement or release.
- 18.7 Waiver.** If a Party is entitled to waive its rights under this Agreement, any waiver of rights or the obligation to perform under this Agreement is only valid if given in writing, and signed by the authorized representative of the Party, waiving a right or the performance of an obligation of the other Party. The waiver of any right or the waiver of the performance of an obligation is limited to the particular instance referred to in the signed written waiver and does not apply to:
- (a) any other right;
 - (b) the same right arising at any other time;
 - (c) the performance of any other obligation; or
 - (d) the obligation to perform in the same manner at any other time
- 18.8 Exercise of Discretion.** Whenever any Party is entitled to act in its discretion under this Agreement, such Party shall act reasonably in exercising such discretion unless otherwise provided in this Agreement.
- 18.9 Counterparts.** This Agreement may be executed separately by the Parties and such separate copies together shall for all purposes constitute one agreement, binding on all the Parties notwithstanding that all Parties have not signed the same copy. This Agreement may be executed by the use of facsimile or electronic signature.

IN WITNESS WHEREOF this Agreement is executed by the duly authorized representatives of the Parties as of the date first written above on page 1.

CBN SECURE TECHNOLOGIES INC.

**CANADIAN BANK NOTE COMPANY,
LIMITED**

Name:
Title:

Name:
Title:

APPENDIX "A"

SCOPE OF WORK

1.0 Introduction

CBNSTI has been awarded a Contract for the supply and personalization of the State of South Carolina driver's licenses and identification cards (DL/ID). CBNSTI will require the assistance of the SUBCONTRACTOR in order to be able to complete its obligations to the Customer. **CONFIDENTIAL**

This Scope of Work describes the Services to be provided by the SUBCONTRACTOR to CBNSTI. The following is a list of Services to be provided:

- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]
- [REDACTED]

1.1 Yearly Review

Each year, the Parties will review the Services provided by Subcontractor to CBNSTI for appropriateness, quality of service, areas for improvement and other relevant matters.

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APPENDIX “B”

CONFIDENTIAL - TBD

APPENDIX “C”

CONFIDENTIAL - TBD

APPENDIX “D”

CONFIDENTIAL -TBD

APPENDIX “E”

CBNSTI ROLES and RESPONSIBILITIES

1.0 CBNSTI shall have the following roles and responsibilities under this Agreement:

- Services and any other duties with the Customer that Subcontractor has not expressly contracted to provide under this Agreement.
- Complete the obligations as set out in Appendix “A” which are specifically identified as the responsibility of CBNSTI, including without limitation CBNSTI’s obligation to make payment to Subcontractor for fees, costs or charges under this Agreement.

APPENDIX “F”

FEES AND PAYMENT

1.0 Price Per Card

In consideration of the Deliverables, CBNSTI will pay to the Subcontractor a fee per Card successfully personalized by CBNSTI. The per-Card fee rate will be set by the Subcontractor and CBNSTI from time to time.

2.0 Payment Terms

The Subcontractor will invoice CBNSTI on a monthly basis, or such other time frame as agreed between the Parties.

APPENDIX “G”
FLOW-THROUGH CLAUSES

[TO BE ADDED]

EXHIBIT 3

John E. Schmidt, III
803.348.2984
John@SchmidtCopeland.com



Melissa J. Copeland
803.309.4686
Missy@SchmidtCopeland.com

November 20, 2023

Via email to wamarsh@ncdot.gov

William A. ("Drew") Marsh III
Senior Deputy General Counsel
NC Dept of Transportation
1 South Wilmington Street
Raleigh, NC 27601

Re: Protest of Idemia Identity & Security USA LLC – Written Submission following
November 16, 2023 protest meeting

Dear Mr. Marsh:

Thank you again for meeting with Idemia Identity & Security USA LLC ("IDEMIA USA") on November 16, 2023 in connection with IDEMIA USA's October 26, 2023 protest of the Driver License Issuance Credential Contract to CBN Secure Technologies Inc. ("CBNSTI").

Based on the incomplete public records response IDEMIA USA received on November 15, 2023, IDEMIA USA learned that CBNSTI has been performing the illegal contract and receiving significant milestone payments from the Department related to design proofs (\$1.25M), purchase of system hardware (\$2M) and for submitting a systems requirements document (\$750,000). In a follow-up email exchange dated November 17, 2023, you indicated on behalf of the North Carolina Department of Transportation (the "Department") that the Department will not delay implementation of the challenged contract award to CBN Secure Technologies Inc. ("CBSTI"). Consequently, IDEMIA USA agreed to provide this follow-up written submission reiterating the arguments raised in the protest meeting with citation to supporting public records to start the clock for a protest decision from the proper decisionmaker within ten days, despite the incomplete public records request response. Given that the CBNSTI award exceeds the amount specified in G.S. 143-53, 01 NCAC.05B.1519 provides that the State Purchasing Officer shall respond to the protest within 10 calendar days. Alternatively, the Department of Transportation Purchasing Manual suggests that the Department's Procurement Director may issue the written protest decision, copying the State Purchasing Officer. Neither the regulations nor the manual, however, authorize the Commissioner of the Department of Motor Vehicles to render a decision on a protest challenge as you suggested during the November 16, 2023 hearing. Therefore, we would request that you provide supporting authority for your determination regarding the protest decisionmaker.

As discussed in the protest hearing (and confirmed by the limited public records provided), neither the selection process nor the solution provided by CBNSTI are lawful, rendering the contract void as a matter of law. N.C. Gen. Stat. § 143-58. For the reasons discussed in protest, at the hearing, and reiterated below, this Department should rescind the illegal contract award to CBNSTI and conduct a fair and transparent best value procurement for the Driver License Credential Replacement project as required by North Carolina law.

I. LEGAL AND FACTUAL ARGUMENTS REQUIRING A CONTRACT RESCISSION AND NEW PROCUREMENT PROCESS

A. The Contract Award to CBNSTI Is Unlawful And Should Be Rescinded Because The Department Employed An Arbitrary and Unfair Process To Select CBNSTI That Violated Applicable Law.

The public records verify as IDEMIA USA argued in its protest that the Department substituted an incomplete, unfair and erroneous "market research" for the competitive, best value procurement process required by law. The unlawful procurement process invalidates the CBNSTI contract and requires a protest sustain.

If you need a new coffee maker and you decide to read consumer reports or go to Target and compare brands that might be a reasonable buying process. But market research is not reasonable or lawful procurement process when the purchaser is a State agency spending North Carolina taxpayer dollars. "North Carolina's purchasing program [is] built on the principle of competition," 1 NCAC 5B.0203(b), which requires written and fair specifications shared with all potential competitors and evaluations of the information in the offerors' proposals against stated evaluation criteria. 1 NCAC 5B.0309.

North Carolina law dictates the selection methodology when state agencies are procuring information technology. Pursuant to N.C. Gen. Stat. § 143-135.9(c), "the acquisition of information technology by the State of North Carolina *shall* be conducted using the Best Value procurement method." The statute defines this selection methodology as an award decision based on "multiple factors, including: total cost of ownership, meaning the cost of acquiring, operating, maintaining, and supporting a product or service over its projected lifetime; the evaluated technical merit of the vendor's proposal; the vendor's past performance; and the evaluated probability of performing the requirements stated in the solicitation on time, with high quality, and in a manner that accomplishes the stated business objectives and maintains industry standards compliance." *Id.* at § 143-135.9(a).

Section 11 of Session Law 2021-134, House Bill 650, the authority the Department relies on for the CBNSTI award, does not change these legal procurement requirements or permit an agency to go out and cherry pick information to favor one potential competitor over all others in order to steer an award selection. By its terms Section 11 exempts the Department from "Department of Information Technology oversight and requirements" set forth in Parts 3 and 4 of

Article 15, Chapter 143B of the North Carolina General Statutes. If the text left any doubt, the title of Section 11 confirms the statute it is a "Limited Exemption from Department of Information Technology Oversight and Requirements for Division of Motor Vehicles Information Technology Modernization Products." Section 11 of Session Law 2021-134, House Bill 650 does not give the Department new authority to make a sole source award. The legislature certainly knows how to create exceptions to the competition requirements, and they did not in Section 11. Rather the legislation as discussed is a "Limited Exemption" to the normal statutory process for DIT oversight and requirements over Information Technology projects and as such it must be narrowly construed. *Good Hope Hosp., Inc. v. NC Dep't of Health & Human Servs.*, 175 N.C. App. 309, 313, 623 S.E.2d 315, 318, *aff'd*, 360 N.C. 641, 636 S.E.2d 564 (2006) (North Carolina courts have established a "rule of statutory construction that exemptions must be construed narrowly").

Prior to our meeting on November 16, 2023, the Department itself did not believe Section 11 of Session Law 2021-134, House Bill 650 exempted the Department from following all procurement laws and rules. Just the opposite, the Department repeatedly stated they were following the laws in internal emails, in the Request for Quote ("RFQ") that the Department provided only to CBNSTI, and to the oversight committee during the hearing about this selection process. The RFQ states: "This RFQ and further procurement processes *shall comply with all procurement requirements and authority applicable to the Department of Transportation and the Department of Motor Vehicles, including any policies and decisions of the agencies.*" (RFQ No. 12063519 at 5.)

But even the incomplete public records produced to IDEMIA USA confirm that the Department did not comply with "all procurement requirements and authority applicable to the Department of Transportation" when selecting and awarding the challenged contract to CBNSTI.

First, as discussed, the Department did not hold a competition with all potential competitors receiving a written solicitation that stated common requirements, ground rules, and evaluating criteria, from which the procuring agency could select the best value offeror as required by N.C. Gen. Stat. § 143-135.9(c) and 1 NCAC 5B.0309, 1 NCAC 5B.0314.

Second, the Department did not follow its own Purchasing Manual which require "fairness and impartiality in all phases of the process...." DOT Purchasing Manual at <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Integrity>. The Manual requires dealings with vendors to be "open, honest, and objective." Yet, the Department was not open, honest, or objective with IDEMIA USA. Apparently, as early as December 9, 2022 the Department made the decision to proceed with only CBNSTI after unfair and incomplete market research, but the Department never notified IDEMIA USA of that fact. (See e.g., December 9, 2022 Email from R. Henry to W. Goodwin ("The DMV business and the IT teams have completed the Market Research for the Driver License Credential Issuance Replacement. We would like to implement this project as one of the DMV Five Projects under the HB650 legislation. Based on the vendor reviews, on-site visits to vendor locations and discussions with other jurisdictions, the team recommends that the Division move forward with Canadian Bank

Note (CBN) as the vendor of choice.") Yet, the Department allowed IDEMIA USA to believe that the Department intended to issue a competitive Request for Proposal. Had IDEMIA USA learned about the Department's intentions and decision to develop requirements only with CBNSTI and only permit CBNSTI to provide a proposal and quote in response to those requirements, IDEMIA USA would have challenged this unlawful process prior to award. The Department, however, chose to keep everyone (the other competitors, the legislature, and the Department of Information Technology) in the dark until the Department finalized the illegal contract with CBNSTI and allowed CBNSTI to begin its very costly implementation process prior to notifying anyone about the contract. (*See e.g.*, Jan. 6, 2023 Email from W. Goodwin to R. Henry, P. Manley, C. Boyd-Malette, W. Marsh et al ("At what point in the process do we notify the other prospective offerors that a selection has been made? (I presume a little bit further down the road after CBN and the DMV have taken additional steps.)").

The public records documents evidence that Commissioner Goodwin signed the anticompetitive CBNSTI contract on August 16, 2023, but the Department still did not announce the award publicly until early October 2023, after the Department had approved milestone payments to CBNSTI for implementation.¹ (*See* Aug. 31, 2023 Email from W. Goodwin to C. Murphy and P. Manley (indicating that Commissioner Goodwin signed the acceptance certificate so that CBNSTI could be paid for completion of milestone #1).) Equally troubling, the public records response shows that the Commissioner signed the certification to authorize the \$1.25M payment to CBNSTI without ever seeing and accepting the deliverable. There was and remains nothing transparent, open, or reasonable about the selection, award, or contracting process.

Additionally, the Department's Purchasing Manual expressly states that "NO MATTER HOW STRONGLY A USER MAY PREFER A PARTICULAR PRODUCT OVER OTHERS, EQUIVALENT PRODUCTS MUST BE GIVEN EVERY REASONABLE CONSIDERATION. WE MUST COMMIT AND ADHERE TO FAIR AND OPEN COMPETITION.... INTEGRITY IS MANIFESTED BY FAIRNESS, OPENNESS, AND IMPARTIALITY AND CAN BE TARNISHED BY EVEN THE SLIGHTEST APPEARANCE OF IMPROPRIETY. ONCE THIS OCCURS, IT IS VERY DIFFICULT TO REGAIN." The limited public records produced to IDEMIA USA on November 15, 2023 confirm, however, that the Department was neither impartial nor fair when it came to IDEMIA USA. Instead, the Department engaged in unfair, incomplete, and erroneous market research in the fall of 2022, and used the misleading results purportedly to justify proceeding with CBNSTI only. (*See e.g.*, December 9, 2022 Email from R. Henry to W. Goodwin (referencing "a brief comparison of the 3 vendors reviewed during Market Research" to move forward with CBN as the "vendor of choice").)

¹ For that reason, IDEMIA USA timely filed its protest within 30 days of learning of the award and the anticompetitive process. *See, e.g.*, NCDOT Purchasing Manual at <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Chapter=0>; 1 NCAC 5B.1519(b).

Although the Department did not produce the requested presentations or records of communications by the decision makers, the Commissioner's testimony to the oversight committee makes clear that the Department treated the market participants unequally. Specifically, the records show that the Department visited the facilities of the nonincumbent participants (CBNSTI and Thales) but did not visit IDEMIA USA's facilities. Instead, the Department assumed incorrectly that it knew everything about IDEMIA USA, its incumbent provider. This assumption was unfounded and incorrect. Years ago, the Department visited a different facility from IDEMIA USA's current operations. IDEMIA USA has made extensive security upgrades to its facility and has added equipment – none of which the Department considered during its unequal and unreasonable market research evaluation. Although IDEMIA USA offered to host Department representatives at a site visit, the Department declined, cancelling the visit it had planned.

The Department also did not give the three vendors equal time or ask the presenters the same questions. A significant amount of IDEMIA USA's presentation involved a discussion about current contract operations rather than how IDEMIA USA might perform different requirements to modernize the process. Nor does the "brief comparison" chart about the presentations accurately reflect IDEMIA USA's presentation. The chart that the Department provided to IDEMIA USA on November 17, 2023 describes IDEMIA USA's "overall responses" as "It is (Solution as is)." IDEMIA USA's slides, however, present a very different picture, describing several hardware options based on the State's needs, power State-of-the Art platform to replace older products, portable solutions, and a polycarbonate card. (*See* IDEMIA Nov. 30, 2022 Presentation Slides, Protest Ex. E.) The Department's evaluation focused only on IDEMIA USA's current contract challenges without asking IDEMIA USA to comment on those challenges and ways they could be overcome with future technology changes. [Nevertheless, the Department agreed to pay \$4,000,000 in the first few weeks of CBNSTI's contract to provide technological improvements.] The Department likewise did not ask about the challenges other vendors had in their prior contracts. Although past performance is a valid evaluation criterion, the agency should consider the relevant and recent past performance of all vendors against common criteria.

Of note, the chart does not discuss pricing at all revealing that the Department did not consider the cost of any other proposed solution before electing to proceed with CBNSTI only. Nor could it have because the Department had not determined its requirements before selecting CBNSTI as its "vendor of choice"; rather the Department worked with CBN to "gather requirements and get a quote after selecting CBN." (*See* Jan. 6, 2023 Email from C. Murphy to L. Roach and R. Henry ("Since this is one of the approved DMV 5 projects, then you should be good with moving forward with reaching out to CBN to gather requirements and requesting the quote.").

Third, it is unclear what happened between December 9, 2022 when the Department first determined that CBNSTI was its "vendor of choice" and May 30, 2023 when the Department decided to move forward with CBNSTI "as a sole source purchase." (*See* May 30, 2023 Email from C. Murphy to R. Henry, W. Marsh, W. Goodwin, B. Watkins, P. Manley and J. Evans.) The public records show an updated chart of the vendors presentations dated May 2023, which includes for the first time a tab called "requirements." Next to each requirement the form states "yes" or

"no" for the CBN, IDEMIA USA, and Thales. On its face, the May 2023 requirements comparison does not support a sole source award to CBN as the chart reports that Thales satisfies more of the "requirements" than CBN. (*See* Market Research Data and Requirements May 2023.) This document on its face renders the Department's decision to issue a sole source award to CBN arbitrary and capricious.

Worse, the "No" responses for IDEMIA USA are inaccurate, rendering any sole source decision based thereon arbitrary and capricious. For instance, the chart wrongly states that IDEMIA USA does not provide standard solution components and front-office customization to accommodate NCDOT workflows and interfaces with SADLS. But IDEMIA does this today and would have offered an improved capability in any follow-on competition. Similarly, the chart falsely reports that IDEMIA USA does not provide audit capabilities or fraud detection. But IDEMIA USA's solution offers comprehensive audit capabilities, tracking the who, what, and where of every transaction, and has multiple options for fraud detection and prevention beyond facial recognition. The May 2023 chart likewise inaccurately states that IDEMIA USA cannot provide NCDOT the ability to issue Driver Licenses and Identification Cards that are in full compliance with AAMVA 2020 Card Design Standards and REAL ID. But IDEMIA USA fulfills this requirement in six jurisdictions today. The public records request offers no insight into who developed the chart or the information on which they relied. But the responses are inaccurate and do not support or justify a sole source award to CBNSTI. This is just another example of the Department violating its own rules to ensure "utmost fairness" and impartiality in all phases of the procurement process.

Fourth, the Department's decision to move forward with CBNSTI on a sole source basis lacks justification based on the information available to the Department in May 2023 and was not legally permissible. No conditions of waiver specified in the Purchasing Manual or the law are present here nor did the Department seek a waiver of the competitive bidding requirements as required by N.C. Gen. State 143-53(a)(5); *see e.g.*, Purchasing Manual at <https://connect.ncdot.gov/business/Purchasing/Pages/PurchasingManual.aspx?Title=Waiver%20of%20Competition>. The Department's public record response to IDEMIA USA's request lacks any sole source justification memorandum.

Fifth, in the Department's October 11, 2023 testimony before the North Carolina House Oversight and Reform Committee, the Department repeatedly suggested that IDEMIA USA is based in France, and that no US company existed to do this work. IDEMIA USA is incorporated in Delaware, and currently produces more than 55 million secure credentials annually for 34 U.S. states—more than three times the production volume of any other U.S. secure document issuance vendor. Although IDEMIA USA has a French parent company, under a national security agreement with the U.S. Government, IDEMIA USA's secure credentialing (driver's licenses and passports) production, processing, and data is administered, managed and operated only by U.S. staff on U.S. soil. IDEMIA USA thus operates on a separate regulated network and does not share secure credentialing systems or facilities with the affiliates of global IDEMIA. Conversely, CBNSTI's proposal shows that CBNSTI proposed to perform work in "Ottawa, Ontario, Canada.

(See CBNSTI-NC RFQ#12063519 Response and Proposal_REDACTED.pdf" at 6-7; *id.* at pdf 43 ("In response to RFQ # 12063519, CBN will be fully supported by its parent company, Canadian Bank Note Company, Limited.")) And, although CBNSTI should have provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions at offer submission because the Driver License Credential Issuance contractor will receive and security manage data that is classified High Risk under the North Carolina Statewide Data Classification and Handling policy (RFQ No. 12063519 at 7), there is no evidence that CBNSTI complied with this requirement in the public records documents produced to IDEMIA USA.

Finally, in the testimony before the House Oversight and Reform Committee, the Department suggested that CBNSTI's solution was a penny more per card than IDEMIA USA's current contract. The public records response demonstrates otherwise. In addition to a higher price per card, the Department has agreed to pay a daily rate of \$1,850 per day (for what it is not clear), plus \$5,400 per unit for additional image capture enclosure, plus \$5,200 per unit for additional transportable unit, plus \$4,000,000 for implementation (design proofs, purchase of system hardware, and systems requirement document). Again, neither the procurement process nor the details of the contract have been fair, open, and honest.

For each of these reasons, the selection process and the decision to award this multi-million-dollar contract award to CBNSTI without competition violates applicable law and renders the contract void. The awardee was not properly vetted, and the Department did not conduct a best value procurement to ensure the residents of North Carolina received the best solution at a fair and reasonable price. Instead the Department improperly selected a vendor based on an incomplete and unfair market research process, and then followed an improper and unjustified sole source process. Accordingly, the CBNSTI contract award is void under N.C. Gen. Stat. § 143-58, and this protest should be sustained.

B. The Contract Award to CBNSTI Is Also Unlawful And Should Be Rescinded Because CBNSTI's Solution Violates North Carolina License Requirements.

The award to CBNSTI is arbitrary and capricious and the contract also should be rescinded because CBNSTI's solution violates clear statutory requirements for North Carolina driver license credentials.

By statute, North Carolina licenses requires "a color photograph of the license holder applied to material that is measured by the industry standard of security and durability and is resistant to tampering and reproduction." N.C. Gen. Stat. at § 20-7(n)(4). Yet, Commissioner Goodwin testified that CBNSTI proposed, and will be providing, a "black and white monochromatic photograph." (Oversight Hearing Tr. at 7, Ex. I.)

Although Commissioner Goodwin represented to the House Oversight Committee that color is against industry standard, Commission Goodwin is mistaken. As discussed in Section II.C. above, industry standards—including International Civil Aviation Organization and

AAMVA DL/ID Card Design Standard—prefer color photographs. Commissioner Goodwin's reliance on some unstated standard conflicts with the statutory standard set by the North Carolina General Assembly. Notably, North Carolina's statutory license requirements align with the majority of the states—thirty-seven have a color photograph on their license today. And there is no federal mandate to change the statutory standard set but the General Assembly; REAL ID also provides for color photographs. 6 C.F.R. § 3717(e)(2). Regardless, nothing in S.L. 2021-134, Section 11—the authority improperly relied on by the Department to subvert the best value procurement process—allows the Department to rewrite the statutory license requirements promulgated by the General Assembly.

Accordingly, because the CBNSTI solution violates current North Carolina law specifying the format for drivers' licenses issued by the Department, the anticompetitive award lacks a rational basis and cannot be the best value solution for North Carolina residents.

II. CONCLUSION

Because the selection and award process were unlawful and the solution procured violates North Carolina licensing requirements, the State Purchasing Officer or the Department of Transportation Procurement Director shall sustain this protest, declare the contract award to CBNSTI illegal and void, and require the Department to conduct a full and fair best value competition for its driver license credential issuance replacement requirements.

Very truly yours,



Melissa J. Copeland
N.C. Bar No. 34933
*Local Counsel to IDEMIA Identity & Security USA
LLC*

Kara L. Daniels
Arnold & Porter Kaye Scholer LLP
601 Massachusetts Ave., N.W.
Washington, D.C. 20001
Counsel to IDEMIA Identity & Security USA LLC

cc: David O'Neal (David.O-neal@dao.nc.gov)
James Weaver (James.Weaver@nc.gov)
Joni S. Robbins (Jsrobbins@ncdot.gov)
Commissioner Goodwin (gwwoodwin1@ncdot.gov)

EXHIBIT 4

From: Marsh, William A <wamarsh@ncdot.gov>
Sent: Monday, November 20, 2023 4:53 PM
To: Missy Copeland
Cc: O-Neal, David; Weaver, James A; Robbins, Joni S; Goodwin, Wayne; jsrobbins@ncdot.gov; Daniels, Kara L.; Brooks, Christopher W; Evans, Jonathan
Subject: Re: [External] Protest of Idemia Identity & Security USA LLC – Written Submission following November 16, 2023 protest meeting

External E-mail

Thank you Missy.

There may be some confusion as my *Out of Office (OOO)* message indicates that it is advance notice that I will be away beginning on **Wednesday**. We will have the Department of Transportation's answer regarding your protest on or before the close of business on November 30th, 10 days from today. The Secretary of Transportation will be the decision maker on the issue.

Regarding the notes of 12/9 and the phantom "attachement", I am informed that the attachment refers to the Issues or Error log, a copy of which you have been provided.

Thank you for your attention to these matters.

Drew Marsh

Get [Outlook for iOS](#)

From: Missy Copeland <missy@schmidtcopeland.com>
Sent: Monday, November 20, 2023 3:03 PM
To: Marsh, William A
Cc: O-Neal, David; Weaver, James A; Robbins, Joni S; Goodwin, Wayne; jsrobbins@ncdot.gov; Daniels, Kara L.
Subject: [External] Protest of Idemia Identity & Security USA LLC – Written Submission following November 16, 2023 protest meeting

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Drew -

Attached please find our written submission following last week's meeting. I understand that a decision on this matter will be issued in 10 calendar days. We appreciate the thoughtful consideration of this matter and the serious issues raised in the protest letter, the meeting, and this submission.

We will follow-up by separate email regarding the items that we believe are missing from the public records that were provided last week.

Missy

Missy Copeland | [Schmidt & Copeland LLC](#) | 1201 Main Street, Suite 1980, Columbia,
SC 29201 | Missy@SchmidtCopeland.com | T:803.309.4686 | www.SchmidtCopeland.com

Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

EXHIBIT 5

November 28, 2023

Via electronic mail – Missy@SchmidtCopeland.com

Melisasa J. Copleand
Schmidt & Copeland
1201 Main St
Suite 1980
Columbia, SC 29201

Kara L. Daniels
Arnold & Porter Kay Scholer, LLP
601 Massachusetts Ave., NW
Washington, DC 20001

**Re: Protest of Idemia Identity Security USA LLC of the Department of Motor Vehicles
Driver License Issuance Credential Replacement Contract to CBN Secure Technologies Inc.**

Ms. Copeland and Ms. Daniels,

The North Carolina Department of Information Technology (hereinafter, “NCDIT”) and James Weaver, Secretary and State CIO are in receipt of Idemia USA’s request for a meeting concerning its protest of the North Carolina Department of Transportation’s Division of Motor Vehicles’ procurement of the Driver License Credential Issuance Replacement Contract. As stated in your letter, NCDMV’s award of this procurement contract was done in accordance with North Carolina Session Law 2021-134, which gave NCDMV authority to “manage, procure information technology goods and services, and enter into contracts for up to five information technology projects for DMV system modernization, and these projects are exempt from DIT oversight requirements to award a contract outside of the “review and....” of NCDIT. Specifically, the session law exempted DOT from oversight from Parts 4 and 5 of North Carolina General Statute 143B, Art. 15, which grant NCDTI authority over project management and IT Procurement.

The provisions above govern NCDIT’s oversight role of information technology projects and information technology procurements. Given this exception, NCDIT lacked specific authority to review and approve this award and therefore was not involved in the procurement and, thus, did not provide approval for it. Given NCDIT’s lack of oversight and involvement, it subsequently also lacks any jurisdiction over a protest of any award issued under the session law’s granting authority. As such, NCDIT and the State CIO decline your request for a bid protest meeting because NCDIT lacks any authority to overturn DMV’s decision and lacks jurisdiction over the matter.

Sincerely,

/s/ Jonathan D. Shaw
Jonathan D. Shaw
General Counsel, NCDIT

cc. James Weaver, Secretary and State CIO

EXHIBIT 6

NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

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RFQ RESPONSE

CBN Secure Technologies Inc.
350 Stinson Drive, Danville, VA 24540



Date: July 18, 2023

Attention: Christie Murphy

Subject: Driver License Credential Issuance Replacement

Requisition No. 12063519

Dear Christie Murphy,

CBN Secure Technologies Inc. (CBN) would like to thank the State of North Carolina, Division of Motor Vehicles for the opportunity to respond to Request for Quote (RFQ) # 12063519, North Carolina Driver License Credential Issuance Replacement Project. CBN confirms that it has received and reviewed the Statement of Work associated with this RFQ. CBN's proposed Central Issuance solution provides superior security, quality and performance that meets all the requirements of the RFQ. CBN welcomes the opportunity to work collaboratively with the DOT to design, develop and deploy a centrally issued card-based solution that offers security improvements and operational efficiencies in NCDOT customer processing and credential security.

The technical and price proposals have been included below and uploaded as part of this submission. Sample cards are to be provided at a location of the DOT's choice to support any future card security features and price discussions. To ensure confidentiality, redacted copies have also been provided.

We affirm and explicitly acknowledge that the Vendor's proposed solution at time of award and for the duration of the contract is subject to all applicable State policies, guidelines, standards, practices, procedures, and safeguards as defined in the North Carolina Department of Information Technology Statewide Information Security Manual (SISM).

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STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION Division of Motor Vehicles	REQUEST FOR QUOTE NO. 12063519-CM
	Offers will be publicly opened: Upon Receipt
	Issue Date: July 14, 2023
Refer <u>ALL</u> inquiries regarding this RFQ to: Christie Murphy clmurphy1@ncdot.gov 919-707-4848	Commodity Number: Enter commodity code.
	Description: Driver License Credential Issuance Replacement
	Using Agency: Department of Transportation
See page 2 for mailing instructions.	Requisition No.: 12063519

OFFER AND ACCEPTANCE

The State seeks offers for the goods, software, and/or services described in this solicitation. The State's acceptance of any offer must be demonstrated by execution of the acceptance found below and any subsequent Request for Best and Final Offer, if issued. Acceptance shall create a contract having an order of precedence as follows: In cases of conflict between documents comprising the contract, the order of precedence shall be (1) Best and Final Offers, if any, (2) special terms and conditions specific to this RFQ, (3) specifications, (4) Department of Information Technology Terms and Conditions of this RFQ, and (5) the agreed portions of the awarded Vendor's offer. **No contract shall be binding on the State until an encumbrance of funds has been made for payment of the sums due under the contract.**

EXECUTION

In compliance with this Invitation for Bid / Request for Quote, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all Services or goods upon which prices are offered, at the price(s) offered herein, within the time specified herein. By executing this offer, I certify that this offer is submitted competitively and without collusion.

Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers are not acceptable.

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Offer valid for thirty (3) _____ of offer opening unless otherwise stated here: ____ days

ACCEPTANCE OF OFFER

If any or all parts of this RFQ are accepted, an authorized representative of Department of Transportation shall affix their signature hereto. A copy of this acceptance will be forwarded to the successful vendor(s).

FOR STATE USE ONLY

Offer accepted and contract awarded this _____ day of _____, 20____, as indicated on attached certification,
 by _____ (Authorized representative of Department of Transportation).

2.9. POINTS OF CONTACT

Contact by the Offeror with the persons shown below for contractual and technical matters related to this RFQ is only permitted if expressly agreed to by the purchasing lead named on page 5, or upon award of contract:

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3.0 SPECIFICATIONS

3.1. VENDOR STANDARD AGREEMENT(S)

The terms and conditions of Vendor's standard services, license, maintenance or other agreement(s) applicable to Services, Goods, Software and other Products acquired under this Agreement may apply to the extent such terms and conditions do not materially change the terms and conditions of this Agreement. In the event of any conflict between the terms and conditions of this Agreement and the Vendor's standard agreement(s), the terms and conditions of this Agreement relating to audit and records, jurisdiction, choice of law, the State's electronic procurement application of law or administrative rules, the remedy for intellectual property infringement and the exclusive remedies and limitation of liability in the DIT Terms and Conditions herein shall apply in all cases and supersede any provisions contained in Vendor's relevant standard agreement or any other agreement. The State shall not be obligated under any standard license and/or maintenance or other Vendor agreement(s) to indemnify or hold harmless the Vendor, its licensors, successors or assigns; nor arbitrate any dispute, nor pay late fees, legal fees or other similar costs.

3.2. VENDOR UTILIZATION OF WORKERS OUTSIDE U.S.

In accordance with N.C.G.S. §143B-1361(b), Vendor must detail in the RFQ response, the manner in which it intends to utilize resources or workers located outside the U.S. The State of North Carolina will evaluate the additional risks, costs, and other factors associated with such utilization prior to making an award for any such Vendor's offer. The Vendor shall provide the following for any offer or actual utilization or contract performance:

- a) The location of work performed under a state contract by the Vendor, any subcontractors, employees, or other persons performing the contract and whether any of this work will be performed outside the United States.
- b) The corporate structure and location of corporate employees and activities of the Vendors, its affiliates or any other subcontractors.
- c) Notice of the relocation of the Vendor, employees of the Vendor, subcontractors of the Vendor, or other persons performing Services under a state contract outside of the United States.
- d) Any Vendor or subcontractor providing call or contact center Services to the State of North Carolina shall disclose to inbound callers the location from which the call or contact center Services are being provided.

Will any work under this contract be performed outside the United States? YES NO

If Vendor answered "YES" above, list the location(s) outside the United States where work under this contract will be performed by Vendor, any sub-contractors, employees, or other persons performing work under the contract.

Ottawa, Ontario, Canada

3.3. E-VERIFY

Pursuant to N.C.G.S. § 143B-1350(k), the State shall not enter into a contract unless the awarded Vendor and each of its subcontractors comply with the E-Verify requirements of N.C.G.S. Chapter 64, Article 2. Vendors are directed to review the foregoing laws. Any awarded Vendor must submit a certification of compliance with E-Verify to the awarding agency, and on a periodic basis thereafter as may be required by the State.

3.4. BRAND SPECIFIC PRODUCT (Reserved)

3.5. DESCRIPTIVE LITERATURE (Reserved)

3.6 SECURITY SPECIFICATIONS

3.6.1 SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

The *Driver License Credential Issuance* will be required to receive and securely manage data that is classified High Risk Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding data classification. The policy is located at the following website: <https://it.nc.gov/document/statewide-data-classification-and-handling-policy>.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls. This requirement additionally applies to all Vendor-provided, agency-managed Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted) data.

(a) Vendors shall provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions ("VRAR") at offer submission. This report is located at the following website: <https://it.nc.gov/documents/vendor-readiness-assessment-report>

(b) Upon request, Vendors shall provide a current independent 3rd party assessment report in accordance with the following subparagraphs (i)-(iii) prior to contract award. However, Vendors are encouraged to provide a current independent 3rd party assessment report in accordance with subparagraphs (i)-(iii) at the time of offer submission.

(i) Federal Risk and Authorization Management Program (FedRAMP) certification, SOC 2 Type 2, ISO 27001, or HITRUST are the preferred assessment reports for any Vendor solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted).

(ii) A Vendor that cannot provide a preferred independent 3rd party assessment report as described above may submit an alternative assessment, such as a SOC 2 Type 1 assessment report. The Vendor shall provide an explanation for submitting the alternative assessment report. If awarded this contract, a Vendor who submits an alternative assessment report shall submit one of the preferred assessment reports no later than 365 days of the Effective Date of the contract. Timely submission of this preferred assessment report shall be a material requirement of the contract.

NORTH CAROLINA
DEPARTMENT OF TRANSPORTATION

CONFIDENTIAL

TECHNICAL PROPOSAL

CBN Secure Technologies Inc.
350 Stinson Drive, Danville, VA 24540



Executive Summary

CBN Secure Technologies Inc. is pleased to present our proposed solution, experience, and credentials to the State of North Carolina, Division of Motor Vehicles (NCDOT) to be evaluated for North Carolina's Driver License Credential Issuance Replacement Program, Request for Quote (RFQ) #12063519.

In response to RFQ # 12063519, CBN will be fully supported by its parent company, Canadian Bank Note Company, Limited. This team is collectively referred to as the CBN Group.

As an expert provider of secure document solutions to the United States of America, Canada, and many other regions of the world, the CBN Group is confident that NCDOT will find this proposal delivers a compelling offer through a unique combination of solution security, integrity and quality, competitive cost, and exceptional value. In the United States, CBN Group's business is conducted by CBN Secure Technologies Inc. (referred to herein as CBN), **CONFIDENTIAL** and operating at the following locations:

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CBN's proposed solution leverages the CBN Group's deep experience with the development of high quality and consistent image capture and enrollment systems, top tier NIST certified Facial Recognition Solutions (FRS), the design and manufacture of highly secure award-winning polycarbonate laser engraved (PCLE) cards, the security of ISO certified production facilities, and extensive knowledge of the unique challenges faced by AAMVA jurisdictions. This experience and expertise will result in the optimal outcome for North Carolina with the timely delivery of Driver's License and Identification (DL/ID) cards of impeccable quality, reliable consistency of production outcomes and a highly secure intuitively designed NCDOT DL/ID card and an intuitively designed DL/ID card that will position NCDOT as a national leader in high-security credentials.

EXHIBIT 7

STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION Division of Motor Vehicles	REQUEST FOR QUOTE NO. 12063519-CM
	Offers will be publicly opened: Upon Receipt
	Issue Date: July 14, 2023
Refer <u>ALL</u> inquiries regarding this RFQ to: Christie Murphy clmurphy1@ncdot.gov 919-707-4848	Commodity Number: Enter commodity code.
	Description: Driver License Credential Issuance Replacement
	Using Agency: Department of Transportation
See page 2 for mailing instructions.	Requisition No.: 12063519

OFFER AND ACCEPTANCE

The State seeks offers for the goods, software, and/or services described in this solicitation. The State's acceptance of any offer must be demonstrated by execution of the acceptance found below and any subsequent Request for Best and Final Offer, if issued. Acceptance shall create a contract having an order of precedence as follows: In cases of conflict between documents comprising the contract, the order of precedence shall be (1) Best and Final Offers, if any, (2) special terms and conditions specific to this RFQ, (3) specifications, (4) Department of Information Technology Terms and Conditions of this RFQ, and (5) the agreed portions of the awarded Vendor's offer. **No contract shall be binding on the State until an encumbrance of funds has been made for payment of the sums due under the contract.**

EXECUTION

In compliance with this Invitation for Bid / Request for Quote, and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all Services or goods upon which prices are offered, at the price(s) offered herein, within the time specified herein. By executing this offer, I certify that this offer is submitted competitively and without collusion.

Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers are not acceptable.

CONFIDENTIAL

Offer valid for thirty (3) _____ of offer opening unless otherwise stated here: ____ days

ACCEPTANCE OF OFFER

If any or all parts of this RFQ are accepted, an authorized representative of Department of Transportation shall affix their signature hereto. A copy of this acceptance will be forwarded to the successful vendor(s).

FOR STATE USE ONLY

Offer accepted and contract awarded this _____ day of _____, 20____, as indicated on attached certification,
 by _____ (Authorized representative of Department of Transportation).

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1.0 INTENT, USE, DURATION AND SCOPE

The purpose of this Request for Quote is to obtain pricing for and procure Division of Motor Vehicle Driver License Credential Issuance Replacement Solution for the Department of Transportation. Goods and Services will be provided in accordance to the terms and conditions of this RFQ and the Statement of Work.

The purpose of a driver's license (DL) or identity (ID) document is to provide portable, presentable proof of one's identity claim and the privileges associated with that identity. The possession and inherent security of the document relies upon the due diligence of the DMV.

DL/ID documents are typically secured by various means including holograms, laser engraving, machine-readable data and so forth. Like currency, these DMV-issued identity documents use methods or technologies that would be difficult or expensive to acquire or duplicate thereby resisting counterfeiting and duplication. Since there is general agreement in the identification business that there will never be a tamper-proof document, often the documents are designed to resist alteration. Tampering with identity documents should be readily evident and easily identifiable through a rapid visual inspection and cursory examination in normal conditions without the need for tools or aids, thus negating its acceptance as suitable proof of identity. Lastly, Information Technology security measures combined with controlled auditing and accountability of the consumable components of the document. Security clearance of individuals handling or accessing these supplies are designed to provide a resistance to replication, which can occur when an unauthorized production of a government document occurs using misappropriated genuine government supplies.

The North Carolina DL and ID cards are issued by DMV and used extensively by citizens throughout North Carolina and across the United States for many identification purposes including:

- Driving
- Boarding an aircraft
- Banking / Check Cashing
- Proof of Identity

The State of North Carolina seeks a turn-key Driver License Credential Issuance Replacement Solution. The Driver License Credential Issuance Replacement Solution will include all necessary hardware, software, design, development, customization, configuration, testing, delivery, installation, training, personnel, supplies, physical card production facilities, security, and on-going maintenance and support, to address the business and technical needs. North Carolina prefers a firm price-per-card approach but will consider initial milestone payments plus a firm price-per-card approach.

The Driver License Credential Issuance Solution will be a fully integrated turn-key operation that utilizes a variety of innovative solutions and proven state-of-the-art technologies to enhance the effectiveness and efficiency of serving and managing the relationship with our customers related to issuing secure identity credentials.

The Driver License Credential Issuance Replacement Solution will preserve and improve existing capabilities and security, along with ensuring better service, performance, and increased efficiency. Additionally, the Solution will interface with DMV systems to manage transactions and business operations related to DL/ID card production and issuance services. The Solution will modernize the current Driver License Credential Issuance Solution to maintain and enhance overall transaction processing, security, card quality, and related services.

2.0 GENERAL INFORMATION

2.1. OFFER SUBMITTAL

Due Date: Upon Receipt

IMPORTANT NOTE: Vendor shall bear the risk for late submission due to unintended or unanticipated delay—whether submitted electronically, delivered by hand, U.S. Postal Service, courier or other delivery service. **Vendor must include all the pages of this solicitation in their response.**

Offer Submission Details:

Submit **one (1) signed, original executed** offer electronically to Christie Murphy at clmurphy1@ncdot.gov. File contents **SHALL NOT** be password protected the file formats shall be in .DOC, .PDF or .XLS format, and shall be capable of being copied to other sources.

a) All File names should start with the vendor's name first, in order to easily determine all the files to be included as part of the vendor's response. For example, files should be named as follows: Vendor Name-your file name.

b) File contents **SHALL NOT** be password protected, the file formats must be in .PDF, .jpeg, or png format, and shall be capable of being copied to other sources.

c) If the vendor's proposal contains any confidential information (as defined in Attachment B, Paragraph #18), then the vendor must provide one (1) signed, original electronic offer and one (1) redacted electronic copy.

2.2. BASIS FOR REJECTION Reserved.

2.3. NON-RESPONSIVE OFFERS

Vendor offers will be deemed non-responsive by the State and will be rejected without further consideration or evaluation if statements such as the following are included:

- "This offer does not constitute a binding offer",
- "This offer will be valid only if this offer is selected as a finalist or in the competitive range",
- "Vendor does not commit or bind itself to any terms and conditions by this submission",
- "This document and all associated documents are non-binding and shall be used for discussion purposes only",
- "This offer will not be binding on either party until incorporated in a definitive agreement signed by authorized representatives of both parties", or
- A statement of similar intent.

2.4. NOTICE TO VENDORS

The State objects to and will not be required to evaluate or consider any additional terms and conditions not previously agreed to by the State and submitted with an Offeror's response. This applies to any language appearing in or attached to the document as part of the Offeror's response. By execution and delivery of this Invitation for Bids / Request for Quote and response(s), the Offeror agrees that any additional terms and conditions, whether submitted purposely or inadvertently, shall have no force or effect.

2.5. E-PROCUREMENT SOLICITATION

This is NOT an E-Procurement solicitation. Paragraphs #47 a) and #47 b) of the attached Department of Information Technology Terms and Conditions, do not apply to this solicitation.

The Terms and Conditions made part of this solicitation contain language necessary for the implementation of North Carolina's statewide E-Procurement initiative. It is the Vendor's responsibility to read these terms and conditions carefully and to consider them in preparing the offer. By signature vendor acknowledges acceptance of all terms and conditions including those related to E-Procurement.

- a) General information on the E-Procurement service can be found at <http://eprocurement.nc.gov/>
- b) Within two days after notification of award of a contract, vendor must register in NC E-Procurement @ Your Service at the following web site: <https://vendor.ncgov.com/vendor/login>
- c) As of the RFQ submittal date, the Vendor must be current on all e-Procurement fees. If the Vendor is not current on all E-Procurement fees, the State may disqualify the Vendor from participation in this RFQ.

2.6. POSSESSION AND REVIEW

During the evaluation period and prior to award, possession of the bids and accompanying information is limited to personnel of the issuing agency, and to the committee responsible for participating in the evaluation. Vendors who attempt to gain this privileged information, or to influence the evaluation process (i.e. assist in evaluation) will be in violation of purchasing rules and their offer will not be further evaluated or considered.

After award of contract the complete bid file will be available to any interested persons with the exception of trade secrets, test information or similar proprietary information as provided by statute and rule. Any proprietary or confidential information, which conforms to exclusions from public records as provided by N.C.G.S. §132-1.2 **must be clearly marked as such in the offer when submitted.**

2.7. BEST AND FINAL OFFERS (BAFO)

The State may establish a competitive range based upon evaluations of the offer and request a BAFO from the Vendor. If negotiations or subsequent offers are solicited, the Vendor shall provide BAFO in response. Failure to deliver a BAFO when requested shall disqualify the non-responsive Vendor from further consideration. The State will evaluate the BAFO, oral presentations, and product demonstrations as part of the Vendor's respective offers to determine the final rankings.

2.8. AWARD

It is the general intent to award this contract to one Vendor. As provided by statute, the award will be based on Session Law 2021-134 House Bill 650. This session law provided The Division of Motor Vehicles (DMV) with the authority to manage and procure information technology goods and services, and to enter contracts for up to five information technology projects. Limited Exemption from Department of Information Technology oversight and requirement for Division of Motor Vehicles Information Technology Modernization Project Sections 11 (a). This RFQ and further procurement processes shall comply with all procurement requirements and authority applicable to the Department of Transportation and Division of Motor Vehicles, including any policies and decisions of the agencies.

2.9. POINTS OF CONTACT

Contact by the Offeror with the persons shown below for contractual and technical matters related to this RFQ is only permitted if expressly agreed to by the purchasing lead named on page 5, or upon award of contract:

CONFIDENTIAL

3.0 SPECIFICATIONS

3.1. VENDOR STANDARD AGREEMENT(S)

The terms and conditions of Vendor's standard services, license, maintenance or other agreement(s) applicable to Services, Goods, Software and other Products acquired under this Agreement may apply to the extent such terms and conditions do not materially change the terms and conditions of this Agreement. In the event of any conflict between the terms and conditions of this Agreement and the Vendor's standard agreement(s), the terms and conditions of this Agreement relating to audit and records, jurisdiction, choice of law, the State's electronic procurement application of law or administrative rules, the remedy for intellectual property infringement and the exclusive remedies and limitation of liability in the DIT Terms and Conditions herein shall apply in all cases and supersede any provisions contained in Vendor's relevant standard agreement or any other agreement. The State shall not be obligated under any standard license and/or maintenance or other Vendor agreement(s) to indemnify or hold harmless the Vendor, its licensors, successors or assigns; nor arbitrate any dispute, nor pay late fees, legal fees or other similar costs.

3.2. VENDOR UTILIZATION OF WORKERS OUTSIDE U.S.

In accordance with N.C.G.S. §143B-1361(b), Vendor must detail in the RFQ response, the manner in which it intends to utilize resources or workers located outside the U.S. The State of North Carolina will evaluate the additional risks, costs, and other factors associated with such utilization prior to making an award for any such Vendor's offer. The Vendor shall provide the following for any offer or actual utilization or contract performance:

- a) The location of work performed under a state contract by the Vendor, any subcontractors, employees, or other persons performing the contract and whether any of this work will be performed outside the United States.
- b) The corporate structure and location of corporate employees and activities of the Vendors, its affiliates or any other subcontractors.
- c) Notice of the relocation of the Vendor, employees of the Vendor, subcontractors of the Vendor, or other persons performing Services under a state contract outside of the United States.
- d) Any Vendor or subcontractor providing call or contact center Services to the State of North Carolina shall disclose to inbound callers the location from which the call or contact center Services are being provided.

Will any work under this contract be performed outside the United States? YES NO

If Vendor answered "YES" above, list the location(s) outside the United States where work under this contract will be performed by Vendor, any sub-contractors, employees, or other persons performing work under the contract.

Ottawa, Ontario, Canada

3.3. E-VERIFY

Pursuant to N.C.G.S. § 143B-1350(k), the State shall not enter into a contract unless the awarded Vendor and each of its subcontractors comply with the E-Verify requirements of N.C.G.S. Chapter 64, Article 2. Vendors are directed to review the foregoing laws. Any awarded Vendor must submit a certification of compliance with E-Verify to the awarding agency, and on a periodic basis thereafter as may be required by the State.

3.4. BRAND SPECIFIC PRODUCT (Reserved)

3.5. DESCRIPTIVE LITERATURE (Reserved)

3.6 SECURITY SPECIFICATIONS

3.6.1 SOLUTIONS NOT HOSTED ON STATE INFRASTRUCTURE

The *Driver License Credential Issuance* will be required to receive and securely manage data that is classified High Risk Refer to the North Carolina Statewide Data Classification and Handling policy for more information regarding data classification. The policy is located at the following website: <https://it.nc.gov/document/statewide-data-classification-and-handling-policy>.

To comply with the State's Security Standards and Policies, State agencies are required to perform annual security/risk assessments on their information systems using NIST 800-53 controls. This requirement additionally applies to all Vendor-provided, agency-managed Infrastructure as a Service (IaaS), Platform as a Service (PaaS), and Software as a Service (SaaS) solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted) data.

(a) Vendors shall provide a completed Vendor Readiness Assessment Report Non-State Hosted Solutions ("VRAR") at offer submission. This report is located at the following website: <https://it.nc.gov/documents/vendor-readiness-assessment-report>

(b) Upon request, Vendors shall provide a current independent 3rd party assessment report in accordance with the following subparagraphs (i)-(iii) prior to contract award. However, Vendors are encouraged to provide a current independent 3rd party assessment report in accordance with subparagraphs (i)-(iii) at the time of offer submission.

(i) Federal Risk and Authorization Management Program (FedRAMP) certification, SOC 2 Type 2, ISO 27001, or HITRUST are the preferred assessment reports for any Vendor solutions which will handle data classified as Medium Risk (Restricted) or High Risk (Highly Restricted).

(ii) A Vendor that cannot provide a preferred independent 3rd party assessment report as described above may submit an alternative assessment, such as a SOC 2 Type 1 assessment report. The Vendor shall provide an explanation for submitting the alternative assessment report. If awarded this contract, a Vendor who submits an alternative assessment report shall submit one of the preferred assessment reports no later than 365 days of the Effective Date of the contract. Timely submission of this preferred assessment report shall be a material requirement of the contract.

(iii) An IaaS vendor cannot provide a certification or assessment report for a SaaS provider UNLESS permitted by the terms of a written agreement between the two vendors and the scope of the IaaS certification or assessment report clearly includes the SaaS solution.

(c) Additional Security Documentation. Prior to contract award, the State may in its discretion require the Vendor to provide additional security documentation, including but not limited to vulnerability assessment reports and penetration test reports. The awarded Vendor shall provide the most recent additional security documentation upon request by the State during the term of the contract.

3.7. CONTRACT TERM

A contract awarded pursuant to this RFQ shall have an effective date as provided in the Notice of Award. The term shall be twelve (12) years ~~twelve (12) years~~, and will expire upon the anniversary date of the effective date unless otherwise stated in the Notice of Award, or unless terminated earlier. The State retains the option to extend this contract for two (2) additional one (1) year periodstwo one-year optional renewals at its sole discretion.

3.8. SPECIFICATIONS

NCDIT-Transportation Security Requirements:

Vendor shall include the following statement as part of its proposal; "We affirm and explicitly acknowledge that the Vendor's proposed solution at time of award and for the duration of the contract is subject to all applicable State policies, guidelines, standards, practices, procedures, and safeguards as defined in the North Carolina Department of Information Technology Statewide Information Security Manual (SISM)." Failure to comply or maintain compliance will result in corrective action by the State, up to and including termination of the contract and damages against the vendor

SISM introduction and individual SISM control family policy locations:

<https://it.nc.gov/documents/statewide-information-security-manual>

<https://it.nc.gov/resources/cybersecurity-risk-management/initiatives/information-security-policies>

Regarding any suspected security incident or security breach involving or impacting State data, the Vendor's Incident Response Policy and process/procedure should affirm and describe how the Vendor's proposal substantially conforms to these specifications, which are as follows:

- a. The Vendor should submit with its proposal a current Incident Response Policy and process/procedure.
- b. The Vendor should notify NCDOT and NCDIT within 24 hours of confirmation of the incident and/or breach.
- c. Describe how the Vendor would notify NCDOT and NCDIT of the incident and/or breach.
- d. The Vendor should provide the full details of the incident and/or breach to NCDOT and NCDIT.

Vendor should complete and with its proposal submit a current Disaster Recovery Technical Recovery Plan (TRP) in Microsoft Word format.

- a. Vendor should clearly indicate with its proposal if the submitted Technical Recovery Plan (TRP) is in support of the Vendor's proposal solution or alternate production system operated by the Vendor.

- b. It is preferred that the Technical Recovery Plan (TRP) completed and submitted by the Vendor with its proposal will be in support of the Vendor's proposal solution.
- c. If the Vendor's proposal solution is not yet available at time of proposal submission; the Business Continuity Plan & Disaster Recovery Plan should be completed to support an alternate existing production system operated by the Vendor as an example of the Business Continuity Plan & Disaster Recovery Plan capabilities. Any Business Continuity Plan & Disaster Recovery Plan based upon the Vendor's alternate production system should be similar in scope (size and complexity) to the Vendor's proposal solution.
- d. If the Vendor submitted a Business Continuity Plan & Disaster Recovery Plan for an alternate existing production system with the Vendor proposal, describe whether the Vendor has the capability and affirms that following contract award and prior to operational implementation of the Vendor's proposed solution, Vendor should complete, execute, and submit a Business Continuity Plan & Disaster Recovery Plan in Microsoft Word format in support of the awardee's proposed solution.

All other requirements or specifications are addressed in the attached Statement of Work, Attachment A.

4.0 COST OF VENDOR'S OFFER

4.1. PROPOSED COSTS *Please refer to the Financial Proposal inserted below.*

The Vendor must list, itemize, and describe any applicable offer costs which may include the following:

- Cost per card.
- Implementation costs (system configuration, customization)
- Services
- License Fees
- Maintenance
- Training (Technical/or Customer)

4.2. PAYMENT SCHEDULE *Please refer to the Financial Proposal inserted below.*

The Vendor shall propose its itemized payment schedule based on the content of its offer. All payments must be based upon acceptance of one or more Deliverables documented in the Statement of Work.

4.3. OPTIONAL COSTS *Please refer to the Financial Proposal inserted below.*

May be purchased if determined to be in the State's best interest.

ITEM #	QTY	UNIT	DESCRIPTION	UNIT COST	EXTENDED COST
1	1	Year	Optional First (1st) Optional Year Driver Licenses Issuance	\$ _____	\$ _____
2	1	year	Optional Second (2nd) Year Driver Licenses Issuance	\$ _____	\$ _____

5.0 ADDITIONAL INFORMATION

5.1. HISTORICALLY UNDERUTILIZED BUSINESSES

“Historically Underutilized Businesses (HUBs) consist of minority, women and disabled business firms that are at least fifty-one percent owned and operated by an individual(s) of the aforementioned categories. Also included in this category are disabled business enterprises and non-profit work centers for the blind and severely disabled.” <http://ncadmin.nc.gov/businesses/hub>

Pursuant to N.C.G.S. §§143B-1361(a), 143-48 and 143-128.4, the State invites and encourages participation in this procurement process by businesses owned by minorities, women, disabled, disabled business enterprises and non-profit work centers for the blind and severely disabled. This includes utilizing subcontractors to perform the required functions in this RFQ.

Is Vendor a Historically Underutilized Business? YES NO If “YES”, specify classification. _____

6.0 DEPARTMENT OF INFORMATION TECHNOLOGY INSTRUCTIONS TO VENDORS

- 1) **READ, REVIEW AND COMPLY:** It shall be the Vendor’s responsibility to read this entire document, review all enclosures and attachments, and comply with all requirements specified herein.
- 2) **DEFINITIONS:**
 - **NCDIT:** The North Carolina Department of Information Technology, formerly Office of Information Technology Services
 - **NCDIT CONVENIENCE CONTRACT:** A contract that is used for the procurement of IT goods or Services. These contracts are in place for the convenience of the state and use of them is optional.
 - **OPEN MARKET CONTRACT:** A contract for the purchase of goods or Services not covered by a term, technical, or convenience contract.
 - **TERM CONTRACT:** A contract in which a source of supply is established for a specified period of time for specified Services or supplies; usually characterized by an estimated or definite minimum quantity, with the possibility of additional requirements beyond the minimum, all at a predetermined unit price
 - **THE STATE:** Is the state of North Carolina and its agencies.
 - **VENDOR:** Company, firm, corporation, partnership, individual, etc., submitting a response to a solicitation.
- 3) **PROMPT PAYMENT DISCOUNTS:** Vendors are urged to compute all discounts into the price offered. If a prompt payment discount is offered, it will not be considered in the award of the contract except as a factor to aid in resolving cases of identical prices.
- 4) **INFORMATION AND DESCRIPTIVE LITERATURE:** Vendor is to furnish all information requested and in the spaces provided in this document. Further, if required elsewhere in this RFQ, each Vendor must submit with their offer sketches, descriptive literature and/or complete specifications covering the products offered. **Only information that is received in response to this RFQ will be evaluated.** Reference to information previously submitted or Internet Website Addresses (URLs) will not satisfy this provision. Offers, which do not comply with these requirements, will be subject to rejection.
- 5) **RECYCLING AND SOURCE REDUCTION:** It is the policy of this State to encourage and promote the purchase of products with recycled content to the extent economically practicable, and to purchase items, which are reusable, refillable, repairable, more durable, and less toxic to the extent that the purchase or use is practicable and cost-effective. We also encourage and promote using minimal packaging and the use of recycled/recyclable products in the packaging of commodities purchased. However, no sacrifice in quality of packaging will be acceptable. The company remains responsible for providing packaging that will protect the commodity and contain it for its intended use.

Companies are strongly urged to bring to the attention of the relevant purchasers in the State those products or packaging they offer which have recycled content and that are recyclable.

- 6) **CLARIFICATIONS/INTERPRETATIONS:** Any and all questions regarding this document must be addressed to the purchaser named on the cover sheet of this document. Do not contact the user directly. Any and all revisions to this document shall be made only by written addendum from NCDIT. The Vendor is cautioned that the requirements of this RFQ can be altered only by written addendum and that verbal communications from whatever source are of no effect.
- 7) **ACCEPTANCE AND REJECTION:** The State reserves the right to reject any and all offers, to waive any informality in offers and, unless otherwise specified by the Vendor, to accept any item in the offer. If either a unit price or an extended price is obviously in error and the other is obviously correct, the incorrect price will be disregarded.
- 8) **AWARD OF CONTRACT:** Responsive offers will be evaluated and acceptance may be made in accordance with Best Value procurement practices as defined by N.C.G.S. §143-135.9, and in accordance with N.C.G.S. §143B-1350(h), which provides that the offer must be in substantial conformity with the specifications herein, and 09 NCAC 06B.0302. Unless otherwise specified by the State or the Vendor, the State reserves the right to accept any item or group of items on a multi-item offer. In addition, on agency specific or term contracts, NCDIT reserves the right to make partial, progressive or multiple awards: where it is advantageous to award separately by items; or where more than one supplier is needed to provide the contemplated requirements as to quantity, quality, delivery, service, geographical areas; other factors deemed by NCDIT to be pertinent or peculiar to the purchase in question.
- 9) **SAMPLES:** Sample of items, when required, must be furnished as stipulated herein, free of expense, and if not destroyed will, upon request be returned at the Vendor's expense. Written request for the return of samples must be made within 10 days following date of offer opening. Otherwise the samples will become the property of the State. Each individual sample must be labeled with the Vendor's name, offer number, and item number. A sample, on which an award is made, will be retained until the contract is completed, and then returned, if requested, as specified above.
- 10) **MISCELLANEOUS:** Masculine pronouns shall be read to include feminine pronouns and the singular of any word or phrase shall be read to include the plural and vice versa.
- 11) **PROTEST PROCEDURES:** Reserved
- 12) **VENDOR REGISTRATION AND SOLICITATION NOTIFICATION SYSTEM:** Vendor Link NC allows Vendors to electronically register with the State to receive electronic notification of current procurement opportunities for goods and services available on the Interactive Purchasing System at the following web site: <https://www.ips.state.nc.us/ips>
- 13) **DIGITAL IMAGING:** The State will digitize the Vendor's response if not received electronically, and any awarded contract together with associated contract documents. This electronic copy shall be a preservation record, and serve as the official record of this solicitation with the same force and effect as the original written documents comprising such record. Any printout or other output readable by sight shown to reflect such record accurately is an "original."

7.0 DEPARTMENT OF INFORMATION TECHNOLOGY TERMS AND CONDITIONS

- 1) **DEFINITIONS:** As used herein;
 - a) Deliverable/Product Warranties shall mean and include the warranties provided for products or deliverables licensed to the State in Paragraphs 7 and 8, and included in Paragraph 29 c) of these Terms and Conditions unless superseded by a Vendor's Warranties pursuant to Vendor's License or Support Agreements.
 - b) Purchasing State Agency or Agency shall mean the Agency purchasing the goods or Services.
 - c) Services shall mean the duties and obligations accepted by the Vendor to carry out the requirements, and meet the specifications, of this procurement.
 - d) State shall mean the State of North Carolina, the Department of Information Technology as an Agency or in its capacity as the Award Authority.
- 2) **STANDARDS:** Manufactured items and/or fabricated assemblies comprising Deliverables shall meet all requirements of the Occupational Safety and Health Act (OSHA), and State and federal requirements relating to clean air and water pollution, if applicable. Vendor will provide and maintain a quality assurance system or program that includes any Deliverables and will tender to the State only those Deliverables that have been inspected and found to conform to the requirements of this Contract. All manufactured items and/or fabricated assemblies comprising Deliverables are subject to operation, certification or inspection, and accessibility requirements as required:
 - by State or federal Regulation,
 - by the Chief Information Officer's (CIO) policy or regulation, or
 - acceptance with appropriate standards of operations or uses of said Deliverables as may be shown by identification markings or other means of the appropriate certifying standards organization.
 - a) **Site Preparation:** Vendors shall provide the Purchasing State Agency complete site requirement specifications for the Deliverables, if any. These specifications shall ensure that the Deliverables to be installed shall operate properly and efficiently within the site environment. The Vendor shall advise the State of any site requirements for any Deliverables required by the State's specifications. Any alterations or modification in site preparation which are directly attributable to incomplete or erroneous specifications provided by the Vendor and which would involve additional expenses to the State, shall be made at the expense of the Vendor.
 - b) **Goods Return:** Deliverables and any other goods or materials furnished by the Vendor to fulfill technical requirements shall be in good working order and be maintained in good working order by Vendor for the duration of the Contract; unless otherwise provided in a separate maintenance agreement or in the Solicitation Documents. Deliverables failing to meet the State's technical requirements shall be considered non-conforming goods and subject to return to the Vendor for replacement at the State's option, and at the Vendor's expense. The State is responsible for the return costs related to the termination of a Contract, including deinstallation, and freight to destinations within the Continental United States; except in the case of default by the Vendor or delivery of non-conforming goods by Vendor. Shipping or freight charges, if any, paid by the State for non-conforming goods will be reimbursed to the State.
 - c) **Specifications:** The apparent silence of the specifications as to any detail, or the apparent omission of detailed description concerning any point, shall be regarded as meaning that only the best commercial practice is to prevail and only material and workmanship of the first quality may be used. Upon any notice of noncompliance provided by the State, Vendor shall supply proof of compliance with the specifications. Vendor must provide written notice of its intent to deliver alternate or substitute products, goods or Deliverables. Alternate or substitute products, goods or Deliverables may be accepted or rejected in the sole discretion of the State; and any such alternates or substitutes must be accompanied by Vendor's certification and evidence satisfactory to the State that the function, characteristics, performance and endurance will be equal or superior to the original Deliverables specified.
- 3) **WARRANTIES:** Vendor shall assign all applicable third party warranties for Deliverables to the Purchasing State Agency.

- 4) **PERSONNEL**: Vendor shall not substitute key personnel (identified under section 2.9) assigned to the performance of this Contract without prior written approval by the Agency Contract Administrator. Any desired substitution shall be noticed to the Agency's Contract Administrator accompanied by the names and references of Vendor's recommended substitute personnel. The Agency will approve or disapprove the requested substitution in a timely manner. The Agency may, in its sole discretion, terminate the Services of any person providing Services under this Contract. Upon such termination, the Agency may request acceptable substitute personnel or terminate the contract Services provided by such personnel.
- a) Vendor personnel shall perform their duties on the premises of the State, during the State's regular work days and normal work hours, except as may be specifically agreed otherwise, established in the specification, or statement of work.
 - b) This Contract shall not prevent Vendor or any of its personnel supplied under this Contract from performing similar Services elsewhere or restrict Vendor from using the personnel provided to the State, provided that:
 - i) Such use does not conflict with the terms, specifications or any amendments to this Contract, or
 - ii) Such use does not conflict with any procurement law, regulation or policy, or
 - iii) Such use does not conflict with any non-disclosure agreement, or term thereof, by and between the State and Vendor or Vendor's personnel.
- 5) **SUBCONTRACTING**: The Vendor may subcontract the performance of required Services with other Vendors or third parties, or change subcontractors, only with the prior written consent of the contracting authority. Vendor shall provide the State with complete copies of any agreements made by and between Vendor and all subcontractors. The selected Vendor remains solely responsible for the performance of its subcontractors. Subcontractors, if any, shall adhere to the same standards required of the selected Vendor. Any contracts made by the Vendor with a subcontractor shall include an affirmative statement that the State is an intended third party beneficiary of the contract; that the subcontractor has no agreement with the State; and that the State shall be indemnified by the Vendor for any claim presented by the subcontractor. Notwithstanding any other term herein, Vendor shall timely exercise its contractual remedies against any non-performing subcontractor and, when appropriate, substitute another subcontractor.
- 6) **VENDOR'S REPRESENTATION**: Vendor warrants that qualified personnel will provide Services in a professional manner. "Professional manner" means that the personnel performing the Services will possess the skill and competence consistent with the prevailing business standards in the information technology industry. Vendor agrees that it will not enter any agreement with a third party that might abridge any rights of the State under this Contract. Vendor will serve as the prime Vendor under this Contract. Should the State approve any subcontractor(s), the Vendor shall be legally responsible for the performance and payment of the subcontractor(s). Names of any third party Vendors or subcontractors of Vendor may appear for purposes of convenience in Contract documents; and shall not limit Vendor's obligations hereunder. Third party subcontractors, if approved, may serve as subcontractors to Vendor. Vendor will retain executive representation for functional and technical expertise as needed in order to incorporate any work by third party subcontractor(s).
- a) **Intellectual Property**. Vendor has the right to provide the Services and Deliverables without violating or infringing any law, rule, regulation, copyright, patent, trade secret or other proprietary right of any third party. Vendor represents that its Services and Deliverables are not the subject of any actual or threatened actions arising from, or alleged under, any intellectual property rights of any third party.
 - b) **Inherent Services**. If any Services, Deliverables, functions, or responsibilities not specifically described in this Contract are required for Vendor's proper performance, provision and delivery of the Service and Deliverables pursuant to this Contract, or are an inherent part of or necessary sub-task included within the Service, they will be deemed to be implied by and included within the scope of the Contract to the same extent and in the same manner as if specifically described in the Contract. Unless otherwise expressly provided in the Contract, Vendor will furnish all of its own necessary management, supervision, labor, facilities, furniture, computer and

telecommunications equipment, software, supplies and materials necessary for the Vendor to provide and deliver the Services and Deliverables.

- c) Vendor warrants that it has the financial capacity to perform and to continue perform its obligations under the Contract; that Vendor has no constructive or actual knowledge of an actual or potential legal proceeding being brought against Vendor that could materially adversely affect performance of this Contract; and that entering into this Contract is not prohibited by any contract, or order by any court of competent jurisdiction.
- d) **Warranty as to Equipment; Hardware.** Vendor warrants that the equipment and hardware that it provides pursuant to this Contract shall be free from defects in materials, in good working order and be maintained in good working order.

- 7) **SOFTWARE LICENSE** (for internal embedded software, firmware and unless otherwise provided in the State's solicitation document, or in an attachment hereto): Deliverables comprising goods, equipment or products (hardware) may contain software for internal operation, or as embedded software or firmware that is generally not sold or licensed as a severable software product. Software may be provided on separate media, such as floppy diskettes or CD-ROM, or may be included within the hardware at or prior to delivery. Such software is proprietary, copyrighted, and may also contain valuable trade secrets and may be protected by patents. Vendor grants the State a license to use the Code (or any replacement provided) on, or in conjunction with, only the Deliverables purchased, or with any system identified in the solicitation documents. The State shall have a worldwide, nonexclusive, non-sublicensable license to use such software and/or documentation for its internal use. The State may make and install copies of the software to support the authorized level of use. Provided, however that if the hardware is inoperable, the software may be copied for temporary use on other hardware. The State shall promptly affix to any such copy the same proprietary and copyright notices affixed to the original. The State may make one copy of the software for archival, back-up or disaster recovery purposes. The license set forth in this Paragraph shall terminate immediately upon the State's discontinuance of the use of the equipment on which the software is installed. The software may be transferred to another party only with the transfer of the hardware. If the hardware is transferred, the State shall i) destroy all software copies made by the State, ii) deliver the original or any replacement copies of the software to the transferee, and iii) notify the transferee that title and ownership of the software and the applicable patent, trademark, copyright, and other intellectual property rights shall remain with Vendor, or Vendor's licensors. The State shall not disassemble, decompile, reverse engineer, modify, or prepare derivative works of the embedded software, unless permitted under the solicitation documents.
- 8) **MAINTENANCE/SUPPORT SERVICES:** Unless otherwise mutually provided herein, for the first year after the expiration of any warranty coverage (and for all subsequent Contract years, for which Support is purchased), Vendor agrees to provide the following Support Services for the Hardware and any Software provided with the Deliverables for any years in which the applicable support fees are paid, which may be more particularly described, e.g., under part numbers, in the Furnish & Deliver Table, above:

HARDWARE/EQUIPMENT:

- a) **Basic Services.** The Vendor will provide at least normal and usual Hardware support and maintenance Services generally provided to customers in a similar program, position or setting consistent with and subject to the payment of the support and maintenance fees agreed upon in this Contract, all as indicated by part numbers in the Furnish and Deliver Table, above. The Vendor warrants to the State that all items furnished will be new (unless otherwise requested in this RFQ), of good material and workmanship, and agrees to repair or replace any items which fail to comply with the specifications by reason of defective material or workmanship under normal use, free of State's negligence or accident for one year from date of installation. Such repair or replacement shall include any transportation costs free of any charge to the State. This statement is not intended to limit any additional coverage, which may normally be associated with a product, such as any "hot switch" or similar replacement warranty program applicable as indicated by the

Vendor's support description in the Furnish & Deliver Table, above. Any available warranties applicable to replacement Hardware equipment or parts will be passed on to the using agency.

- b) **Telephone Assistance.** Vendor shall provide the State with telephone access to technical support engineers for assistance in the proper installation and use of the Software, and to report and resolve Support problems, during normal business hours, 8:00 AM - 5:00 PM Eastern Standard Time, Monday-Friday. Vendor shall respond to the telephone requests for Program maintenance service, within four hours, for calls made at any time.

SOFTWARE:

- a) **Error Correction.** Upon notice by State of a problem with the Software (which problem can be verified), Vendor shall use reasonable efforts to correct or provide a working solution for the problem. The State shall comply with all reasonable instructions or requests of Vendor in attempts to correct an error or defect in the Program. Vendor and the State shall act promptly and in a reasonably timely manner in communicating error or problem logs, other related information, proposed solutions or workarounds, and any action as may be necessary or proper to obtain or affect maintenance Services under this Paragraph.
- b) Vendor shall notify the State of any material errors or defects in the Deliverables known, or made known to Vendor from any source during the Contract term that could cause the production of inaccurate or otherwise materially incorrect, results. Vendor shall initiate actions as may be commercially necessary or proper to effect corrections of any such errors or defects.
- c) **Updates.** Vendor shall provide to the State, at no additional charge, all new releases and bug fixes (collectively referred to as "Changes") for any Software Deliverable developed or published by Vendor and made generally available to its other customers at no additional charge. All such Changes shall become a part of the Software and Documentation and, as such, will be governed by the provisions of this Contract.
- d) **Telephone Assistance.** Vendor shall provide the State with telephone access to technical support engineers for assistance in the proper installation and use of the Software, and to report and resolve Software problems, during normal business hours, 8:00 AM - 5:00 PM Eastern Standard Time, Monday-Friday. Vendor shall respond to the telephone requests for Program maintenance service, within four hours, for calls made at any time.

- 9) **TRAVEL EXPENSES: All travel expenses should be included in the Vendor's proposed costs. Separately stated travel expenses will not be reimbursed.** In the event that the Vendor may be eligible to be reimbursed for travel expenses arising under the performance of this Contract, reimbursement will be at the out-of-state rates set forth in N.C.G.S. §138-6; as amended from time to time. Vendor agrees to use the lowest available airfare not requiring a weekend stay and to use the lowest available rate for rental vehicles. All Vendor incurred travel expenses shall be billed on a monthly basis, shall be supported by receipt and shall be paid by the State within thirty (30) days after invoice approval. Travel expenses exceeding the foregoing rates shall not be paid by the State. The State will reimburse travel allowances only for days on which the Vendor is required to be in North Carolina performing Services under this Contract.

- 10) **GOVERNMENTAL RESTRICTIONS:** In the event any restrictions are imposed by governmental requirements that necessitate alteration of the material, quality, workmanship, or performance of the Deliverables offered prior to delivery thereof, the Vendor shall provide written notification of the necessary alteration(s) to the Agency Contract Administrator. The State reserves the right to accept any such alterations, including any price adjustments occasioned thereby, or to cancel the Contract. The State may advise Vendor of any restrictions or changes in specifications required by North Carolina legislation, rule or regulatory authority that require compliance by the State. In such event, Vendor shall use its best efforts to comply with the required restrictions or changes. If compliance cannot be achieved by the date specified by the State, the State may terminate this Contract and compensate Vendor for sums due under the Contract.

- 11) **PROHIBITION AGAINST CONTINGENT FEES AND GRATUITIES:** Vendor warrants that it has not paid, and agrees not to pay, any bonus, commission, fee, or gratuity to any employee or official of the State for the purpose of obtaining any contract or award issued by the State. Vendor further warrants that no commission or other payment has been or will be received from or paid to any third party

contingent on the award of any contract by the State, except as shall have been expressly communicated to the State Purchasing Agent in writing prior to acceptance of the Contract or award in question. Each individual signing below warrants that he or she is duly authorized by their respective Party to sign this Contract and bind the Party to the terms and conditions of this Contract. Vendor and their authorized signatory further warrant that no officer or employee of the State has any direct or indirect financial or personal beneficial interest, in the subject matter of this Contract; obligation or contract for future award of compensation as an inducement or consideration for making this Contract. Subsequent discovery by the State of non-compliance with these provisions shall constitute sufficient cause for immediate termination of all outstanding contracts. Violations of this provision may result in debarment of the Vendor(s) as permitted by 09 NCAC 06B.1206, or other provision of law.

- 12) AVAILABILITY OF FUNDS:** Any and all payments to Vendor are expressly contingent upon and subject to the appropriation, allocation and availability of funds to the Agency for the purposes set forth in this Contract. If this Contract or any Purchase Order issued hereunder is funded in whole or in part by federal funds, the Agency's performance and payment shall be subject to and contingent upon the continuing availability of said federal funds for the purposes of the Contract or Purchase Order. If the term of this Contract extends into fiscal years subsequent to that in which it is approved such continuation of the Contract is expressly contingent upon the appropriation, allocation, and availability of funds by the N.C. Legislature for the purposes set forth in the Contract. If funds to effect payment are not available, the Agency will provide written notification to Vendor. If the Contract is terminated under this paragraph, Vendor agrees to take back any affected Deliverables and software not yet delivered under this Contract, terminate any Services supplied to the Agency under this Contract, and relieve the Agency of any further obligation thereof. The State shall remit payment for Deliverables and Services accepted prior to the date of the aforesaid notice in conformance with the payment terms.
- 13) PAYMENT TERMS:** Payment terms are Net 30 days after receipt of correct invoice or acceptance of the Deliverables, whichever is later; unless a period of more than 30 days is required by the Agency. The Purchasing State Agency is responsible for all payments under the Contract. No additional charges to the Agency will be permitted based upon, or arising from, the Agency's use of a Business Procurement Card. The State may exercise any and all rights of Set Off as permitted in Chapter 105A-1 et. seq. of the N.C. General Statutes and applicable Administrative Rules. Upon Vendor's written request of not less than 30 days and approval by the State or Agency, the Agency may:
- a) Forward the Vendor's payment check(s) directly to any person or entity designated by the Vendor, or
 - b) Include any person or entity designated in writing by Vendor as a joint payee on the Vendor's payment check(s), however
 - c) In no event shall such approval and action obligate the State to anyone other than the Vendor and the Vendor shall remain responsible for fulfillment of all Contract obligations.
- 14) ACCEPTANCE CRITERIA:** In the event acceptance of Deliverables is not described in additional Contract documents, the State shall have the obligation to notify Vendor, in writing ten calendar days following installation of any Deliverable described in the Contract if it is not acceptable. The notice shall specify in reasonable detail the reason(s) a deliverable is unacceptable. Acceptance by the State shall not be unreasonably withheld; but may be conditioned or delayed as required for installation and/or testing of Deliverables. Final acceptance is expressly conditioned upon completion of all applicable inspection and testing procedures. Should the Deliverables fail to meet any specifications or acceptance criteria the State may exercise any and all rights hereunder, including such rights provided by the Uniform Commercial Code as adopted in North Carolina. Deliverables discovered to be defective or failing to conform to the specifications may be rejected upon initial inspection or at any later time if the defects contained in the Deliverables or non-compliance with the specifications was not reasonably ascertainable upon initial inspection. If the Vendor fails to promptly cure the defect or replace the Deliverables, the State reserves the right to cancel the Purchase Order, contract with a different Vendor, and to invoice the original Vendor for any differential in price over the original Contract price. When Deliverables are rejected, the Vendor must remove the rejected

Deliverables from the premises of the State Agency within seven (7) calendar days of notification, unless otherwise agreed by the State Agency. Rejected items may be regarded as abandoned if not removed by Vendor as provided herein.

- 15) **EQUAL EMPLOYMENT OPPORTUNITY**: Vendor shall comply with all Federal and State requirements concerning fair employment and employment of the disabled, and concerning the treatment of all employees without regard to discrimination by reason of race, color, religion, sex, national origin or physical disability.
- 16) **INSPECTION AT VENDOR'S SITE**: The State reserves the right to inspect, during Vendor's regular business hours at a reasonable time, upon notice of not less than two (2) weeks, and at its own expense, the prospective Deliverables comprising equipment or other tangible goods, or the plant or other physical facilities of a prospective Vendor prior to Contract award, and during the Contract term as necessary or proper to ensure conformance with the specifications/requirements and their adequacy and suitability for the proper and effective performance of the Contract.
- 17) **ADVERTISING/PRESS RELEASE**: The Vendor absolutely shall not publicly disseminate any information concerning the Contract without prior written approval from the State or its Agent. For the purpose of this provision of the Contract, the Agent is the Purchasing Agency Contract Administrator unless otherwise named in the solicitation documents.
- 18) **CONFIDENTIALITY**: In accordance with N.C.G.S. §§143B-1350(e), 143B-1375 and 09 NCAC 06B.0103 and 06B.1001 and to promote maximum competition in the State competitive bidding process, the State may maintain the confidentiality of certain types of information described in N.C.G.S. §132-1 et seq. Such information may include trade secrets defined by N.C.G.S. §66-152 and other information exempted from the Public Records Act pursuant to N.C.G.S. §132-1.2. Vendor may designate appropriate portions of its response as confidential, consistent with and to the extent permitted under the Statutes and Rules set forth above, by marking the top and bottom of pages containing confidential information with a legend in boldface type "**CONFIDENTIAL**". By so marking any page, the Vendor warrants that it has formed a good faith opinion, having received such necessary or proper review by counsel and other knowledgeable advisors that the portions marked confidential meet the requirements of the Rules and Statutes set forth above. ***However, under no circumstances shall price information be designated as confidential.*** The State may serve as custodian of Vendor's confidential information and not as an arbiter of claims against Vendor's assertion of confidentiality. If an action is brought pursuant to N.C.G.S. §132-9 to compel the State to disclose information marked confidential, the Vendor agrees that it will intervene in the action through its counsel and participate in defending the State, including any public official(s) or public employee(s). The Vendor agrees that it shall hold the State and any official(s) and individual(s) harmless from any and all damages, costs, and attorneys' fees awarded against the State in the action. The State agrees to promptly notify the Vendor in writing of any action seeking to compel the disclosure of Vendor's confidential information. The State shall have the right, at its option and expense, to participate in the defense of the action through its counsel. The State shall have no liability to Vendor with respect to the disclosure of Vendor's confidential information ordered by a court of competent jurisdiction pursuant to N.C.G.S. §132-9 or other applicable law.
 - a) Care of Information: Vendor agrees to use commercial best efforts to safeguard and protect any data, documents, files, and other materials received from the State or the Agency during performance of any contractual obligation from loss, destruction or erasure.
 - b) Vendor warrants that all its employees and any approved third party Vendors or subcontractors are subject to a non-disclosure and confidentiality agreement enforceable in North Carolina. Vendor will, upon request of the State, verify and produce true copies of any such agreements. Production of such agreements by Vendor may be made subject to applicable confidentiality, non-disclosure or privacy laws; provided that Vendor produces satisfactory evidence supporting exclusion of such agreements from disclosure under the N.C. Public Records laws in N.C.G.S. §132-1 et seq. The State may, in its sole discretion, provide a non-disclosure and confidentiality agreement satisfactory to the State for Vendor's execution. The State may exercise its rights under this subparagraph as necessary or proper, in its discretion, to comply with applicable security regulations or statutes including, but not limited to 26 USC 6103 and IRS Publication

1075, (Tax Information Security Guidelines for Federal, State, and Local Agencies), HIPAA, 42 USC 1320(d) (Health Insurance Portability and Accountability Act), any implementing regulations in the Code of Federal Regulations, and any future regulations imposed upon the Department of Information Technology or the N.C. Department of Revenue pursuant to future statutory or regulatory requirements.

- c) Nondisclosure: Vendor agrees and specifically warrants that it, its officers, directors, principals and employees, and any subcontractors, shall hold all information received during performance of this Contract in the strictest confidence and shall not disclose the same to any third party without the express written approval of the State.

19) DELIVERABLES: Deliverables, as used herein, shall comprise all Services, project materials, including goods, software licenses, data, and documentation created during the performance or provision of Services hereunder. Deliverables are the property of the State of North Carolina, except where licensed or leased to the State. Proprietary Vendor materials licensed to the State shall be identified to the State by Vendor prior to use or provision of Services hereunder and shall remain the property of the Vendor. Embedded software or firmware shall not be a severable Deliverable. Deliverables include "Work Product" and means any expression of Licensor's findings, analyses, conclusions, opinions, recommendations, ideas, techniques, know-how, designs, programs, enhancements, and other technical information; but not source and object code or software. All Software source and object code is the property of Licensor and is licensed nonexclusively to the State, at no additional license fee, pursuant to the terms of the software license contained herein, and in the Supplemental Terms and Conditions for Software and Services or the License Agreement if incorporated in the Solicitation Documents.

20) LATE DELIVERY, BACK ORDER: Vendor shall advise the Agency contact person or office immediately upon determining that any Deliverable will not, or may not, be delivered at the time or place specified. Together with such notice, Vendor shall state the projected delivery time and date. In the event the delay projected by Vendor is unsatisfactory, the Agency shall so advise Vendor and may proceed to procure substitute Deliverables or Services.

21) PATENT, COPYRIGHT, AND TRADE SECRET PROTECTION:

- a) Vendor has created, acquired or otherwise has rights in, and may, in connection with the performance of Services for the State, employ, provide, create, acquire or otherwise obtain rights in various concepts, ideas, methods, methodologies, procedures, processes, know-how, techniques, models, templates and general purpose consulting and software tools, utilities and routines (collectively, the "Vendor Technology"). To the extent that any Vendor Technology is contained in any of the Deliverables including any derivative works, the Vendor hereby grants the State a royalty-free, fully paid, worldwide, perpetual, non-exclusive license to use such Vendor Technology in connection with the Deliverables for the State's purposes.
- b) Vendor shall not acquire any right, title, and interest in and to the copyrights for goods, any and all software, technical information, specifications, drawings, records, documentation, data or derivative works thereof, or other work products provided by the State to Vendor. The State hereby grants Vendor a royalty-free, fully paid, worldwide, perpetual, non-exclusive license for Vendor's internal use to non-confidential Deliverables first originated and prepared by the Vendor for delivery to the State.
- c) The Vendor, at its own expense, shall defend any action brought against the State to the extent that such action is based upon a claim that the Services or Deliverables supplied by the Vendor, or the operation of such Deliverables pursuant to a current version of Vendor-supplied software, infringes a patent, or copyright or violates a trade secret in the United States. The Vendor shall pay those costs and damages finally awarded against the State in any such action; damages shall be limited as provided in N.C.G.S. 143B-1350(h1). Such defense and payment shall be conditioned on the following:
 - i) That the Vendor shall be notified within a reasonable time in writing by the State of any such claim; and,

- ii) That the Vendor shall have the sole control of the defense of any action on such claim and all negotiations for its settlement or compromise provided, however, that the State shall have the option to participate in such action at its own expense.
- d) Should any Services or software supplied by Vendor, or the operation thereof become, or in the Vendor's opinion are likely to become, the subject of a claim of infringement of a patent, copyright, or a trade secret in the United States, the State shall permit the Vendor, at its option and expense, either to procure for the State the right to continue using the goods/hardware or software, or to replace or modify the same to become noninfringing and continue to meet procurement specifications in all material respects. If neither of these options can reasonably be taken, or if the use of such goods/hardware or software by the State shall be prevented by injunction, the Vendor agrees to take back such goods/hardware or software, and refund any sums the State has paid Vendor less any reasonable amount for use or damage and make every reasonable effort to assist the State in procuring substitute Deliverables. If, in the sole opinion of the State, the return of such infringing Deliverables makes the retention of other items of Deliverables acquired from the Vendor under this Contract impractical, the State shall then have the option of terminating the Contract, or applicable portions thereof, without penalty or termination charge. The Vendor agrees to take back such Deliverables and refund any sums the State has paid Vendor less any reasonable amount for use or damage.
- e) Vendor will not be required to defend or indemnify the State if any claim by a third party against the State for infringement or misappropriation (i) results from the State's alteration of any Vendor-branded product or Deliverable, or (ii) results from the continued use of the good(s) or Services and Deliverables after receiving notice they infringe a trade secret of a third party.
- f) Nothing stated herein, however, shall affect Vendor's ownership in or rights to its preexisting intellectual property and proprietary rights.

22) ACCESS TO PERSONS AND RECORDS: Pursuant to N.C.G.S. §147-64.7, the Agency, the State Auditor, appropriate federal officials, and their respective authorized employees or agents are authorized to examine all books, records, and accounts of the Vendor insofar as they relate to transactions with any department, board, officer, commission, institution, or other agency of the State of North Carolina pursuant to the performance of this Contract or to costs charged to this Contract. The Vendor shall retain any such books, records, and accounts for a minimum of three (3) years after the completion of this Contract. Additional audit or reporting requirements may be required by any Agency, if in the Agency's opinion, such requirement is imposed by federal or state law or regulation.

23) ASSIGNMENT: Vendor may not assign this Contract or its obligations hereunder except as permitted by 09 NCAC 06B.1003 and this Paragraph. Vendor shall provide reasonable notice of not less than thirty (30) days prior to any consolidation, acquisition, or merger. Any assignee shall affirm this Contract attorning to the terms and conditions agreed, and that Vendor shall affirm that the assignee is fully capable of performing all obligations of Vendor under this Contract. An assignment may be made, if at all, in writing by the Vendor, Assignee and the State setting forth the foregoing obligation of Vendor and Assignee.

24) INSURANCE COVERAGE: During the term of the Contract, the Vendor at its sole cost and expense shall provide commercial insurance of such type and with such terms and limits as may be reasonably associated with the Contract. As a minimum, the Vendor shall provide and maintain the following coverage and limits:

- a) **Worker's Compensation** - The Vendor shall provide and maintain Worker's Compensation Insurance, as required by the laws of North Carolina, as well as employer's liability coverage with minimum limits of \$100,000.00, covering all of Vendor's employees who are engaged in any work under the Contract. If any work is sublet, the Vendor shall require the subcontractor to provide the same coverage for any of his employees engaged in any work under the Contract; and
- b) **Commercial General Liability** - General Liability Coverage on a Comprehensive Broad Form on an occurrence basis in the minimum amount of \$2,000,000.00 Combined Single Limit (Defense cost shall be in excess of the limit of liability); and
- c) **Automobile** - Automobile Liability Insurance, to include liability coverage, covering all owned, hired and non-owned vehicles, used in connection with the Contract. The minimum combined

single limit shall be \$500,000.00 bodily injury and property damage; \$500,000.00 uninsured/under insured motorist; and \$5,000.00 medical payment; and

- d) Providing and maintaining adequate insurance coverage described herein is a material obligation of the Vendor and is of the essence of this Contract. All such insurance shall meet all laws of the State of North Carolina. Such insurance coverage shall be obtained from companies that are authorized to provide such coverage and that are authorized by the Commissioner of Insurance to do business in North Carolina. The Vendor shall at all times comply with the terms of such insurance policies, and all requirements of the insurer under any such insurance policies, except as they may conflict with existing North Carolina laws or this Contract. The limits of coverage under each insurance policy maintained by the Vendor shall not be interpreted as limiting the Vendor's liability and obligations under the Contract.

25) DISPUTE RESOLUTION: The parties agree that it is in their mutual interest to resolve disputes informally. A claim by the Vendor shall be submitted in writing to the Agency Contract Administrator for decision. A claim by the State shall be submitted in writing to the Vendor's Contract Administrator for decision. The Parties shall negotiate in good faith and use all reasonable efforts to resolve such dispute(s). During the time the Parties are attempting to resolve any dispute, each shall proceed diligently to perform their respective duties and responsibilities under this Contract. If a dispute cannot be resolved between the Parties within thirty (30) days after delivery of notice, either Party may elect to exercise any other remedies available under this Contract, or at law. This term shall not constitute an agreement by either party to mediate or arbitrate any dispute.

26) DEFAULT: In the event Services or other Deliverable furnished or performed by the Vendor during performance of any Contract term fail to conform to any material requirement(s) of the Contract specifications, notice of the failure is provided by the State and if the failure is not cured within ten (10) days, the State may cancel the contract. Default may be cause for debarment as provided in 09 NCAC 06B.1206. The rights and remedies of the State provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract.

- a) If Vendor fails to deliver or provide correct Services or other Deliverables within the time required by this Contract, the State shall provide written notice of said failure to Vendor, and by such notice require performance assurance measures pursuant to N.C.G.S. 143B-1340(f). Vendor is responsible for the delays resulting from its failure to deliver or provide services or other Deliverables.
- b) Should the State fail to perform any of its obligations upon which Vendor's performance is conditioned, Vendor shall not be in default for any delay, cost increase or other consequences resulting from the State's failure. Vendor will use reasonable efforts to mitigate delays, costs or expenses arising from assumptions in the Vendor's offers that prove erroneous or are otherwise invalid. Any deadline that is affected by any such failure in assumptions or performance by the State shall be extended by an amount of time reasonably necessary to compensate for the effect of such failure.
- c) Vendor shall provide a plan to cure any delay or default if requested by the State. The plan shall state the nature of the delay or default, the time required for cure, any mitigating factors causing or tending to cause the delay or default, and such other information as the Vendor may deem necessary or proper to provide.

27) WAIVER OF DEFAULT: Waiver by either party of any default or breach by the other Party shall not be deemed a waiver of any subsequent default or breach and shall not be construed to be a modification or novation of the terms of this Contract, unless so stated in writing and signed by authorized representatives of the Agency and the Vendor, and made as an amendment to this Contract pursuant to Paragraph 40) herein below.

28) TERMINATION: Any notice or termination made under this Contract shall be transmitted via US Mail, Certified Return Receipt Requested. The period of notice for termination shall begin on the day the return receipt is signed and dated.

- a) The parties may mutually terminate this Contract by written agreement at any time.

- b) The State may terminate this Contract, in whole or in part, pursuant to Paragraph 26), or pursuant to the Special Terms and Conditions in the Solicitation Documents, if any, or for any of the following:
 - i) Termination for Cause: In the event any goods, software, or service furnished by the Vendor during performance of any Contract term fails to conform to any material requirement of the Contract, and the failure is not cured within the specified time after providing written notice thereof to Vendor, the State may cancel and procure the articles or Services from other sources; holding Vendor liable for any excess costs occasioned thereby, subject only to the limitations provided in Paragraphs 29) and 30) herein. The rights and remedies of the State provided above shall not be exclusive and are in addition to any other rights and remedies provided by law or under the Contract. Vendor shall not be relieved of liability to the State for damages sustained by the State arising from Vendor's breach of this Contract; and the State may, in its discretion, withhold any payment due as a setoff until such time as the damages are finally determined or as agreed by the parties. Voluntary or involuntary Bankruptcy or receivership by Vendor shall be cause for termination.
 - ii) Termination For Convenience Without Cause: The State may terminate service and indefinite quantity contracts, in whole or in part by giving thirty (30) days prior notice in writing to the Vendor. Vendor shall be entitled to sums due as compensation for Deliverables provided and Services performed in conformance with the Contract. In the event the Contract is terminated for the convenience of the State the Agency will pay for all work performed and products delivered in conformance with the Contract up to the date of termination.

29) LIMITATION OF VENDOR'S LIABILITY:

- a) Where Deliverables are under the State's exclusive management and control, the Vendor shall not be liable for direct damages caused by the State's failure to fulfill any State responsibilities of assuring the proper use, management and supervision of the Deliverables and programs, audit controls, operating methods, office procedures, or for establishing all proper checkpoints necessary for the State's intended use of the Deliverables.
- b) The Vendor's liability for damages to the State arising under the contract shall be limited to two times the value of the Contract.
- c) The foregoing limitation of liability shall not apply to claims covered by other specific provisions including but not limited to Service Level Agreement or Deliverable/Product Warranty compliance, or to claims for injury to persons or damage to tangible personal property caused by Vendor's gross negligence or willful or wanton conduct. This limitation of liability does not apply to contributions among joint tortfeasors under N.C.G.S. 1B-1 et seq., the receipt of court costs or attorney's fees that might be awarded by a court in addition to damages after litigation based on this Contract. For avoidance of doubt, the Parties agree that the Service Level Agreement and Deliverable/Product Warranty Terms in the Contract are intended to provide the sole and exclusive remedies available to the State under the Contract for the Vendor's failure to comply with the requirements stated therein.

30) VENDOR'S LIABILITY FOR INJURY TO PERSONS OR DAMAGE TO PROPERTY:

- a) The Vendor shall be liable for damages arising out of personal injuries and/or damage to real or personal property of the State, employees of the State, persons designated by the State for training, or person(s) other than agents or employees of the Vendor, designated by the State for any purpose, prior to, during, or subsequent to delivery, installation, acceptance, and use of the Deliverables either at the Vendor's site or at the State's place of business, provided that the injury or damage was caused by the fault or negligence of the Vendor.
- b) The Vendor agrees to indemnify, defend and hold the Agency and the State and its Officers, employees, agents and assigns harmless from any liability relating to personal injury or injury to real or personal property of any kind, accruing or resulting to any other person, firm or corporation furnishing or supplying work, Services, materials or supplies in connection with the performance of this contract, whether tangible or intangible, arising out of the ordinary negligence, willful or wanton negligence, or intentional acts of the Vendor, its officers, employees, agents, assigns or subcontractors, in the performance of this Contract.

- c) Vendor shall not be liable for damages arising out of or caused by an alteration or an attachment not made or installed by the Vendor.

31) CHANGES: This Contract and subsequent purchase order(s) is awarded subject to shipment of quantities, qualities, and prices indicated by the order or Contract, and all conditions and instructions of the Contract or offer on which it is based. Any changes made to this Contract or purchase order proposed by the Vendor are hereby rejected unless accepted in writing by the Agency or State Award Authority. The State shall not be responsible for Deliverables or Services delivered without a purchase order from the Agency or State Award Authority.

32) STOP WORK ORDER: The State may issue a written Stop Work Order to Vendor for cause at any time requiring Vendor to suspend or stop all, or any part, of the performance due under this Contract for a period up to ninety (90) days after the Stop Work Order is delivered to the Vendor. The ninety (90) day period may be extended for any further period for which the parties may agree.

- a) The Stop Work Order shall be specifically identified as such and shall indicate that it is issued under this term. Upon receipt of the Stop Work Order, the Vendor shall immediately comply with its terms and take all reasonable steps to minimize incurring costs allocable to the work covered by the Stop Work Order during the period of work suspension or stoppage. Within a period of ninety (90) days after a Stop Work Order is delivered to Vendor, or within any extension of that period to which the parties agree, the State shall either:
 - i) Cancel the Stop Work Order, or
 - ii) Terminate the work covered by the Stop Work Order as provided for in the termination for default or the termination for convenience clause of this Contract.
- b) If a Stop Work Order issued under this clause is canceled or the period of the Stop Work Order or any extension thereof expires, the Vendor shall resume work. The State shall make an equitable adjustment in the delivery schedule, the Contract price, or both, and the Contract shall be modified, in writing, accordingly, if:
 - i) The Stop Work Order results in an increase in the time required for, or in the Vendor's cost properly allocable to the performance of any part of this Contract, and
 - ii) The Vendor asserts its right to an equitable adjustment within thirty (30) days after the end of the period of work stoppage; provided that if the State decides the facts justify the action, the State may receive and act upon an offer submitted at any time before final payment under this Contract.
- c) If a Stop Work Order is not canceled and the work covered by the Stop Work Order is terminated in accordance with the provision entitled Termination for Convenience of the State, the State shall allow reasonable direct costs resulting from the Stop Work Order in arriving at the termination settlement.
- d) The State shall not be liable to the Vendor for loss of profits because of a Stop Work Order issued under this term.

33) PRICE ADJUSTMENTS FOR TERM CONTRACTS: Reserved.

34) TIME IS OF THE ESSENCE: Time is of the essence in the performance of this Contract.

35) DATE AND TIME WARRANTY: The Vendor warrants that any Deliverable, whether hardware, firmware, middleware, custom or commercial software, or internal components, subroutines, and interface therein which performs any date and/or time data recognition function, calculation, or sequencing, will provide accurate date/time data and leap year calculations. This warranty shall survive termination or expiration of the Contract.

36) INDEPENDENT CONTRACTORS: Vendor and its employees, officers and executives, and subcontractors, if any, shall be independent Vendors and not employees or agents of the State. This Contract shall not operate as a joint venture, partnership, trust, agency or any other business relationship.

37) TRANSPORTATION: Transportation of Deliverables shall be FOB Destination; unless otherwise specified in the solicitation document or purchase order. Freight, handling, hazardous material charges, and distribution and installation charges shall be included in the total price of each item. Any additional charges shall not be honored for payment unless authorized in writing by the Purchasing State Agency. In cases where parties, other than the Vendor ship materials against this

order, the shipper must be instructed to show the purchase order number on all packages and shipping manifests to ensure proper identification and payment of invoices. A complete packing list must accompany each shipment.

- 38) NOTICES:** Any notices required under this Contract should be delivered to the Contract Administrator for each party. Unless otherwise specified in the Solicitation Documents, any notices shall be delivered in writing by U.S. Mail, Commercial Courier or by hand.
- 39) TITLES AND HEADINGS:** Titles and Headings in this Contract are used for convenience only and do not define, limit or proscribe the language of terms identified by such Titles and Headings.
- 40) AMENDMENT:** This Contract may not be amended orally or by performance. Any amendment must be made in written form and signed by duly authorized representatives of the State and Vendor in conformance with Paragraph 31) herein.
- 41) TAXES:** The State of North Carolina is exempt from Federal excise taxes and no payment will be made for any personal property taxes levied on the Vendor or for any taxes levied on employee wages. Agencies of the State may have additional exemptions or exclusions for federal or state taxes. Evidence of such additional exemptions or exclusions may be provided to Vendor by Agencies, as applicable, during the term of this Contract. Applicable State or local sales taxes shall be invoiced as a separate item.
- 42) GOVERNING LAWS, JURISDICTION, AND VENUE:**
- a) This Contract is made under and shall be governed and construed in accordance with the laws of the State of North Carolina. The place of this Contract or purchase order, its situs and forum, shall be Wake County, North Carolina, where all matters, whether sounding in contract or in tort, relating to its validity, construction, interpretation and enforcement shall be determined. Vendor agrees and submits, solely for matters relating to this Contract, to the jurisdiction of the courts of the State of North Carolina, and stipulates that Wake County shall be the proper venue for all matters.
 - b) Except to the extent the provisions of the Contract are clearly inconsistent therewith, the applicable provisions of the Uniform Commercial Code as modified and adopted in North Carolina shall govern this Contract. To the extent the Contract entails both the supply of "goods" and "Services," such shall be deemed "goods" within the meaning of the Uniform Commercial Code, except when deeming such Services as "goods" would result in a clearly unreasonable interpretation.
- 43) FORCE MAJEURE:** Neither party shall be deemed to be in default of its obligations hereunder if and so long as it is prevented from performing such obligations as a result of events beyond its reasonable control, including without limitation, fire, power failures, any act of war, hostile foreign action, nuclear explosion, riot, strikes or failures or refusals to perform under subcontracts, civil insurrection, earthquake, hurricane, tornado, or other catastrophic natural event or act of God.
- 44) COMPLIANCE WITH LAWS:** The Vendor shall comply with all laws, ordinances, codes, rules, regulations, and licensing requirements that are applicable to the conduct of its business, including those of federal, state, and local agencies having jurisdiction and/or authority.
- 45) SEVERABILITY:** In the event that a court of competent jurisdiction holds that a provision or requirement of this Contract violates any applicable law, each such provision or requirement shall be enforced only to the extent it is not in violation of law or is not otherwise unenforceable and all other provisions and requirements of this Contract shall remain in full force and effect. All promises, requirement, terms, conditions, provisions, representations, guarantees and warranties contained herein shall survive the expiration or termination date unless specifically provided otherwise herein, or unless superseded by applicable federal or State statute, including statutes of repose or limitation.
- 46) FEDERAL INTELLECTUAL PROPERTY BANKRUPTCY PROTECTION ACT:** The Parties agree that the Agency shall be entitled to all rights and benefits of the Federal Intellectual Property Bankruptcy Protection Act, Public Law 100-506, codified at 11 U.S.C. 365(n), and any amendments thereto.
- 47) ELECTRONIC PROCUREMENT (Applies to all contracts that include E-Procurement and are identified as such in the body of the solicitation document):** Purchasing shall be conducted through the Statewide E-Procurement Service. The State's third party agent shall serve as the

Supplier Manager for this E-Procurement Service. The Vendor shall register for the Statewide E-Procurement Service within two (2) business days of notification of award in order to receive an electronic purchase order resulting from award of this contract.

- a) **The successful Vendor(s) shall pay a transaction fee of 1.75% (.0175) on the total dollar amount (excluding sales taxes) of each purchase order issued through the Statewide E-Procurement Service.** This applies to all purchase orders, regardless of the quantity or dollar amount of the purchase order. The transaction fee shall neither be charged to nor paid by the State, or by any State approved users of the contract. The transaction fee shall not be stated or included as a separate item in the proposed contract or invoice. There are no additional fees or charges to the Vendor for the Services rendered by the Supplier Manager under this contract. Vendor will receive a credit for transaction fees they paid for the purchase of any item(s) if an item(s) is returned through no fault of the Vendor. Transaction fees are non-refundable when an item is rejected and returned, or declined, due to the Vendor's failure to perform or comply with specifications or requirements of the contract.
- b) Vendor, or its authorized Reseller, as applicable, will be invoiced monthly for the State's transaction fee by the Supplier Manager. The transaction fee shall be based on purchase orders issued for the prior month. Unless Supplier Manager receives written notice from the Vendor identifying with specificity any errors in an invoice within thirty (30) days of the receipt of invoice, such invoice shall be deemed to be correct and Vendor shall have waived its right to later dispute the accuracy and completeness of the invoice. Payment of the transaction fee by the Vendor is due to the account designated by the State within thirty (30) days after receipt of the correct invoice for the transaction fee, which includes payment of all portions of an invoice not in dispute. Within thirty (30) days of the receipt of invoice, Vendor may request in writing an extension of the invoice payment due date for that portion of the transaction fee invoice for which payment of the related goods by the governmental purchasing entity has not been received by the Vendor. If payment of the transaction fee invoice is not received by the State within this payment period, it shall be considered a material breach of contract. The Supplier Manager shall provide, whenever reasonably requested by the Vendor in writing (including electronic documents), supporting documentation from the E-Procurement Service that accounts for the amount of the invoice.
- c) The Supplier Manager will capture the order from the State approved user, including the shipping and payment information, and submit the order in accordance with the E-Procurement Service. Subsequently, the Supplier Manager will send those orders to the appropriate Vendor on State Contract. The State or State approved user, not the Supplier Manager, shall be responsible for the solicitation, offers received, evaluation of offers received, award of contract, and the payment for goods delivered.
- d) Vendor agrees at all times to maintain the confidentiality of its user name and password for the Statewide E-Procurement Services. If a Vendor is a corporation, partnership or other legal entity, then the Vendor may authorize its employees to use its password. Vendor shall be responsible for all activity and all charges for such employees. Vendor agrees not to permit a third party to use the Statewide E-Procurement Services through its account. If there is a breach of security through the Vendor's account, Vendor shall immediately change its password and notify the Supplier Manager of the security breach by e-mail. Vendor shall cooperate with the state and the Supplier Manager to mitigate and correct any security breach.

48) ELECTRONIC PROCUREMENT (Applies only to Statewide Term Contracts): Reserved.

EXHIBIT 8

From: Marsh, William A <wamarsh@ncdot.gov>
Sent: Friday, November 17, 2023 9:46 AM
To: Missy Copeland
Cc: Daniels, Kara L.
Subject: Re: [External] Re: NC DOT Response to Idemia Protest Letter

External E-mail

Thank you Missy. The Department will not delay implementation so November 20th will be fine.

By separate email, I will send you the document you mentioned during the meeting that you believe had missing content. I am informed by staff that nothing was in fact missing, it was rather formatting that converted any "attachment" to a PDF. One merely has to scroll further and the content is there.

Drew Marsh

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From: Missy Copeland <missy@schmidtcopeland.com>
Sent: Friday, November 17, 2023 8:41 AM
To: Marsh, William A
Cc: Kara L. Daniels
Subject: Re: [External] Re: NC DOT Response to Idemia Protest Letter

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Drew - It was nice to meet you in person. Thank you for your time yesterday and your willingness to provide us the additional FOIA materials. We will get you the full list of items that we believe are missing and would like to receive those document as soon as possible. However, after reviewing the materials that were provided, we do not want to delay the process any further unless DOT is willing to stay performance under the CBN contract while our protest is fully decided, including any appeals. If DOT is not agreeable to that stay, then we will provide our further written submission based on the FOIA materials we have received on Monday, November 20 and would ask that the time for the decision run from that date making the decision due on Thursday, November 30.

Thank you -

Missy

Missy Copeland
803-309-4686

On Nov 13, 2023, at 12:19 PM, Marsh, William A <wamarsh@ncdot.gov> wrote:

Thank you Ms. Copland. I provide the names you've given to our security staff for Visitors listing.

The Public Records Requests are fulfilled by the agency's Communications Division. I will let them know of your renewed request.

The meeting *may* be attended remotely by our Dept of Information Technology Transportation members and *procurement (IT)* personnel , Commissioner of Motor Vehicles, Chief Deputy Commissioner, Deputy Commissioner for Driver Services as well as in-person members of our legal team from the office of the NC Attorney General.

Should you need parking, we'll need to know by tomorrow to arrange for the number of spaces required.

Drew Marsh

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From: Missy Copeland <missy@schmidtcopeland.com>
Sent: Monday, November 13, 2023 11:41 AM
To: Marsh, William A <wamarsh@ncdot.gov>
Cc: Kara L. Daniels <Kara.Daniels@arnoldporter.com>
Subject: [External] Re: NC DOT Response to Idemia Protest Letter

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Drew -

I wanted to make sure you received my email below. Sometimes attachments will cause it to get caught in the spam filter so I am sending this one without the attachment.

Missy

On Nov 9, 2023, at 3:29 PM, Missy Copeland <missy@schmidtcopeland.com> wrote:

Drew -

On behalf of Idemia, we intend to bring the individuals identified below. I would appreciate your letting me know who else will be in attendance. Based on that attendance information if we determine that we need to bring other individuals, I will let you know that in advance of the meeting as you have requested.

Lisa Shoemaker
Tammi Popp
Nelson Freeman
Kara Daniels
Missy Copeland

In addition, we submitted a public records request on October 6 (see attached email) and have not received any of the records. It would be helpful to have all of the records in advance of the meeting if possible. If there is anything you can do to assist in getting

those records, it would be appreciated. If we cannot get all of the requested records, it would be helpful to have the CBN contract, including any statement of work, as well as any evaluation records related to the selection of CBN. Please let me know if you can assist with this request or if there is someone else at the agency I should work with on the request.

Thank you -

Missy

On Nov 3, 2023, at 11:58 AM, Marsh, William A <wamarsh@ncdot.gov> wrote:

Good morning Ms. Copland,

Please find the attached response of the NC Department of Transportation to the Protest Letter of Idemia. A "hard" copy is being sent today via US first class mail to you and your co-counsel at Arnold & Porter et. al.

Please use this email address for any further correspondence. My direct telephone number is (919)707-2834.

Thank you!

Drew Marsh

*William A. ("Drew") Marsh III
Senior Deputy General Counsel
NC Dept of Transportation
1 South Wilmington Street
Raleigh, NC 27601*

Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

<Mail Attachment.eml>
<DOT response to Idemia Protest Letter.pdf>

Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

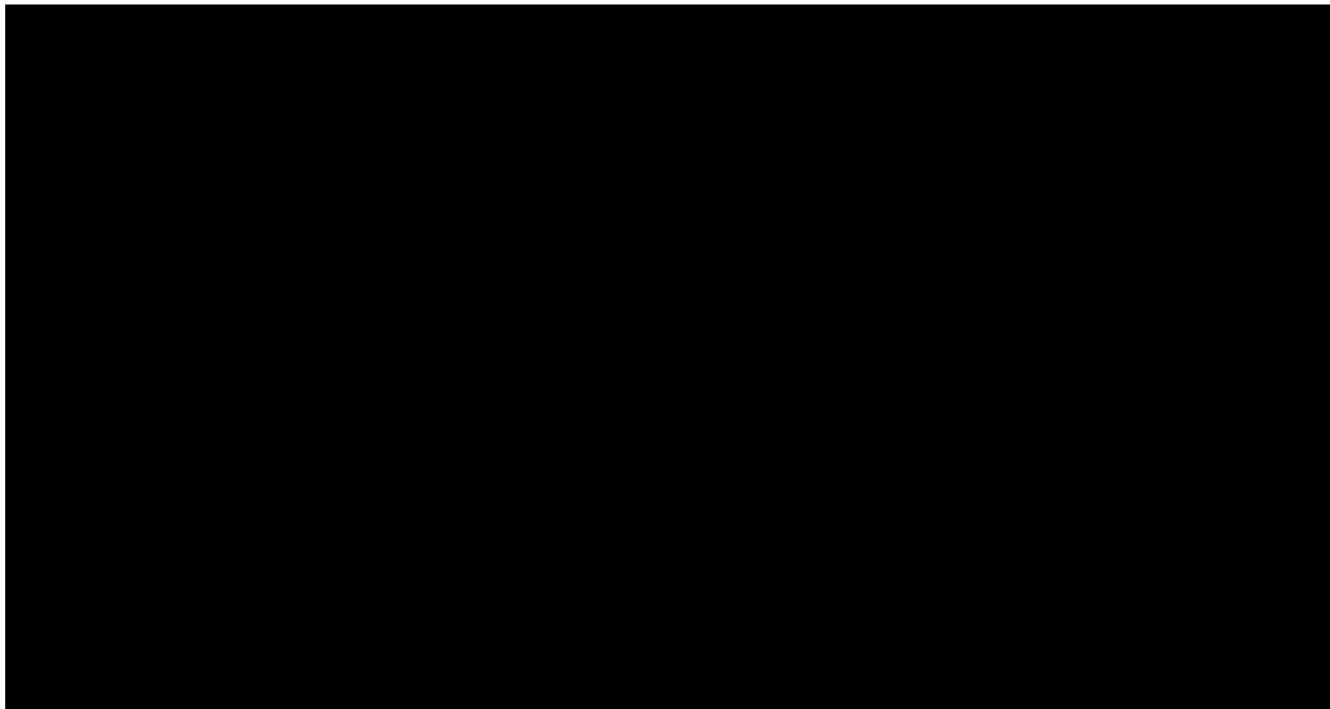
Email correspondence to and from this sender is subject to the N.C. Public Records Law and may be disclosed to third parties.

EXHIBIT 9

[External] RE: Driver License Credential Issuance Replacement - Recommendation - CBN (attorney client)

From: Brooks, Chris <CBROOKS@ncdoj.gov>
To: Henry, Rena E <rehenry@ncdot.gov>, Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>, Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>, Marsh, William A <wamarsh@ncdot.gov>, Shelton, Marvin <mshelton@ncdot.gov>, Winn, Frank S <fswinn@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>, McCleary, Cynthia N <cnmccleary@ncdot.gov>, Rice, Tracy L <tlrice1@ncdot.gov>, Ruffin, Jackie <jruffin@ncdot.gov>, Murphy, Christie L <clmurphy1@ncdot.gov>, Roach, Lee <lrroach1@ncdot.gov>, Evans, Jonathan <jevans@ncdoj.gov>

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Please note messages to or from this address may be public records.

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 2:08 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Brooks, Chris <CBROOKS@ncdoj.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Commissioner,

Yes, it the final version needs to be on DMV Letterhead.

@Winn, Frank S <mailto:fswinn@ncdot.gov> does IT also need to sign the letter?

++Chris for awareness. I forward the documents to him also.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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Website <<https://it.nc.gov/>>Twitter

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 2:03 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Thank you, Rena. Subject to a differing view from our DMV Legal Counsel, I have reviewed and am ok with the draft letter. I presume the final version will need to be on our letterhead and can be signed by both Chief Manley and me. Drew, what else do we need to add, if anything, to the letter and additionally do at this juncture of the process?

At what point in the process do we notify the other prospective vendors that a selection has been made? (I presume a little bit further down the road after CBN and DMV have taken additional steps.)

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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Raleigh, North Carolina 27697-3101

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 1:56:57 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Subject: FW: Driver License Credential Issuance Replacement - Recommendation - CBN

Good afternoon Portia,

The IT team has moved forward with initiating the internal procurement process for moving forward with CBN as our selected Driver License Credential Issuance Replacement vendor. Since this is one of the DMV Five projects, we suggest that the next step would be for DMV to draft a letter stating that we would like to begin the engagement. Christie prepared a draft document for this notification. Please see her email below with additional details.

@Manley, Portia <mailto:pmanley@ncdot.gov> This is what we discussed this morning. Please let us know if you have any questions or need additional assistance.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

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919 618 6887 (mobile)

rehenry@ncdot.gov

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<[https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jXB9dK-b\\$>](https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jXB9dK-b$>)LinkedIn
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<[https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jWrGwFYs\\$>](https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jWrGwFYs$>)Flickr
<[https://urldefense.com/v3/__https://www.flickr.com/photos/151591789@N04/albums__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jemlszbi\\$>](https://urldefense.com/v3/__https://www.flickr.com/photos/151591789@N04/albums__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jemlszbi$>)>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, January 6, 2023 9:42 AM

To: Henry, Rena E <rehenry@ncdot.gov>

Cc: Rice, Tracy L <tlrice1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

Per our conversation this morning, attached is a draft notification letter you can share with DMV. Please request DMV to send a notification to CNB that they are our chosen vendor. I went ahead and included the forms that we will need the vendor to complete for the procurement piece as well.

DMV can adjust the letter as they see fit to document any additional details and or contact information that would be helpful for CBN. If you or DMV has any questions, please don't hesitate to reach out.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

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984 302 0129 mobile

clmurphy1@ncdot.gov

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<[https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jXB9dK-b\\$>](https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jXB9dK-b$>)LinkedIn

<[https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jQqBN-ki\\$>](https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jQqBN-ki$>)YouTube

<[https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jWrGwFYs\\$>](https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jWrGwFYs$>)Flickr

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 7:59 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N

<cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L

<trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Christie,

Will do. Thanks so much.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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Raleigh, NC 27610

Website <<https://it.nc.gov/>>Twitter

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Sent: Friday, January 6, 2023 7:58 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N

<cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L

<trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Yes, that would be great.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 7:48 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning Christie,

Should we have DMV to send a formal letter to CBN stating that they are our selected vendor and we can move forward with gather the requirements to prepare the required Quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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<div data-bbox=\\\)\\]\\(https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/_!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jQqBN-ki\\$>YouTube</p></div>
<div data-bbox=\\)\]\(https://urldefense.com/v3/__https://www.facebook.com/NCDIT/_!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jXB9dK-b\$>LinkedIn</p></div>
<div data-bbox=\)](https://urldefense.com/v3/__https://twitter.com/NCDIT_!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jWks4y0j$>Facebook</p></div>
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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Thursday, January 5, 2023 12:40 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

I talked with Lee earlier regarding this request. He will be assigning requisition 12063519 to me to assist you through this procurement. Since this is one of the approved DMV 5 projects, then you should be good with moving forward with reaching out to CBN to gather requirements and requesting the quote. Please keep me in the loop so I can assist as needed to get this moved through the procurement process.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter

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<div data-bbox=\\\\)\\\]\\\(https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA_!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jWrGwFYs\\\$>Flickr</p></div>
<div data-bbox=\\\)\\]\\(https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/_!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGflYM9qbPW3yocWZGYa1jQqBN-ki\\$>YouTube</p></div>
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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Thursday, January 5, 2023 8:14 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

How should we forward with this? We would like to begin engaging CBN to gather requirements and get a quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Henry, Rena E

Sent: Friday, December 30, 2022 8:27 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Thanks so much Christie.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, December 30, 2022 6:11 AM

To: Roach, Lee <lrroach1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fwinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning,

SHOP request has been submitted for the DMV DL Credential Issuance.

5008813, DMV DL Credential Issuance

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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Raleigh, NC 27601

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From: Roach, Lee <lrroach1@ncdot.gov>

Sent: Thursday, December 29, 2022 9:18 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

\$1

From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Thursday, December 29, 2022 7:41 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Hi Rena,

My apologies, I was out last week, and I missed your email when checking in last week. The draft CSR only has an estimated \$1.00. Is that correct? Is that because we do not know the cost yet? Do we want to include a budget amount at this time or leave as \$1.00?

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Tuesday, December 20, 2022 7:56 AM

To: Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>;

McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Henry, Rena E

<rehenry@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

Attached is the CSR and the draft SOW for the DL Credential Issuance Replacement

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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919 618 6887 (mobile)

rehenry@ncdot.gov

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Sent: Monday, December 19, 2022 12:58 PM

To: Murphy, Christie L <clmurphy1@ncdot.gov>

Cc: Roach, Lee <lrroach1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>;

Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie

<jruffin@ncdot.gov>

Subject: Fwd: Driver License Credential Issuance Replacement - Recommendation

Hi Christie,

We have received approval to move forward with CBN as our vendor of choice for the DL Credential Issuance Replacement. Lee asked that I complete a CSR and attach the draft SOW so that we can complete the paperwork to request a Quote from CBN. Will you be able to assist with this effort please. We need to complete a CSR to get this moving.

I have spoken to both Lee and Brian before reaching out to you for assistance. I really appreciate any help. This is one of the DMV 5 projects and will not be a PMO project.

Please let me know if you have any questions.

Regards,

Rena E. Henry, CPM, PMP

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rehenry@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, December 16, 2022 9:21:07 PM

To: Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M

<pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

That is awesome! Thanks so much.

Sent from my Verizon, Samsung Galaxy smartphone

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From: Manley, Portia <pmanley@ncdot.gov>
Sent: Friday, December 16, 2022 5:28:28 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation

That is great news.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Friday, December 16, 2022 3:31 PM
To: Manley, Portia <pmanley@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation
Importance: High

Team: After my in-person presentation of our Team's recommendation and the supporting documents to Secretary Boyette yesterday, he has agreed with our recommendation and greenlighted us to take the appropriate next-steps. As I briefly shared with Portia this morning, there are a couple of related requests that the Secretary and I discussed that would be helpful. Perhaps we can set an internal Teams call next week?

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Thursday, December 15, 2022 1:28:09 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great, thanks for the update.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

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pmanley@ncdot.gov

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Wednesday, December 14, 2022 6:29 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

Importance: High

Tomorrow. I meet with him at 4pm.

Wayne Goodwin
Commissioner

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Wednesday, December 14, 2022 5:34:56 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Commissioner,

We are all good with you sharing this with the Secretary, when are you planning to discuss?

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, December 13, 2022 7:46 AM
To: Goodwin, Wayne <wggoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great. Thanks everyone.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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rehenry@ncdot.gov

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Monday, December 12, 2022 1:32 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation

The draft - in tandem with the comparative chart - looks good to me. If there are no changes or concerns then I'm ready to speak with Secretary Boyette about it and provide him the supporting information. Please let me know if we are a greenlight by 6pm today, if possible. I will plan to discuss with him thereafter. Thank you.

Wayne Goodwin
Commissioner

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: Driver License Credential Issuance Replacement - Recommendation](https://urldefense.com/v3/__https://aka.ms/o0ukef__;!!HYmSToo!eLkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfYm9qbPW3yocWZGYa1ja8GhPrR$>></p></div><div data-bbox=)

Good afternoon,

Below is a the recommendation that Portia and I drafted. Please feel free to add or modify as needed.

The DMV business and the IT teams have completed the Market Research for the Driver License Credential Issuance Replacement. We would like to implement this project as one of the DMV Five Projects under the HB650 legislation. Based on the vendor reviews, on-site visits to vendor locations and discussions with other jurisdictions, the team

recommends that the Division move forward with Canadian Bank Note(CBN) as the vendor of choice. This vendor demonstrated the ability to provide North Carolina with a solution that will meet our business requirements while also providing excellent customer service, field support and integrity with a focus on quality not quantity. The attached document is a brief comparison of the 3 vendors that were reviewed during the Market Research.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<[https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jXB9dK-b\\$](https://urldefense.com/v3/__https://www.facebook.com/NCDIT/__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jXB9dK-b$)>LinkedIn

<[https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jQqBN-ki\\$](https://urldefense.com/v3/__https://www.linkedin.com/company/ncdit/__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jQqBN-ki$)> YouTube

<[https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jWrGwFYs\\$](https://urldefense.com/v3/__https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jWrGwFYs$)>Flickr

<[https://urldefense.com/v3/__https://www.flickr.com/photos/151591789@N04/albums__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jemlszbl\\$](https://urldefense.com/v3/__https://www.flickr.com/photos/151591789@N04/albums__!!HYmSToolEkwWhSRMjLIMgj9MvmHi8vkjFBVSm1LuuT8O-zowoe6a3l_aPyduxWrGfIYM9qbPW3yocWZGYa1jemlszbl$)>

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Attachment

1. CBN_Notification.docx

Type: application/vnd.openxmlformats-officedocument.wordprocessingml.document
Size: 13 KB (13,640 bytes)

Attachment #1

CBN_Notification.docx

Original view

1 page

January 6, 2023

Canadian Bank Note
Address

Re: North Carolina Driver License Credential Issuance Replacement

Dear Mr/Mrs,

This is to notify you that the North Carolina Department of Motor Vehicles (DMV) has chosen Canadian Bank Note as the preferred vendor to implement the NC Driver License Credential Issuance Replacement project. Our staff will begin to schedule meetings to gather requirements, finalize the Statement of Work, and complete a Request for Quote (Contract).

In order to do business with the State of North Carolina, vendors must be registered in our SAP accounting system and the North Carolina E-Procurement system. Complete the attached W-9 Form and Vendor ACH form and return to Christie Murphy at clmurphy1@ncdot.gov. Register online at <http://eprocurement.nc.gov/index.html> in our NC E-procurement system. If you have any questions or issues registering, please contact Christie directly at 984-302-0129.

We look forward to forward to working with you and your team.

EXHIBIT 10

	CBN	Thales	Idemia
Overall Rating	1	2	3
Overall responses to our questions	I will (Flexible)	I can (If in the rules)	It is (Solution as is)
Pros	<ul style="list-style-type: none"> • 100% polycarbonate card • Smaller market share • Experience with converting from Idemia • Automated QA • Card Production QA • Hopes to eliminate secondary monitor from examiners desk • Topaz signature pad – however they were flexible with using others • Where to store documents is flexible (ie. Us/them) • Ability to see documents in flight • UI interface user friendly • UI for tablets – less wasted real estate • FR algorithm not set 	<ul style="list-style-type: none"> • 100% polycarbonate card • Highest market share • More experience with converting from Idemia • Automated QA • Card Production QA • Hopes to eliminate secondary monitor from examiners desk • Signature pad not Topaz • Liked the Capture Solution informing the hardware connections • Ability to auto index documents during scanning • Kiosks 	

	<ul style="list-style-type: none"> • Location – Danville VA • Visited the DLO during visit • Flexible • Support • Exp. Cards – 24 hours • Printing of the cards – 		
Cons	<ul style="list-style-type: none"> • Small footprint in the Market, but also handles international customers 	<ul style="list-style-type: none"> • Can they devote attention • Materials from Poland • Arrogant • Ability to see documents in flight is not available today • UI for tablets – less wasted real estate – Unable to modify wasted white space 	<ul style="list-style-type: none"> • Known existing issues with QA • Not 100% polycarbonate card • Signature pad is Topaz • Customer Services • Not addressing current outstanding defects (attached document for outstanding issues)

EXHIBIT 11

RE: Driver License Credential Issuance Replacement - Recommendation - CBN

From: Henry, Rena E <rehenry@ncdot.gov>
To: Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>, McCleary, Cynthia N <cnmccleary@ncdot.gov>, Roach, Lee <lrroach1@ncdot.gov>

Good morning Christie,

Attached is the last report that I sent out regarding the DMV 5. Please know that this may change.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

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919 618 6887 (mobile)

rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Friday, January 6, 2023 6:04 PM
To: Henry, Rena E <rehenry@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>
Subject: FW: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Afternoon Rena,

Will you please update me on which Projects the Commissioner is referring to? I just want to make sure I know where

these procurements are that he is referring to during the meeting that will be scheduled.

- “the living 5” IT projects, including (1) the time sensitive credential vendor change”

Also, we will plan to follow all procurement rules, have ISO review, a contract in place where T/Cs are negotiated, etc. We will follow all procurement rules, with the exception of using this as one the 5 where we do not have to go out to bid or have DIT statewide approval. We can discuss next week.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

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clmurphy1@ncdot.gov

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 5:18 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>; Perry, Wendy M <wmperry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Colleagues: To cross our Ts and dot our i-s, let's plan a time early next week to discuss the procurement procedures question so we are all on the same page — and especially since we have “the living 5” IT projects, including (1) the time sensitive credential vendor change and (2) the especially time-sensitive beta-testing of kiosks to better carry out our existing functions and address concerns about lines and wait times, preferably before DLO peak time resumes this year.

Wendy: please coordinate a Teams call for all on this email who need to be in that discussion. Thank you.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 5:08:47 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good afternoon Commissioner,

These projects are being done under the legislation allowing DMV to select 5 projects -

H650v6.pdf (ncleg.gov) <<https://www.ncleg.gov/Sessions/2021/Bills/House/PDF/H650v6.pdf>>. We are trying to ensure that procurement rules are being followed. We can meet to discuss if needed.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 3:42 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Thank you, Rena. In an unrelated call yesterday, Chris Brooks and Drew Marsh asked about what our procurement procedure obligations are for this type of project. All: Please advise.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 2:08:02 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Commissioner,

Yes, it the final version needs to be on DMV Letterhead.

@Winn, Frank S <<mailto:fswinn@ncdot.gov>> does IT also need to sign the letter?

++Chris for awareness. I forward the documents to him also.

Regards,

Rena E. Henry, CPM, PMP

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Friday, January 6, 2023 2:03 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Thank you, Rena. Subject to a differing view from our DMV Legal Counsel, I have reviewed and am ok with the draft letter. I presume the final version will need to be on our letterhead and can be signed by both Chief Manley and me. Drew, what else do we need to add, if anything, to the letter and additionally do at this juncture of the process?

At what point in the process do we notify the other prospective vendors that a selection has been made? (I presume a little bit further down the road after CBN and DMV have taken additional steps.)

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 1:56:57 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Subject: FW: Driver License Credential Issuance Replacement - Recommendation - CBN

Good afternoon Portia,

The IT team has moved forward with initiating the internal procurement process for moving forward with CBN as our

selected Driver License Credential Issuance Replacement vendor. Since this is one of the DMV Five projects. we suggest that the next step would be for DMV to draft a letter stating that we would like to begin the engagement. Christie prepared a draft document for this notification. Please see her email below with additional details.

@Manley, Portia <mailto:pmanley@ncdot.gov> This is what we discussed this morning. Please let us know if you have any questions or need additional assistance.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, January 6, 2023 9:42 AM

To: Henry, Rena E <rehenry@ncdot.gov>

Cc: Rice, Tracy L <tlrice1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

Per our conversation this morning, attached is a draft notification letter you can share with DMV. Please request DMV to send a notification to CNB that they are our chosen vendor. I went ahead and included the forms that we will need the vendor to complete for the procurement piece as well.

DMV can adjust the letter as they see fit to document any additional details and or contact information that would be

helpful for CBN. If you or DMV has any questions, please don't hesitate to reach out.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

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clmurphy1@ncdot.gov

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 7:59 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Christie,

Will do. Thanks so much.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, January 6, 2023 7:58 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmcleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L
<tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Yes, that would be great.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

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clmurphy1@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 7:48 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning Christie,

Should we have DMV to send a formal letter to CBN stating that they are our selected vendor and we can move forward with gather the requirements to prepare the required Quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Thursday, January 5, 2023 12:40 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

I talked with Lee earlier regarding this request. He will be assigning requisition 12063519 to me to assist you through this procurement. Since this is one of the approved DMV 5 projects, then you should be good with moving forward with reaching out to CBN to gather requirements and requesting the quote. Please keep me in the loop so I can assist as needed to get this moved through the procurement process.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Thursday, January 5, 2023 8:14 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

How should we forward with this? We would like to begin engaging CBN to gather requirements and get a quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Henry, Rena E

Sent: Friday, December 30, 2022 8:27 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>; Rice, Tracy L
<trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmcleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Thanks so much Christie.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, December 30, 2022 6:11 AM

To: Roach, Lee <lroach1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>;
Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmcleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning,

SHOP request has been submitted for the DMV DL Credential Issuance.

5008813, DMV DL Credential Issuance

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

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From: Roach, Lee <lrroach1@ncdot.gov>
Sent: Thursday, December 29, 2022 9:18 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmcclary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

\$1

From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Thursday, December 29, 2022 7:41 AM
To: Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmcclary@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Hi Rena,

My apologies, I was out last week, and I missed your email when checking in last week. The draft CSR only has an estimated \$1.00. Is that correct? Is that because we do not know the cost yet? Do we want to include a budget amount at this time or leave as \$1.00?

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

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984 302 0129 mobile

clmurphy1@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, December 20, 2022 7:56 AM
To: Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

Attached is the CSR and the draft SOW for the DL Credential Issuance Replacement

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Monday, December 19, 2022 12:58 PM
To: Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Roach, Lee <rlroach1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>;
Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie
<jruffin@ncdot.gov>
Subject: Fwd: Driver License Credential Issuance Replacement - Recommendation

Hi Christie,

We have received approval to move forward with CBN as our vendor of choice for the DL Credential Issuance Replacement. Lee asked that I complete a CSR and attach the draft SOW so that we can complete the paperwork to request a Quote from CBN. Will you be able to assist with this effort please. We need to complete a CSR to get this moving.

I have spoken to both Lee and Brian before reaching out to you for assistance. I really appreciate any help. This is one of the DMV 5 projects and will not be a PMO project.

Please let me know if you have any questions.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, December 16, 2022 9:21:07 PM
To: Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M
<pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation

That is awesome! Thanks so much.

Sent from my Verizon, Samsung Galaxy smartphone
Get Outlook for Android <<https://aka.ms/AAb9ysg>>

From: Manley, Portia <pmanley@ncdot.gov>
Sent: Friday, December 16, 2022 5:28:28 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M
<pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation

That is great news.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

Raleigh, NC 27697-3101

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, December 16, 2022 3:31 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

Importance: High

Team: After my in-person presentation of our Team's recommendation and the supporting documents to Secretary Boyette yesterday, he has agreed with our recommendation and greenlighted us to take the appropriate next-steps. As I briefly shared with Portia this morning, there are a couple of related requests that the Secretary and I discussed that would be helpful. Perhaps we can set an internal Teams call next week?

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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Raleigh, North Carolina 27697-3101

Error! Filename not specified.

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Thursday, December 15, 2022 1:28:09 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great, thanks for the update.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

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pmanley@ncdot.gov

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Wednesday, December 14, 2022 6:29 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

Importance: High

Tomorrow. I meet with him at 4pm.

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Wednesday, December 14, 2022 5:34:56 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Commissioner,

We are all good with you sharing this with the Secretary, when are you planning to discuss?

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Tuesday, December 13, 2022 7:46 AM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great. Thanks everyone.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>

Sent: Monday, December 12, 2022 1:32 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Winn, Frank S <fwinn@ncdot.gov>

Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L
<tlrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

The draft - in tandem with the comparative chart - looks good to me. If there are no changes or concerns then I'm ready to speak with Secretary Boyette about it and provide him the supporting information. Please let me know if we are a greenlight by 6pm today, if possible. I will plan to discuss with him thereafter. Thank you.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

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gwwgoodwin1@ncdot.gov <<mailto:mwconner@ncdot.gov>>

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Raleigh, North Carolina 27697-3101

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, December 9, 2022 4:07 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: Driver License Credential Issuance Replacement - Recommendation

Good afternoon,

Below is a the recommendation that Portia and I drafted. Please feel free to add or modify as needed.

The DMV business and the IT teams have completed the Market Research for the Driver License Credential Issuance Replacement. We would like to implement this project as one of the DMV Five Projects under the HB650 legislation. Based on the vendor reviews, on-site visits to vendor locations and discussions with other jurisdictions, the team recommends that the Division move forward with Canadian Bank Note(CBN) as the vendor of choice. This vendor demonstrated the ability to provide North Carolina with a solution that will meet our business requirements while also providing excellent customer service, field support and integrity with a focus on quality not quantity. The attached document is a brief comparison of the 3 vendors that were reviewed during the Market Research.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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Attachment

1. DMV Five Projects_ (002).pptx

Type: application/vnd.openxmlformats-officedocument.presentationml.presentation
Size: 502 KB (514,419 bytes)

Attachment #1

DMV Five Projects_ (002).pptx

Original view

5 pages (displayed on pages 26 to 30)

DMV Five Projects

Rena Henry
Deputy CIO for DMV

November 2022



Division of Motor Vehicles HB 650 Legislation

The legislature enacted SESSION LAW 2021-134 HOUSE BILL 650 AN ACT TO MAKE MULTIPLE CHANGES TO MOTOR VEHICLE LAWS. This session law provided The Division of Motor Vehicles (DMV) with the authority to manage and procure information technology goods and services, and to enter contracts for up to five information technology projects.

LIMITED EXEMPTION FROM DEPARTMENT OF INFORMATION TECHNOLOGY OVERSIGHT AND REQUIREMENTS FOR DIVISION OF MOTOR VEHICLES INFORMATION TECHNOLOGY MODERNIZATION PROJECTS

SECTION 11.(a) Notwithstanding Part 3 and Part 4 of Article 15 of Chapter 143 of the General Statutes or any other provision of law to the contrary, the Department of Transportation may manage, procure information technology goods and services, and enter into contracts for up to five information technology projects for Division of Motor Vehicles system modernization, and these projects are exempt from Department of Information Technology oversight and requirements. These projects may include modernization of the Division of Motor Vehicles' electronic services and the Division's mail intake, handling, and management systems and practices



“DMV Five”

Mobile Driver License (mDL)

Driver License Credential Issuance Replacement (DLCIR)

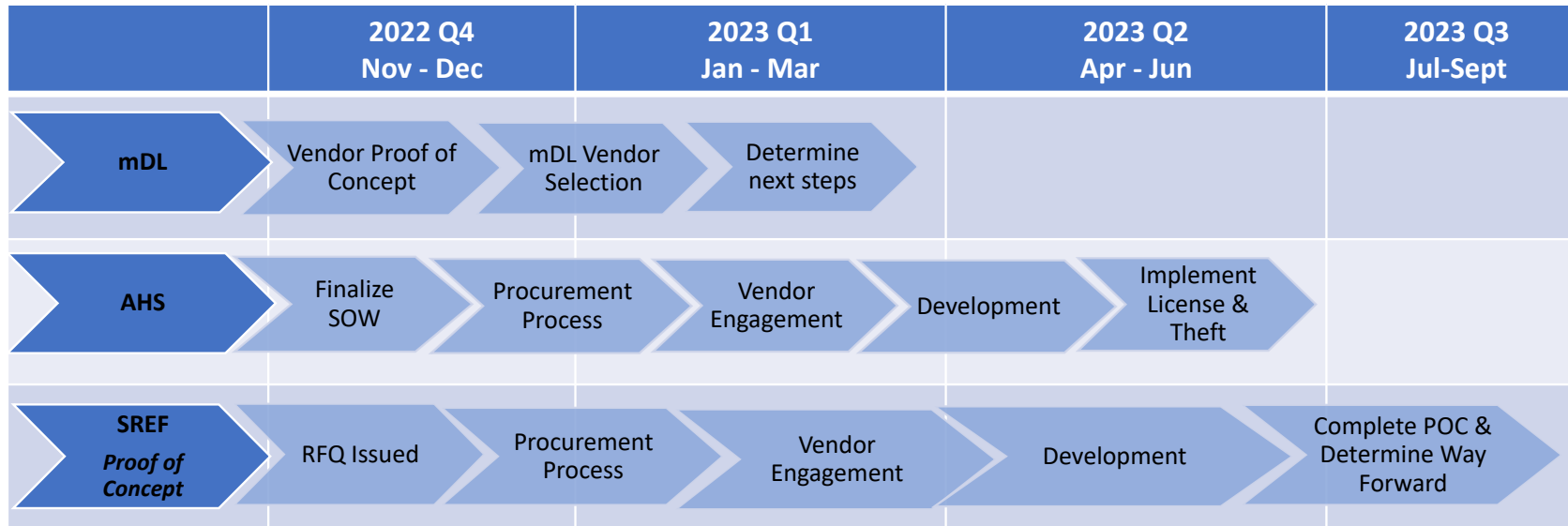
Automated Hearing Solution (AHS)

SADLS Refactoring (SREF)

eCRASH



Projects Scheduled for Implementation in 2023



Projects Scheduled for Implementation in 2024-2025

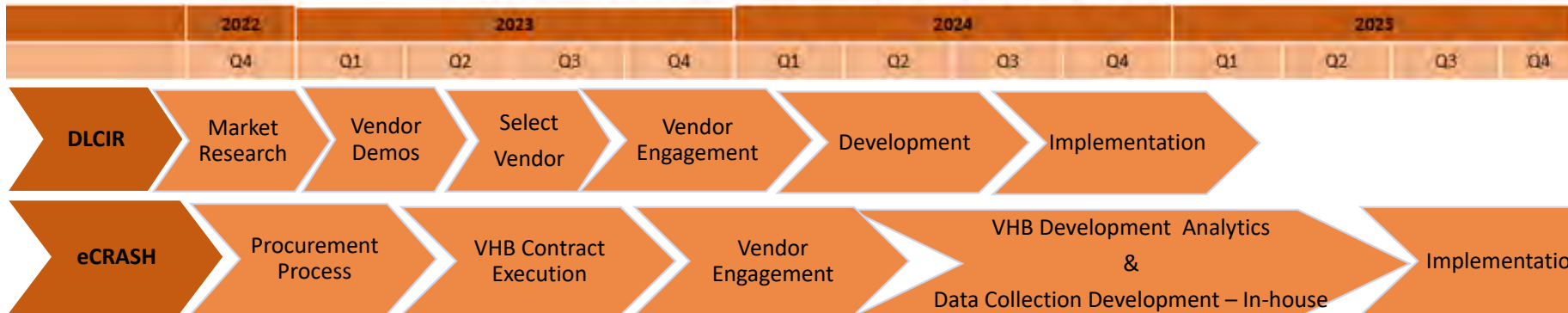




EXHIBIT 12

Materials to Produce Driver's Licenses

This data is extracted from a survey that was conducted from 1/10/2019 through 2/22/2019.

All information was supplied by the jurisdictions. Total Responses: 31

Total Responses: 31

CBN	Idemia	Thales (Gemalto)	Giesecke & Devrient	Veridos
3	20	6	1	1
NY	AZ	CO	MB	OH
VA	CA	ID		
WI	FL	MD		
	IL	NH		
	IN	NL		
	KY	QC		
	LA			
	ME			
	MI			
	MO			
	MS			
	NC			
	NE			
	NJ			
	NM			
	RI			
	SC			
	TN			
	TX			
	UT			

	CBN	Idemia	Thales (Gemalto)
Point of Contact	Patrick Crotteau	Lorie Davis	Steven Purdy
POC Email	pacrotte@cbnco.com	lorie.davis@us.idemia.com	steve.purdy@thalesgroup.com
POC Telephone Number	613.415.8185	615.630.9017	215.431.6422
Demo Provided at DMV HQ	November 9, 2022	August 3, 2022 November 30, 2022	May 13, 2022 December 1, 2022
Demo Provided at Vendor Location	August 10, 2022	N/A Facility being updated	October 10, 2022
Footprint in DMVs	Virginia Wisconsin New York	Kentucky Tennessee Mississippi	Colorado Texas Georgia Wyoming
Feedback from Agencies Where Deployed			
Product(s)	DL/ID Issuance Digital ID Facial Recognition Mobile Application (mDL) DVIS	Web Enrollment Issuance 360 Back Office Mobile ID US DL/ID System Facial Recognition Knowledge Testing Skills Testing WebTest Mobile Travel Case Self-Service Kiosks Document Authentication	Physical DL Issuance Capture Facial Recognition mDL Kiosk

Requirements	Vendor	Vendor	Vendor
	CBN	Idemia	Thales
Business Requirements			
Functional Requirements			
Provide NCDOT with a replacement driver's license issuance system that can provide functionality support all new and existing business processes.	Yes	Yes	Yes
Provide NCDOT with the replacement of the current driver's license issuance application, including image capture, image server, back-office functionality, use of mobile technologies (tablets), facial recognition, and card production.	Yes	Yes	Yes
Provide standard solution components and the required front-office customization to accommodate NCDOT workflows and interfaces with SADLS.	Yes	No	Yes
Provide audit and reporting capabilities	Yes	No	Yes
Provide customer tracking – data from disparate systems will be collected, stored, and associated to gain meaningful insight about the customer's experience	Yes	No	Yes
Photo First Enrollment			
Enrollment workstations to also include the use of tablets	Yes	Yes	Yes
Photo and signature capture	Yes	Yes	Yes
Image quality checks	Yes	Yes	Yes
Backend fraud detection and prevention	Yes	Yes	Yes
Service affidavit and signatures	Yes	Yes	Yes
Storage of all historical photos and signatures.	Yes	Yes	Yes
Document capture, management, storage, and accessibility for view.	Yes	Yes	Yes
Open customer tracking record display printing of the TDC/TIC at the Enrollment Workstation.	Yes	Yes	Yes
Automatic detection of duplicate open customer tracking records.	Yes	Yes	Yes
Real time 1:N facial recognition against open customer tracking records.	Yes	Yes	Yes
Customer tracking record history read and display.	Yes	Yes	Yes
Application			
Customer tracking record linked to a customer number	Yes	Yes	Yes
Continuous access to customer tracking record	Yes	Yes	Yes
Issuance of all types of DL/IDs	Yes	Yes	Yes
Knowledge Testing (integration to existing solution)	Yes	Yes	Yes
Queueing (Integration to existing solution)	Yes	Yes	Yes
Testing integration	Yes	Yes	Yes
Issuance history	Yes	Yes	Yes
Payment			
Itemized costs	Yes	Yes	Yes
Facsimile of DL/ ID card.	Yes	Yes	Yes
Use of Card Payment Services.	Yes	Yes	Yes
Payment types: credit cards, debit cards, cash, check, money order.	Yes	Yes	Yes
Itemized printable receipt with barcode	Yes	Yes	Yes
Priority mail payment	Yes	No	Yes
Cash drawer reconciliation	Yes	Yes	Yes
TDC/TIC Issuance			
Print Interim transaction, originating from the SADLS mainframe to generate Temporary Driver Certificates (TDC) and Temporary Identification Certificates (TIC).	Yes	Yes	Yes
The temporary certificates will be produced with the customer portrait and relevant demographics, utilizing secure paper that will be controlled through a Secure Inventory Management System	Yes	Yes	Yes
The solution will provide standard audit capabilities	Yes	No	Yes
Remote Services			
Duplicate, Renewal, Upgrade DL/ID via internet.	Yes	Yes	Yes
Temporary Driver Licenses via mail.	Yes	Yes	Yes
TDC/TIC batch renewal back-office process.	Yes	Yes	Yes
Undercover program.	Yes	Yes	Yes
Homebound program.	Yes	Yes	Yes
Military.	Yes	Yes	Yes
Reentry Program	Yes	Yes	Yes
Investigation/Verification Back End			
Facial recognition.	Yes	Yes	Yes
Fraud detection and prevention.	Yes	No	Yes
Analysis workflow.	Yes	Yes	Yes
Queue management.	Yes	Yes	Yes
Case management.	Yes	Yes	Yes
Customer tracking record access.	Yes	Yes	Yes
Backoffice Fraud Process			
Run 1 to N			
Run 1 to R	Yes	Yes	Yes
Ability to open up two image profiles to compare two different records	Yes	Yes	Yes
Ability to manage the fraud review process within the program	Yes	Yes	Yes
Ability to share information across current systems	Yes	Yes	Yes
Facial Recognition Process			
Tools	Yes	Yes	Yes
Low Light	Yes	Yes	Yes
Ability to change facial angles	Yes	Yes	Yes
Resolution Enhancement	Yes	Yes	Yes
Recreating facial image	Yes	Yes	Yes
Ability to remove objects or items for clear image	Yes	Yes	Yes
Ability to run an image when eyes are closed	Yes	No	Yes
Ability manage video and capture images	Yes	Yes	Yes
Simplicity and user friendly for enrolling images	Yes	No	Yes

Consistency in running images	Yes	Yes	Yes
Ability to batch enroll images	Yes	Yes	Yes
Fictitious Issuance Process			
Ability to white list the true image and contact information	Yes	Yes	Yes
Ability to expedite a credential	Yes	Yes	Yes
Card Design			
Provide NCDOT the ability to issue Driver Licenses and Identification Cards that are in full compliance with AAMVA 2020 Card Design Standards and REAL-ID.	Yes	No	Yes
Card Production			
Full compliance with AAMVA 2020 Card Design Standards and REAL-ID	Yes	Yes	Yes
The production facility will also have a Backup/Disaster Recovery site to continue production	Yes	Yes	Yes
All stock inventories in the card production solution will be managed within the NASPO Certified facility and data from production will be updated in the Image Server database to facilitate reporting on the transaction results.	Yes	No	Yes
Implement a process and system to facilitate undercover and special issue situations	Yes	Yes	Yes
External Interfaces			
Expand the set of external interfaces to bring access to several additional services used for identity verification, interoperability, and data exchange via web services	Yes	Yes	Yes
Mail / Return Mail			
Incorporate secure card disposal and inventory management within the NASPO Certified factory production	Yes	Yes	Yes
The factory will be capable of regular mail, expedited mail and out of country mailing	No	No	Yes
Return mail will be handled by NCDOT using the vendor application that will allow the return-mail recipient to scan the returned cards to update the corresponding record with that status	Yes	No	Yes
Disaster Recovery			
Must have Disaster Recovery Plan	Yes	Yes	Yes
Environments Supported			
Must have three supported environments (Production, Test, and Model Office)	Yes	Yes	Yes
Technical Requirements			
Security Standards			
Possess and provide a full report from a 3rd party security assessment attestation (SOC2 Type 2, ISO27001, FedRAMP)	Yes	Yes	Yes
Affirm compliance with the North Carolina Statewide Information Security Manual and its policies	Yes	Yes	Yes
Client Services			
Simple installation of end product	Yes	No	Yes
Product support for DL offices- collaboration with DIT-T staff	Yes	Yes	Yes

	CBN	Thales	Idemia
Overall Rating	1	2	3
Overall responses to our questions	I will (Flexible)	I can (If in the rules)	It is (Solution as is)
Pros	<ul style="list-style-type: none"> 100% polycarbonate card Smaller market share Experience with converting from Idemia Automated QA Card Production QA Hopes to eliminate secondary monitor from examiners desk Topaz signature pad – however they were flexible with using others Where to store documents is flexible (ie. Us/them) Ability to see documents in flight UI interface user friendly UI for tablets – less wasted real estate FR algorithm not set Location – Danville VA Visited the DLO during visit Flexible Support Exp. Cards – 24 hours Printing of the cards 	<ul style="list-style-type: none"> 100% polycarbonate card Highest market share More experience with converting from Idemia Automated QA Card Production QA Hopes to eliminate secondary monitor from examiners desk Signature pad not Topaz Liked the Capture Solution informing the hardware connections Ability to auto index documents during scanning Kiosks 	
Cons	<ul style="list-style-type: none"> Small footprint in the Market, but also handles international customers 	<ul style="list-style-type: none"> Can they devote attention Materials from Poland Arrogant Ability to see documents in flight is not available today UI for tablets – less wasted real estate – Unable to modify wasted white space 	<ul style="list-style-type: none"> Known existing issues with QA Not 100% polycarbonate card Signature pad is Topaz Customer Services Not addressing current outstanding defects

EXHIBIT 13

RE: [External] RE: CBN Final RFQ and SOW

From: Murphy, Christie L <clmurphy1@ncdot.gov>
To: Watkins, Brian <bpwatkins@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>, Evans, Jonathan <jevans@ncdoj.gov>, Henry, Rena E <rehenry@ncdot.gov>, Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>, Rice, Tracy L <tlrice1@ncdot.gov>
Cc: McCleary, Cynthia N <cnmccleary@ncdot.gov>, Marsh, William A <wamarsh@ncdot.gov>, Brooks, Christopher W <cbrooks@ncdoj.gov>, Roach, Lee <lrroach1@ncdot.gov>

Thank you, Brian. RFQ 12063519-CM and SOW has been sent to Patrick Cortteau via FTS.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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Raleigh, NC 27601

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Watkins, Brian <bpwatkins@ncdot.gov>
Sent: Friday, July 14, 2023 2:47 PM
To: Manley, Portia <pmanley@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>
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Subject: RE: [External] RE: CBN Final RFQ and SOW

Christie, please go ahead and move forward sending to CBN.

Thanks,

b

Brian Watkins

CIO

NCDIT-T

North Carolina Department of Transportation

bpwatkins@ncdot.gov

1 South Wilmington Street

1503 Mail Service Center

Raleigh, NC 27699-1503

From: Manley, Portia <pmanley@ncdot.gov>

Sent: Friday, July 14, 2023 2:45 PM

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Subject: RE: [External] RE: CBN Final RFQ and SOW

Thanks Jonathan for your comments yesterday.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

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Subject: [External] RE: CBN Final RFQ and SOW

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Christie,

[REDACTED]

[REDACTED]

[REDACTED]

Thanks,

Jonathan

Jonathan Evans

Assistant Attorney General

Motor Vehicles Section

(919) 716-6438 (O)

(919) 607-0414 (C)

jevans@ncdoj.gov

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adopted as an opinion of the Attorney General.

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Subject: CBN Final RFQ and SOW
Importance: High

Good Morning Team,

Final RFQ and SOW has been added the SharePoint site for your review and approval. RFQ 12063519-CM Final <[https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared Documents/DMV Requests, DRB, Impact Center/Initiatives and Work Requests/DPMO-1992 Driver License Credential Issuance Replacement \(DLCIR\)/RFQ 12063519-CM Final?csf=1&web=1&e=pLknUo](https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared%20Documents/DMV%20Requests,%20DRB,%20Impact%20Center/Initiatives%20and%20Work%20Requests/DPMO-1992%20Driver%20License%20Credential%20Issuance%20Replacement%20(DLCIR)/RFQ%2012063519-CM%20Final?csf=1&web=1&e=pLknUo)> Once I receive approval, I will issue both to CBN for a response.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

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RE: [External] RE: CBN Final RFQ and SOW

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Good evening,

CBN has provided their response to the RFQ and it's been added to the SharePoint site at CBN Response <[https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared Documents/DMV Requests, DRB, Impact Center/Initiatives and Work Requests/DPMO-1992 Driver License Credential Issuance Replacement \(DLCIR\)/CBN Response?csf=1&web=1&e=2vvtqJ](https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared Documents/DMV Requests, DRB, Impact Center/Initiatives and Work Requests/DPMO-1992 Driver License Credential Issuance Replacement (DLCIR)/CBN Response?csf=1&web=1&e=2vvtqJ)>.

Thank you,

Christie L. Murphy

Director

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Cc: McCleary, Cynthia N <cnmccleary@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher

W; Roach, Lee <rlroach1@ncdot.gov>
Subject: RE: [External] RE: CBN Final RFQ and SOW

Thank you, Brian. RFQ 12063519-CM and SOW has been sent to Patrick Corateau via FTS.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

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Subject: RE: [External] RE: CBN Final RFQ and SOW

Christie, please go ahead and move forward sending to CBN.

Thanks,

b

Brian Watkins

CIO

NCDIT-T

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Subject: RE: [External] RE: CBN Final RFQ and SOW

Thanks Jonathan for your comments yesterday.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

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Subject: [External] RE: CBN Final RFQ and SOW

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Christie,

[REDACTED]

[REDACTED]

[REDACTED]

Thanks,

Jonathan

Jonathan Evans

Assistant Attorney General

Motor Vehicles Section

(919) 716-6438 (O)

(919) 607-0414 (C)

jevans@ncdoj.gov

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Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmcclary@ncdot.gov>; Marsh, William A

<wamarsh@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Brooks, Chris <CBROOKS@ncdoj.gov>; Roach, Lee <rlroach1@ncdot.gov>

Subject: CBN Final RFQ and SOW

Importance: High

Good Morning Team,

Final RFQ and SOW has been added the SharePoint site for your review and approval. RFQ 12063519-CM Final <[https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared Documents/DMV Requests, DRB, Impact Center/Initiatives and Work Requests/DPMO-1992 Driver License Credential Issuance Replacement \(DLCIR\)/RFQ 12063519-CM Final?csf=1&web=1&e=pLknUo](https://ncconnect.sharepoint.com/:f:/r/sites/dmvsystemsadmin/Shared%20Documents/DMV%20Requests,%20DRB,%20Impact%20Center/Initiatives%20and%20Work%20Requests/DPMO-1992%20Driver%20License%20Credential%20Issuance%20Replacement%20(DLCIR)/RFQ%2012063519-CM%20Final?csf=1&web=1&e=pLknUo)> Once I receive approval, I will issue both to CBN for a response.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

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clmurphy1@ncdot.gov

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EXHIBIT 15

RE: CBN Draft BAFO for review

From: Murphy, Christie L <clmurphy1@ncdot.gov>
To: Ruffin, Jackie <jruffin@ncdot.gov>, Henry, Rena E <rehenry@ncdot.gov>, Roach, Lee <lrroach1@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>, Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Rice, Tracy L <trrice1@ncdot.gov>, Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>, Newsome, Michael L <mlnewsome@ncdot.gov>, Wilkinson, Jamey <jywilkinson@ncdot.gov>, Perry, Wendy M <wmperry@ncdot.gov>, Secoy, Taryn M <tmsecoy@ncdot.gov>, Roethlisberger, Albert W <awroethlisberger@ncdot.gov>, Samson, Leena <lsamson@ncdot.gov>, Crotsley, Sheree L <slcrotsley@ncdot.gov>, McCleary, Cynthia N <cnmccleary@ncdot.gov>, Watkins, Brian <bpwatkins@ncdot.gov>, Evans, Jonathan <jevans@ncdoj.gov>, Marsh, William A <wamarsh@ncdot.gov>, Brooks, Christopher W <cbrooks@ncdoj.gov>

Good Afternoon,

Thank you for catching this, Jackie. The statement has been updated as the following.

Value Added Optional Services, Page 16: VENDOR will provide one hundred (100) Image Capture Equipment (ICE) to allow NCDOT to swap and replace defective ICE. NCDOT confirms that it is not exercising the VENDOR's "Fast Fix Support" option. VENDOR will provide agreed upon number of transportable image capture units as mutually agreed upon by both Parties.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

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clmurphy1@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Ruffin, Jackie <jruffin@ncdot.gov>
Sent: Wednesday, August 9, 2023 3:54 PM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>; Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W <awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Crotsley, Sheree L <slcrotsley@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>
Cc: Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: CBN Draft BAFO for review

I have reviewed and have the following question:

#6 states: Value Added Optional Services, Page 16: VENDOR will provide one hundred (100) Image Capture Equipment (ICE) to allow NCDOT to swap and replace defective ICE. NCDOT confirms that it is not exercising the VENDOR's "Fast Fix Support" option. VENDOR will provide XX number of transportable image capture units.

Will this be left as XX number?

From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Wednesday, August 9, 2023 2:35 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>; Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W <awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Crotsley, Sheree L <slcrotsley@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>
Subject: RE: CBN Draft BAFO for review

Good Afternoon, Team,

CBN has provided edits the BAFO. Will you please review and provide comments and/or provide approval to move forward with their requested changes.

BAFO_RFQ_12063519_CM_DRAFT08082023_CBNEDITS.docx
<[https://ncconnect.sharepoint.com/:w:/r/sites/dmvsystemsadmin/Shared Documents/DMV Requests, DRB, Impact Center/Initiatives and Work Requests/DPMO-1992 Driver License Credential Issuance Replacement \(DLCIR\)/CBN Response/2/BAFO_RFQ_12063519_CM_DRAFT08082023_CBNEDITS.docx?d=wa2d7e191f71e4f579937835369acaed7&csf=1&web=1&e=r39Xm6](https://ncconnect.sharepoint.com/:w:/r/sites/dmvsystemsadmin/Shared%20Documents/DMV%20Requests,%20DRB,%20Impact%20Center/Initiatives%20and%20Work%20Requests/DPMO-1992%20Driver%20License%20Credential%20Issuance%20Replacement%20(DLCIR)/CBN%20Response/2/BAFO_RFQ_12063519_CM_DRAFT08082023_CBNEDITS.docx?d=wa2d7e191f71e4f579937835369acaed7&csf=1&web=1&e=r39Xm6)>

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

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From: Murphy, Christie L

Sent: Tuesday, August 8, 2023 9:56 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>;
Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>;
Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W
<awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Crotsley,
Sheree L <slcrotsley@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian
<bpwatkins@ncdot.gov>; Evans, Jonathan; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W
Subject: RE: CBN Draft BAFO for review

Good Morning Rena,

Yes, we are just missing the SLAs needed that will be provided by CBN for the team to review. I provided a draft BAFO to Patrick this morning and he hopes to have the SLAs to me later today. Our goal is to finalize everything and have a fully executed contract by end of week.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter <<https://twitter.com/NCDIT>>Facebook
<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube
<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsDjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Tuesday, August 8, 2023 9:41 AM

To: Roach, Lee <lrroach1@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <wggoodwin1@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>; Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W <awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Crotsley, Sheree L <slcrotsley@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: CBN Draft BAFO for review

Good morning Christie,

Based on responses received, are we ready to move forward?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

Century Center Building B

1020 Birch Ridge Drive

1521 Mail Service Center

Raleigh, NC 27610

From: Roach, Lee <lrroach1@ncdot.gov>

Sent: Monday, August 7, 2023 8:34 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <wggoodwin1@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>; Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W <awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Crotsley, Sheree L <slcrotsley@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: CBN Draft BAFO for review

Reviewed and it looks good

From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, August 4, 2023 6:33 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <wggoodwin1@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Newsome, Michael L <mlnewsome@ncdot.gov>; Wilkinson, Jamey <jywilkinson@ncdot.gov>; Perry, Wendy M <wmperry@ncdot.gov>; Secoy, Taryn M <tmsecoy@ncdot.gov>; Roethlisberger, Albert W <awroethlisberger@ncdot.gov>; Samson, Leena <lsamson@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Crotsley, Sheree L <slcrotsley@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: CBN Draft BAFO for review

Importance: High

Good Afternoon, Team,

The draft BAFO has been added to the SharePoint Site. Will you please take time to review and add your comments to the document by COB, Monday, August 7th. If you have any questions please feel free to reach out.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

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<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube
<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums/>>

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EXHIBIT 16

STATE OF NORTH CAROLINA DEPARTMENT OF TRANSPORTATION Division of Motor Vehicles	REQUEST FOR BEST AND FINAL OFFER NO. 54-1206351-CM/BAFO1	
	Offers will be received until: August 17, 2023	
	Issue Date: August 15, 2023	
Refer <u>ALL</u> inquiries regarding this BAFO to: Christie Murphy clmurphy1@ncdot.gov 919-707-4848	Commodity Number: 8111	
	Description: Driver License Credential Issuance Replacement	
	Using Agency: Department of Transportation	
See page 2 for mailing instructions.	Requisition No.: 12063519	

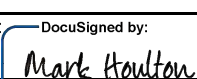
NOTICE TO VENDOR

Offers, subject to the conditions made a part hereof, will be received at this office, via email until 10:00AM EST on the day of opening and then opened, for furnishing and delivering the goods and services as described herein. Refer to page 2 for proper mailing instructions. Bids submitted via facsimile (fax) machine in response to this Best and Final Offer (BAFO) will not be accepted. Bids are subject to rejection unless submitted on this form.

EXECUTION

In compliance with this Request for Best and Final Offer (BAFO), and subject to all the conditions herein, the undersigned offers and agrees to furnish any or all goods and services which are offered, at the prices agreed upon and within the time specified herein. Pursuant to N.C.G.S. §143B-1354 and under penalty of perjury, the undersigned Vendor certifies that this offer has not been arrived at collusively or otherwise in violation of Federal or North Carolina law and this offer is made without prior understanding, agreement, or connection with any firm, corporation, or person submitting an offer for the same commodity, and is in all respects fair and without collusion of fraud.

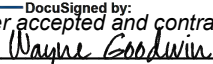
Failure to execute/sign offer prior to submittal shall render offer invalid. Late offers are not acceptable.

OFFEROR: CBN Secure Technologies Inc		
STREET ADDRESS: 350 Stinson Drive	P.O. BOX: N/A	ZIP: 24540
CITY & STATE & ZIP: Danville Virginia 24540	TELEPHONE NUMBER: 434-799-9280	TOLL FREE TEL. NO N/A
PRINT NAME & TITLE OF PERSON SIGNING: Mark Houlton	President	FAX NUMBER: N/A
AUTHORIZED SIGNATURE:  <small>DocuSigned by: 895C9E3A3DF5454</small>	DATE: 8/16/2023 5:33 AM EDT	E-MAIL: mhoulton@cbnco.com

Offer valid for forty-five (45), days from date of offer opening unless otherwise stated here: ____ days

ACCEPTANCE OF OFFER

If the State accepts any or all parts of this offer, an authorized representative of Department of Transportation shall affix his/her signature to the Vendor's response to this Request for BAFO. The acceptance shall include the response to this BAFO, any provisions and requirements of the original RFQ which have not been superseded by this BAFO and the Department of Information Technology Terms and Conditions. These documents shall then constitute the written agreement between the parties. A copy of this acceptance will be forwarded to the successful vendor(s).

<u>FOR STATE USE ONLY</u> <small>DocuSigned by:</small> Offer accepted and contract awarded this ____ day of _____, 20____, as indicated on attached certification, by  <small>6647937AF64D453...</small> (Authorized representative of Department of Transportation).	8/16/2023 9:20 AM EDT
--	-------------------------

DELIVERY INSTRUCTIONS:

Deliver this offer to Christie Murphy at clmurphy1@ncdot.gov, no later than 10:00AM on August 17, 2023. Please include the BAFO number in the email subject line. The files must not be password-protected and must be capable of being copied to other media. Offers submitted electronically in response to this will be accepted.

SOLICITATION REQUEST FOR BEST AND FINAL OFFER (BAFO)

This request is to acquire a best and final offer from Vendor for the Division of Motor Vehicle Driver License Credential Issuance Replacement Solution for the Department of Transportation. The offer should integrate the previous response to the RFQ and any changes listed below. Any individual vendor can receive a different number of requests for BAFOs than other offerors.

In accordance RFQ 54-1206351-CM, the order of precedence will be as follows: Best and Final Offer, special terms and conditions specific to this RFQ, Specifications of the RFQ, the Department of Information Technology Terms and Conditions, and the agreed portion of the awarded Vendor's offer.

1. NCDOT hereby exercises the following options set forth in the VENDOR's Financial Proposal and agrees to a price per card of \$2.55 which includes:
 - a. Base price per card: \$2.08
 - b. All-in security package: \$0.36
 - c. Biennial FRS Service Upgrades: \$0.11
2. NCDOT hereby accepts the following per unit fixed rates set forth in the VENDOR's Financial Proposal which shall remain in effect for future use over the term of the contract and up to two (2) available option years:
 - a. Daily Rate: \$1,850.00 per day
 - b. Additional Image Capture Enclosure: \$5,400.00 per unit
 - c. Additional Transportable Unit: \$5,200.00 per unit
3. NCDOT hereby accepts the milestone payment schedule set forth in the VENDOR's Financial Proposal as follows:
 - a. Milestone #1: \$1,250,000 – Submission of Design Proofs – Week 2
 - b. Milestone #2: \$2,000,000 – Submission of Attestation of purchase for system hardware – Week 3
 - c. Milestone #3: \$750,000 – Submission of System Requirements Document -Week 4
4. Data collected by NC DMV from a citizen remains the property of the citizen and the State of NC is custodian of said data pursuant to NCGS § 132-1 et. seq. This data is not assigned by NCDMV and is shared with Vendor solely for the purpose of facilitating execution of this contract. All information derived from DMV's records shall comply with 18 USC § 2721, NCGS § 20-43, and NCGS § 20-43.1.
5. Section 3.7 Contract Term: A contract awarded pursuant to this RFQ shall have an effective date as provided in the Notice of Award. The term shall be twelve (12) years from the go-live date and will

expire upon the anniversary of the go-live date. The State retains the option to extend this contract for two (2) additional one (1) year optional renewals at its sole discretion.

6. Value Added Optional Services, Page 16: VENDOR will provide one hundred (100) Image Capture Equipment (ICE) to allow NCDOT to swap and replace defective ICE. NCDOT confirms that it is not exercising the VENDOR's "Fast Fix Support" option. VENDOR will provide agreed upon number of transportable image capture units as mutually agreed upon by both Parties.
7. Service Level Agreements, page 100: VENDOR will provide regular, expedited, and international mailing options. Postage and third-party courier fees are a pass through at actual cost. NCDOT will determine the NCDOT process for appropriate usage of the expedited and international mailing services.
8. Vulnerability Management, Page 154: All vulnerabilities must be remediated as noted in the Appendix Technical Vulnerability Management Process.
9. Network Architecture, Page 461: All data traveling over network links are encrypted at the application level. All traffic transiting the internet utilizes IPSEC VPN tunnels.
10. Draft Deployment Plan, Pages 573-574: Final Deployment Plan will be completed and agreed on by both parties. VENDOR will provide updates to NCDOT and NCDOT will deploy updates to NCDOT workstations.
11. Section 4.6 State-Wide deployment, pages 581-584: Significant milestones related to the production environment for Pilot Sites must be completed by May 31, 2024. The Pilot will consist of a large, medium, and small Driver License Office. Statewide roll out will begin no later than June 1, 2024, and must be deployed completely by June 30, 2024. The office deployment schedule will be defined and mutually agreed upon by NCDOT and the Vendor.
12. Remote Support Connectivity, Page 611: VENDOR will include secure remote connectivity to backend infrastructure for support purposes. VENDOR will not include remote connectivity to NCDOT workstations. VENDOR will provide updates to NCDOT and NCDOT will deploy updates to NCDOT workstations.
13. Incident Management, Customer Notification Protocol, Page 679, VENDOR will have twenty-four (24) hours from the time an incident is identified to determine if a breach has occurred. NCDOT will be notified within one (1) hour of VENDOR identifying a breach that impacts NCDOT information.
14. Appendix I, Security Documents, Vendor agrees to provide its ISO27001 report and a signed Vendor Readiness Acceptance Report (VRAR). VENDOR will provide signed policies to NCDOT. NCDOT acknowledges that certain sections of the ISO27001 report may be redacted to protect sensitive information belonging to other CBN customers.
15. Continuity and Disaster Recovery Plan, Page 898: Vendor will complete the Technical Recovery Plan (TRP). Maximum Tolerable Downtime (MTD) is four (4) hours, Recovery Point Objective is one (1) hour.

EXHIBIT 17

RE: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

From: Murphy, Christie L <clmurphy1@ncdot.gov>
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>

Good Morning,

Just received it a few minutes ago. Please see attached.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter <<https://twitter.com/NCDIT>>Facebook
<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube
<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Thursday, August 31, 2023 6:56 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>
Subject: Re: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Ok — thank you! After speaking with Portia yesterday evening I completed the DocuSign. Did you and Patrick receive it?

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

3101 Mail Service Center

Raleigh, North Carolina 27697-3101

Get Outlook for iOS <<https://aka.ms/o0ukef>>

From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Thursday, August 31, 2023 5:52:49 AM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>

Subject: RE: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Good Morning,

Yes, that is the latest documented that Patrick sent via FTS. The only change was I requested that he update the contract # to reference the RFQ/BAFO and he did.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

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<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube

<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr

<<https://www.flickr.com/photos/151591789@N04/albums>>

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Wednesday, August 30, 2023 5:11 PM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>
Subject: Re: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Christie — checking back with you again on my question below first so I can proceed with the DocuSign

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

3101 Mail Service Center

Raleigh, North Carolina 27697-3101

Get Outlook for iOS <<https://aka.ms/o0ukef>>

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Wednesday, August 30, 2023 2:26 PM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Patrick Crotteau <pacrotte@cbnco.com>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Christie, before I sign in DocuSign, is what you sent me the correct, updated v2 version of the acceptance certificate referenced in Patrick's email? Please re-confirm for me.

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

(919) 615-7020 office

(919) 930-5565 mobile

gwgoodwin1@ncdot.gov

3101 Mail Service Center

Raleigh, North Carolina 27697-3101

From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Wednesday, August 30, 2023 1:55 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Patrick Crotteau <pacrotte@cbnco.com>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

It has been sent via DocuSign.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter <<https://twitter.com/NCDIT>>Facebook

<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube

<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr

<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Wednesday, August 30, 2023 1:27 PM

To: Murphy, Christie L <clmurphy1@ncdot.gov>

Cc: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Patrick Crotteau <pacrotte@cbnco.com>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Christie,

Can you put the acceptance certificate in DocuSign for the Commissioner to sign, then send to CBN.

Once completed provide us a copy of the signed document.

Thanks in advance.

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

Raleigh, NC 27697-3101

From: Patrick Crotteau <pacrotte@cbnco.com>

Sent: Wednesday, August 30, 2023 10:09 AM

To: Manley, Portia <pmanley@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>

Cc: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>

Subject: [External] RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

CAUTION: External email. Do not click links or open attachments unless verified. Report suspicious emails with the Report Message button located on your Outlook menu bar on the Home tab.

Good morning, Portia, Rena, Christie,

Thank you for making the CBN team aware of the incoming inclement weather this week.

We truly appreciate your concern for everyone's safety and look forward to resuming activities shortly.

Please note, an updated v2 of the acceptance certificate has been shared over the SFT for your review.

Once approved, CBN will provide you with a final signed copy for signature.

Stay safe over the next few days and please don't hesitate to reach out if you need anything!

Thank you,

Patrick

From: Patrick Crotteau
Sent: Tuesday, August 29, 2023 2:17 PM
To: 'Murphy, Christie L' <clmurphy1@ncdot.gov>; 'Henry, Rena E' <rehenry@ncdot.gov>
Cc: 'Manley, Portia' <pmanley@ncdot.gov>
Subject: RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Hi Christie,

Thank you for the phone call and clarification

We will ensure the proper Contract No. RFQ 54-1206351-CM/BAFO1 is added to the document.

Have a great day,

Patrick

From: Patrick Crotteau
Sent: Tuesday, August 29, 2023 1:47 PM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>
Subject: RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Hi Christie,

The purpose of the file is to support our documentation & invoicing process.

Since we cannot affix actual approved design proofs due to their confidentiality, we would like to have this signed off in addition, to be able to demonstrate completion of the first milestone.

I have some questions related to amending the contract. Can you please give me a quick call when your schedule permits?

Thank you,

Patrick

From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Tuesday, August 29, 2023 1:33 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Patrick Crotteau <pacrotte@cbnco.com>
Cc: Manley, Portia <pmanley@ncdot.gov>
Subject: RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

CAUTION: This email originated from outside your organization. Exercise caution when opening attachments or on clicking links from unknown senders.

Good Morning, Rena and Patrick,

Patrick, is this a requirement from CBN to acknowledge DMV approves the Design Proofs? It appears that this document is required by CBN to acknowledge NCDOT/DMV approves the Design Proofs. If that's the case, since it's required by CBN, I don't think this needs to be on DMV letterhead, but I will ask that CBN update Contract No. 12063519 to Contract No. RFQ 54-1206351-CM/BAFO1.

Thank you,

Christie L. Murphy

Director

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

Website <<https://it.nc.gov/>>Twitter <<https://twitter.com/NCDIT>>Facebook
<<https://www.facebook.com/NCDIT/>>LinkedIn <<https://www.linkedin.com/company/ncdit/>>YouTube
<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums/>>

Email correspondence to and from this address is subject to the North Carolina Public Records Law and may be disclosed to third parties.

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, August 29, 2023 11:33 AM
To: pacrotte@cbnco.com
Cc: Murphy, Christie L <clmurphy1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>
Subject: RE: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Good morning Patrick,

I am sending this to Christie to see if this needs to be on NC letterhead.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

Century Center Building B

1020 Birch Ridge Drive

1521 Mail Service Center

Raleigh, NC 27610

From: pacrotte@cbnco.com <pacrotte@cbnco.com>

Sent: Tuesday, August 29, 2023 10:25 AM

To: Henry, Rena E <rehenry@ncdot.gov>

Subject: DOT File Transfer System: DRAFT Acceptance Certificate - Milestone #1

Rena,

This is an automated message to notify you that Patrick Crotteau has sent you (rehenry@ncdot.gov) a message using the DOT File Transfer System.

Please follow this link to retrieve the message:

<https://fts.dot.state.nc.us/default.aspx>

If you have any questions, please send email to Patrick Crotteau: pacrotte@cbnco.com

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Attachment

1. Complete_with_DocuSign_NC-CBNSTI-Acceptance_.pdf

Type: application/pdf
Size: 484 KB (496,147 bytes)

Attachment #1

Complete_with_DocuSign_NC-CBNSTI-Acceptance_.pdf

Original view

1 page



ACCEPTANCE CERTIFICATE – MILESTONE #1

BETWEEN:

THE STATE OF NORTH CAROLINA as represented by the
DEPARTMENT OF TRANSPORTATION (the “NCDOT”)

AND:

CBN SECURE TECHNOLOGIES INC. (the “Vendor”)

In accordance with the requirements set out in Contract No. RFQ 54-1206351-CM/BAFO1 entitled “Driver License Credential Issuance Replacement”, dated August 16, 2023, NCDOT acknowledges having received the “Design Proofs” on August 30, 2023 which is the requirement for the Vendor’s to satisfy Milestone #1 submission of Design Proofs.

Signed this 30th day of August, 2023 in the City of Raleigh, North Carolina

North Carolina Department of Transportation

DocuSigned by:
Wayne Goodwin
6647937AE64D453...
Name: **Wayne Goodwin**
Title **DMV Commissioner**

CBN Secure Technologies Inc.

DocuSigned by:
Patrick Crotteau
B2A924FA88B5497...
Name: **Patrick Crotteau**
Title: **Director, Business Development**



EXHIBIT 18

RE: Cost of DL

From: Hopkins, Joey R <jhopkins@ncdot.gov>
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>

Thanks!!

Joey Hopkins, P.E.

Secretary

NCDOT

919 707-2800

jhopkins@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Sent: Thursday, October 5, 2023 8:54 AM
To: Manley, Portia <pmanley@ncdot.gov>; Hopkins, Joey R <jhopkins@ncdot.gov>
Subject: Re: Cost of DL

Thank you for the update, Chief Manley.

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

3101 Mail Service Center

Raleigh, North Carolina 27697-3101

Get Outlook for iOS <<https://aka.ms/o0ukef>>

From: Manley, Portia <pmanley@ncdot.gov>

Sent: Thursday, October 5, 2023 8:52:22 AM
To: Hopkins, Joey R <jhopkins@ncdot.gov>
Cc: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Subject: FW: Cost of DL

Secretary Hopkins,

The cost of the card:

Idemia Cost per card:

July to date \$2.28

Prior to July 2023 - \$2.54

CBN - \$2.55 per card. Which included a larger package items for the card.

Need to review the current contract to see why the cost decreased.

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

Raleigh, NC 27697-3101

From: Roach, Lee <lrroach1@ncdot.gov>
Sent: Wednesday, October 4, 2023 4:10 PM
To: Manley, Portia <pmanley@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Henry, Rena E <rehenry@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>
Subject: RE: Cost of DL

Chief Deputy Commissioner,

Idemia Cost per card:

July to date \$2.28

Prior to July 2023 - \$2.54

CBN - \$2.55 per card. Which included a larger package items for the card.

Thanks,

From: Manley, Portia <pmanley@ncdot.gov>
Sent: Wednesday, October 4, 2023 1:51 PM
To: Roach, Lee <lrroach1@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Henry, Rena E <rehenry@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>
Subject: Cost of DL

Team,

Hope all is well.

Could you provide me the cost of our DL per card with Idemia and our future DL with CBN.

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

Raleigh, NC 27697-3101

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EXHIBIT 19

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Monday, October 17, 2022 2:38 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Cc: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Rice, Tracy <tlrice1@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Hi Lorie,

Thank you so much. I will follow up with new dates once we have discussed all information below. Some of our team members are out of the office this week.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

Century Center Building B
1020 Birch Ridge Drive

1521 Mail Service Center
Raleigh, NC 27610

[Website](#) [Twitter](#) [Facebook](#) [LinkedIn](#) [YouTube](#) [Flickr](#)



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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Monday, October 17, 2022 2:19 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Cc: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Hello Rena, I think there is a benefit of seeing our card production factory to discuss all the questions you have had recently on the manufacturing process. I did not know when we planned that trip that you also wanted to see the front office equipment at the same time so that was the portion I was trying to work in. I'm sorry if I confused the two. It is fine if you want to reschedule the Factory tour but I don't think the location changes, we would still leverage to do both for you at the same place which is at the Sacramento Factory.

If you would like to get on a call to discuss further, let me know. Also, please let me know if there are other dates you would like to consider for the Factory visit?

Best,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Monday, October 17, 2022 1:54 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Cc: Goodwin, Wayne <gwwoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Rice, Tracy <trrice1@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility
Importance: High

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Hi Lorie,

Since this was not our original understanding based on prior communications, we postpone our visit. We will discuss internally about possibly visiting one of your true demonstration sites. I will provide possible dates after our internal discussion. Thanks so much.

Regards,
Rena E. Henry, CPM, PMP
Deputy Chief Information Officer, Division of Motor Vehicles
NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

Century Center Building B
1020 Birch Ridge Drive

1521 Mail Service Center
Raleigh, NC 27610

[Website](#) [Twitter](#) [Facebook](#) [LinkedIn](#) [YouTube](#) [Flickr](#)



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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Monday, October 17, 2022 1:47 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Cc: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

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Hello Rena – we are fully equipped to demonstrate the card production end to end within the Factory environment today. The component that we were looking to leverage a larger space for was related to the front office and back office demo similar to what we did in August during our on-site in NC. Our Factory does not currently house that type of demo room as it is a production facility. We currently have two demo environments, one in our Reston Office and one in our Anaheim office but otherwise we generally bring the demo to the customer’s site.

I was exploring options to leverage a larger space for that part of the demo but during a call with the Factory Manager on Friday they identified another space within the factory where they could adjust some cubicles to support the demo. So at this point we are fully equipped to do the end to end in one location.

We are well underway with the planning and hope that we can keep this scheduled as planned as the team is looking forward to hosting you.

Best,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com

M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190



From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Monday, October 17, 2022 1:17 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Cc: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Rice, Tracy <trrice1@ncdot.gov>; rehenry@ncdot.gov
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility
Importance: High

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Lorie,

As we initially discussed, the request was for Idemia to demonstrate the solution in the Idemia environment. We understand your space limitations at this time. However, since you are unable to provide this demonstration in your environment, NC will reschedule the on-site visit for a later date. This will allow you to ensure that all factory renovations are done prior to our visit.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

Century Center Building B
1020 Birch Ridge Drive

1521 Mail Service Center
Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Friday, October 7, 2022 12:53 PM
To: Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

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Rena, thank you for the updates below. To accommodate the full end to end demo you requested, we are looking to potentially leverage a hotel conference room to allow for plenty of space. As we discussed, our Factory is not currently equipped with a demo room and space is pretty tight. We are looking to potentially split the day into an on-site Factory meeting and tour and then full end to end demo in a hotel conference room.

Did your team pick a hotel yet?

Thanks,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, October 7, 2022 12:33 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Good afternoon,

Please see [responses](#) below. Please let me know if any additional information is needed.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

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1020 Birch Ridge Drive

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Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>

Sent: Friday, October 7, 2022 11:09 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>

Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

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Hello NC Team – I wanted to touch base and see if we are confirmed for the 11/2 Factory visit on your side? We are looking to finalize our travel plans and want to make sure they align with you. In the questions I had sent earlier (copied below) one of the most urgent ones to answer is related to the CA DMV visit. Do you want us to coordinate this, as we would want to go ahead and reach out if so? I would be happy to schedule a call to discuss this planning further, please let me know what would work best on your side.

Questions for NC:

1. Can you please provide the names of all expected attendees by mid-October, we have to get Security clearance? Reminder all visitors have to be U.S. Citizens.

Charlotte Boyd-Malette
Portia Manley
Rena E. Henry
George Wayne Goodwin

2. Would you prefer to get your own transportation or for us to pick you up and transport you? **Yes, we will handle our transportation**
3. We discussed a potential visit with the CA DMV while you are in town. Please let me know if you would like us to assist with scheduling that or if you prefer to work directly with CA DMV? **Thank you, but we will arrange our visits with CA DMV**

Thanks,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com

M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800



From: Davis, Lorie

Sent: Wednesday, September 21, 2022 9:51 AM

To: Henry, Rena E <rehenry@ncdot.gov>; pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>; Hash, Michael <Michael.Hash@us.idemia.com>

Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

Hello NC Team – It was great to see you all in MD last week at AIC. Portia, congrats on your appointment to the International Board!

As we discussed at the Quick Connect, we are able to confirm a Factory Tour and End to End DL Demo for **Wednesday 11/2**. I have a draft agenda below for your consideration. I have also included some logistics information. Please let me know if you want me to work through any logistics in detail with a particular person from your side. Also, I've included a list of questions at the end to assist with further planning.

Please review the information below and let me know if you have any feedback or questions. We are looking forward to hosting you in Sacramento!

Logistics:

- Hotel Recommendations:

 **TownePlace Suites by Marriott Sacramento Airport Natomas**

4090 E Commerce Way, Sacramento, CA 95834

Homewood Suites By Hilton Sacramento Airport - Natomas

3001 Advantage Way, Sacramento, CA 95834

Proposed Agenda:

DRAFT Agenda November 2, 9:00 am – 5:00 pm

- 9:00 – 9:30 Breakfast & Introductions (Breakfast on-site)
- 9:30 – 10:00 Factory Overview
- 10:30 – 12:00 Factory Tour (view different machinery and watch NC job process at each, including QA process). **Construction in progress but all machines will be accessible
- 12:00 – 1:00 Lunch
- 1:00 – 2:00 Demo 1 – Front Office/Back Office - Watch a customer process from front office, back-office to card production file. Watch a person being reviewed in back-office for fraud.
- 2:00 – 3:00 Demo 2 – Mobile ID – Evaluate a new customer being given the option to download mobile ID and use that mobile ID for age verification, online access and with an in person reader.
- 3:00 – 3:15 Break
- 3:15 – 4:15 Demo 3 – Card Options, Card Features – see card options for CI color, evaluate new security features.
- 4:15 – 5:00 Wrap Up, Discussion Topics
- 5:30 – 7:00 Dinner (IDEMIA to coordinate)

Questions for NC:

1. Can you please provide the names of all expected attendees by mid-October, we have to get Security clearance? Reminder all visitors have to be U.S. Citizens.
2. Would you prefer to get your own transportation or for us to pick you up and transport you?
3. We discussed a potential visit with the CA DMV while you are in town. Please let me know if you would like us to assist with scheduling that or if you prefer to work directly with CA DMV?

Best,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, September 6, 2022 12:57 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>
Cc: pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Thanks so much.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

Century Center Building B
1020 Birch Ridge Drive

1521 Mail Service Center
Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Tuesday, September 6, 2022 12:56 PM
To: Henry, Rena E <rehenry@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

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Hello Rena, thanks for the update. I have a meeting on the calendar with the Factory team tomorrow afternoon. I will check on your proposed dates and find out any additional information that will support your planning and be back in touch.

Best,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, September 6, 2022 12:03 PM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Cc: pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Good morning Lorie,

We met this morning to discuss an on-site visit. Based on everyone's availability, the team would like to schedule a visit for November 1 – 4th. Please let us know if IDEMIA can accommodate this schedule. We would plan to arrive on the 1st and leave on the 4th.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

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Raleigh, NC 27610

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From: Henry, Rena E

Sent: Thursday, September 1, 2022 8:01 AM

To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>

Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

Good morning Lorie,

We will discuss internally and provide our decision.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

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1020 Birch Ridge Drive

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Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Wednesday, August 31, 2022 6:25 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

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H Rena, I think Munira answered the question about the upgrades being related to a vault upgrade but I wanted to let you know that you are more than welcome to visit now. The dates that the Factory provided took into consideration ending one project and before the start of another. Please let me know if you would like to move forward and plan the tour?

Thanks,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Saturday, August 27, 2022 8:43 AM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Cc: pmanley@ncdot.gov; cboyd-malette@ncdot.gov; Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Lorie,

We do not feel that we need to visit during construction upgrades. Question, what are the factory construction changes that are occurring and what is the impact to NC?

Regards,
Rena E. Henry, CPM, PMP
Deputy Chief Information Officer, Division of Motor Vehicles
NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

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1020 Birch Ridge Drive

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Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Friday, August 26, 2022 4:50 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>
Cc: Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Hello Rena, I am still working through the logistics of the Factory visit but I have been informed that the Factory is currently under a bit of construction for upgrades. This is projected to go through the end of year. We are more than happy to still host you but I wanted to give you advance warning of the construction in progress.

The Factory team has proposed a few dates for your consideration. We are having a meeting next week to discuss logistics but I figured maybe we could go ahead and get started with trying to lock a date down.

- 10/18, 10/19 or 10/20
- 11/8, 11/9 or 11/10

One thing for your consideration on attendees is that all guests have to be U.S. citizens.

Have a great weekend,

Lorie

Lorie Davis



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Wednesday, August 24, 2022 9:57 AM
To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>
Cc: pmanley@ncdot.gov
Subject: RE: [External] RE: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Thank you Lorie

Regards,
Rena E. Henry, CPM, PMP
Deputy Chief Information Officer, Division of Motor Vehicles
NCDIT Transportation

919 707 7300 (office)
919 618 6887 (mobile)
rehenry@ncdot.gov

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1020 Birch Ridge Drive

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Raleigh, NC 27610

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From: Davis, Lorie <Lorie.Davis@us.idemia.com>
Sent: Wednesday, August 24, 2022 9:10 AM
To: Henry, Rena E <rehenry@ncdot.gov>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>

Cc: Manley, Portia <pmanley@ncdot.gov>

Subject: [External] RE: On-Site Visit to the Idemia Facility

CAUTION: External email. Do not click links or open attachments unless you verify. Send all suspicious email as an attachment to [Report Spam](#).

Good morning Rena! This is great news and we look forward to hosting you. I'll get started on logistics and be back in touch soon.

Best,
Lorie

Lorie Davis

Client Executive, Director | Sales



www.na.idemia.com



M. 615-630-9017
E. Lorie.Davis@us.idemia.com

11951 Freedom Drive, Suite 1800
Reston, VA 20190

From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Wednesday, August 24, 2022 7:54 AM

To: Davis, Lorie <Lorie.Davis@us.idemia.com>; Hilliard, John <John.Hilliard@us.idemia.com>; Bello, Munira <Munira.Bello@us.idemia.com>

Cc: pmanley@ncdot.gov

Subject: On-Site Visit to the Idemia Facility

This message is from an EXTERNAL SENDER - be CAUTIOUS, particularly with links and attachments.

Good morning,

Hope you are doing well. The NC team would like to schedule an on-site visit to the Idemia facility in CA to view the relocated operations. We would like to visit in late October or early November. Please provide some information related to a visit to the facility to help assist with planning.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

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919 618 6887 (mobile)
rehenry@ncdot.gov

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EXHIBIT 20

RE: LEGAL — CBN

From: Murphy, Christie L <clmurphy1@ncdot.gov>
To: Henry, Rena E <rehenry@ncdot.gov>, Marsh, William A <wamarsh@ncdot.gov>, Goodwin, Wayne <gwgoodwin1@ncdot.gov>, Brooks, Christopher W <cbrooks@ncdoj.gov>, Watkins, Brian <bpwatkins@ncdot.gov>, Manley, Portia <pmanley@ncdot.gov>, Evans, Jonathan <jevans@ncdoj.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>, Rice, Tracy L <tlrice1@ncdot.gov>

Good Afternoon,

We are finalizing the SOW and then I hope to have everything over to the team for one final approval and legal approval by end of the week. We should be able to have this completed by mid-June/end of June if we do not find any issues with moving forward as sole source purchase.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

1 S. Wilmington Street

Raleigh, NC 27601

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, May 30, 2023 2:38 PM
To: Marsh, William A <wamarsh@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Evans, Jonathan <jevans@ncdoj.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>
Subject: RE: LEGAL — CBN

Good afternoon Christie,

Please see email below. Can you provide a response please.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Marsh, William A <wamarsh@ncdot.gov>

Sent: Tuesday, May 30, 2023 2:35 PM

To: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>; Henry, Rena E
<rehenry@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Evans,
Jonathan <jevans@ncdoj.gov>

Subject: Re: LEGAL — CBN

+ Jonathan Evans.

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From: Goodwin, Wayne <gwwgoodwin1@ncdot.gov>

Sent: Tuesday, May 30, 2023 2:33 PM

To: Marsh, William A <wamarsh@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>; Henry, Rena E
<rehenry@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>

Subject: LEGAL — CBN

Please update/remind me about the timeline for contract, review of proposed credential, etc etc. I'm meeting with Secretary Boyette at 4pm today and hoped to provide a verbal timeline update.

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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EXHIBIT 21

RE: Driver License Credential Issuance Replacement - Recommendation - CBN

From: Henry, Rena E <rehenry@ncdot.gov>
To: Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>, McCleary, Cynthia N <cnmccleary@ncdot.gov>, Roach, Lee <lrroach1@ncdot.gov>

Good morning Christie,

Attached is the last report that I sent out regarding the DMV 5. Please know that this may change.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Friday, January 6, 2023 6:04 PM
To: Henry, Rena E <rehenry@ncdot.gov>
Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>
Subject: FW: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Afternoon Rena,

Will you please update me on which Projects the Commissioner is referring to? I just want to make sure I know where

these procurements are that he is referring to during the meeting that will be scheduled.

- “the living 5” IT projects, including (1) the time sensitive credential vendor change”

Also, we will plan to follow all procurement rules, have ISO review, a contract in place where T/Cs are negotiated, etc. We will follow all procurement rules, with the exception of using this as one the 5 where we do not have to go out to bid or have DIT statewide approval. We can discuss next week.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

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919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 5:18 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmcclary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>; Perry, Wendy M <wmperry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Colleagues: To cross our Ts and dot our i-s, let's plan a time early next week to discuss the procurement procedures question so we are all on the same page — and especially since we have “the living 5” IT projects, including (1) the time sensitive credential vendor change and (2) the especially time-sensitive beta-testing of kiosks to better carry out our existing functions and address concerns about lines and wait times, preferably before DLO peak time resumes this year.

Wendy: please coordinate a Teams call for all on this email who need to be in that discussion. Thank you.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 5:08:47 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good afternoon Commissioner,

These projects are being done under the legislation allowing DMV to select 5 projects -

H650v6.pdf (ncleg.gov) <<https://www.ncleg.gov/Sessions/2021/Bills/House/PDF/H650v6.pdf>>. We are trying to ensure that procurement rules are being followed. We can meet to discuss if needed.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

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rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 3:42 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Thank you, Rena. In an unrelated call yesterday, Chris Brooks and Drew Marsh asked about what our procurement procedure obligations are for this type of project. All: Please advise.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 2:08:02 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; Brooks, Christopher W <cbrooks@ncdoj.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Commissioner,

Yes, it the final version needs to be on DMV Letterhead.

@Winn, Frank S <<mailto:fswinn@ncdot.gov>> does IT also need to sign the letter?

++Chris for awareness. I forward the documents to him also.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

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rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, January 6, 2023 2:03 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation - CBN

Thank you, Rena. Subject to a differing view from our DMV Legal Counsel, I have reviewed and am ok with the draft letter. I presume the final version will need to be on our letterhead and can be signed by both Chief Manley and me. Drew, what else do we need to add, if anything, to the letter and additionally do at this juncture of the process?

At what point in the process do we notify the other prospective vendors that a selection has been made? (I presume a little bit further down the road after CBN and DMV have taken additional steps.)

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

919-615-7020 office

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gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, January 6, 2023 1:56:57 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Marsh, William A <wamarsh@ncdot.gov>; Shelton, Marvin <mshelton@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Subject: FW: Driver License Credential Issuance Replacement - Recommendation - CBN

Good afternoon Portia,

The IT team has moved forward with initiating the internal procurement process for moving forward with CBN as our

selected Driver License Credential Issuance Replacement vendor. Since this is one of the DMV Five projects. we suggest that the next step would be for DMV to draft a letter stating that we would like to begin the engagement. Christie prepared a draft document for this notification. Please see her email below with additional details.

@Manley, Portia <mailto:pmanley@ncdot.gov> This is what we discussed this morning. Please let us know if you have any questions or need additional assistance.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, January 6, 2023 9:42 AM

To: Henry, Rena E <rehenry@ncdot.gov>

Cc: Rice, Tracy L <tlrice1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

Per our conversation this morning, attached is a draft notification letter you can share with DMV. Please request DMV to send a notification to CNB that they are our chosen vendor. I went ahead and included the forms that we will need the vendor to complete for the procurement piece as well.

DMV can adjust the letter as they see fit to document any additional details and or contact information that would be

helpful for CBN. If you or DMV has any questions, please don't hesitate to reach out.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

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clmurphy1@ncdot.gov

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Raleigh, NC 27601

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<<https://www.youtube.com/channel/UC7IReBUC0aJWV5sUPOOsdjA>>Flickr
<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 7:59 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Christie,

Will do. Thanks so much.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

919 707 7300 (office)

919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, January 6, 2023 7:58 AM

To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L
<tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Yes, that would be great.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

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clmurphy1@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, January 6, 2023 7:48 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning Christie,

Should we have DMV to send a formal letter to CBN stating that they are our selected vendor and we can move forward with gather the requirements to prepare the required Quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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919 618 6887 (mobile)

rehenry@ncdot.gov

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From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Thursday, January 5, 2023 12:40 PM
To: Henry, Rena E <rehenry@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning Rena,

I talked with Lee earlier regarding this request. He will be assigning requisition 12063519 to me to assist you through this procurement. Since this is one of the approved DMV 5 projects, then you should be good with moving forward with reaching out to CBN to gather requirements and requesting the quote. Please keep me in the loop so I can assist as needed to get this moved through the procurement process.

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

919 707 4848 office

984 302 0129 mobile

clmurphy1@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Thursday, January 5, 2023 8:14 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

How should we forward with this? We would like to begin engaging CBN to gather requirements and get a quote?

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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From: Henry, Rena E

Sent: Friday, December 30, 2022 8:27 AM

To: Murphy, Christie L <clmurphy1@ncdot.gov>; Roach, Lee <rlroach1@ncdot.gov>; Rice, Tracy L
<tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmcleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Thanks so much Christie.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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From: Murphy, Christie L <clmurphy1@ncdot.gov>

Sent: Friday, December 30, 2022 6:11 AM

To: Roach, Lee <lrroach1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>;
Ruffin, Jackie <jruffin@ncdot.gov>

Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N
<cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good Morning,

SHOP request has been submitted for the DMV DL Credential Issuance.

5008813, DMV DL Credential Issuance

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

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clmurphy1@ncdot.gov

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From: Roach, Lee <lrroach1@ncdot.gov>
Sent: Thursday, December 29, 2022 9:18 AM
To: Murphy, Christie L <clmurphy1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

\$1

From: Murphy, Christie L <clmurphy1@ncdot.gov>
Sent: Thursday, December 29, 2022 7:41 AM
To: Henry, Rena E <rehenry@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Hi Rena,

My apologies, I was out last week, and I missed your email when checking in last week. The draft CSR only has an estimated \$1.00. Is that correct? Is that because we do not know the cost yet? Do we want to include a budget amount at this time or leave as \$1.00?

Thank you,

Christie L. Murphy

Business Relations Manager, Business Systems

Business Relations Management and Customer Service

NCDIT Transportation

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clmurphy1@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Tuesday, December 20, 2022 7:56 AM
To: Roach, Lee <lrroach1@ncdot.gov>; NCDOT Service Account - IT Business Office <itbusinessoffice@ncdot.gov>
Cc: Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie <jruffin@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>; Murphy, Christie L <clmurphy1@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation - CBN

Good morning,

Attached is the CSR and the draft SOW for the DL Credential Issuance Replacement

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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rehenry@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Monday, December 19, 2022 12:58 PM
To: Murphy, Christie L <clmurphy1@ncdot.gov>
Cc: Roach, Lee <rlroach1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Rice, Tracy L <ttrice1@ncdot.gov>;
Watkins, Brian <bpwatkins@ncdot.gov>; McCleary, Cynthia N <cnmccleary@ncdot.gov>; Ruffin, Jackie
<jruffin@ncdot.gov>
Subject: Fwd: Driver License Credential Issuance Replacement - Recommendation

Hi Christie,

We have received approval to move forward with CBN as our vendor of choice for the DL Credential Issuance Replacement. Lee asked that I complete a CSR and attach the draft SOW so that we can complete the paperwork to request a Quote from CBN. Will you be able to assist with this effort please. We need to complete a CSR to get this moving.

I have spoken to both Lee and Brian before reaching out to you for assistance. I really appreciate any help. This is one of the DMV 5 projects and will not be a PMO project.

Please let me know if you have any questions.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Henry, Rena E <rehenry@ncdot.gov>
Sent: Friday, December 16, 2022 9:21:07 PM
To: Manley, Portia <pmanley@ncdot.gov>; Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M
<pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Subject: Re: Driver License Credential Issuance Replacement - Recommendation

That is awesome! Thanks so much.

Sent from my Verizon, Samsung Galaxy smartphone
Get Outlook for Android <<https://aka.ms/AAb9ysg>>

From: Manley, Portia <pmanley@ncdot.gov>
Sent: Friday, December 16, 2022 5:28:28 PM
To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>
Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M
<pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: RE: Driver License Credential Issuance Replacement - Recommendation

That is great news.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

3101 Mail Service Center

Raleigh, NC 27697-3101

From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Friday, December 16, 2022 3:31 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

Importance: High

Team: After my in-person presentation of our Team's recommendation and the supporting documents to Secretary Boyette yesterday, he has agreed with our recommendation and greenlighted us to take the appropriate next-steps. As I briefly shared with Portia this morning, there are a couple of related requests that the Secretary and I discussed that would be helpful. Perhaps we can set an internal Teams call next week?

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

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919-930-5565 mobile

gwgoodwin1@ncdot.gov <mailto:mwconner@ncdot.gov>

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Thursday, December 15, 2022 1:28:09 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great, thanks for the update.

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

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pmanley@ncdot.gov

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From: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Sent: Wednesday, December 14, 2022 6:29 PM

To: Manley, Portia <pmanley@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

Importance: High

Tomorrow. I meet with him at 4pm.

Wayne Goodwin

Commissioner

Division of Motor Vehicles (DMV)

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From: Manley, Portia <pmanley@ncdot.gov>

Sent: Wednesday, December 14, 2022 5:34:56 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>

Cc: Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trice1@ncdot.gov>; Windley, Paula M <pwindley@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Commissioner,

We are all good with you sharing this with the Secretary, when are you planning to discuss?

B/r,

pm

Portia Manley, MBA

Chief Deputy Commissioner

NC Division of Motor Vehicles

NC Department of Transportation

919- 615- 7008 office

919-291-8579 mobile

pmanley@ncdot.gov

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Tuesday, December 13, 2022 7:46 AM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>

Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <tlrice1@ncdot.gov>

Subject: RE: Driver License Credential Issuance Replacement - Recommendation

Great. Thanks everyone.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

NCDIT Transportation

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rehenry@ncdot.gov

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<<https://www.flickr.com/photos/151591789@N04/albums>>

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From: Goodwin, Wayne <gwwoodwin1@ncdot.gov>

Sent: Monday, December 12, 2022 1:32 PM

To: Henry, Rena E <rehenry@ncdot.gov>; Winn, Frank S <fwinn@ncdot.gov>

Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L
<tlrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>

Subject: Re: Driver License Credential Issuance Replacement - Recommendation

The draft - in tandem with the comparative chart - looks good to me. If there are no changes or concerns then I'm ready to speak with Secretary Boyette about it and provide him the supporting information. Please let me know if we are a greenlight by 6pm today, if possible. I will plan to discuss with him thereafter. Thank you.

Wayne Goodwin
Commissioner

Division of Motor Vehicles (DMV)

North Carolina Department of Transportation

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gwwoodwin1@ncdot.gov <<mailto:mwconner@ncdot.gov>>

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From: Henry, Rena E <rehenry@ncdot.gov>

Sent: Friday, December 9, 2022 4:07 PM

To: Goodwin, Wayne <gwgoodwin1@ncdot.gov>; Winn, Frank S <fswinn@ncdot.gov>
Cc: Manley, Portia <pmanley@ncdot.gov>; Boyd-Malette, Charlotte <cboyd-malette@ncdot.gov>; Rice, Tracy L <trrice1@ncdot.gov>; Henry, Rena E <rehenry@ncdot.gov>
Subject: Driver License Credential Issuance Replacement - Recommendation

Good afternoon,

Below is a the recommendation that Portia and I drafted. Please feel free to add or modify as needed.

The DMV business and the IT teams have completed the Market Research for the Driver License Credential Issuance Replacement. We would like to implement this project as one of the DMV Five Projects under the HB650 legislation. Based on the vendor reviews, on-site visits to vendor locations and discussions with other jurisdictions, the team recommends that the Division move forward with Canadian Bank Note(CBN) as the vendor of choice. This vendor demonstrated the ability to provide North Carolina with a solution that will meet our business requirements while also providing excellent customer service, field support and integrity with a focus on quality not quantity. The attached document is a brief comparison of the 3 vendors that were reviewed during the Market Research.

Regards,

Rena E. Henry, CPM, PMP

Deputy Chief Information Officer, Division of Motor Vehicles

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Attachment

1. DMV Five Projects_ (002).pptx

Type: application/vnd.openxmlformats-officedocument.presentationml.presentation
Size: 502 KB (514,419 bytes)

Attachment #1

DMV Five Projects_ (002).pptx

Original view

5 pages (displayed on pages 26 to 30)

DMV Five Projects

Rena Henry
Deputy CIO for DMV

November 2022



Division of Motor Vehicles HB 650 Legislation

The legislature enacted SESSION LAW 2021-134 HOUSE BILL 650 AN ACT TO MAKE MULTIPLE CHANGES TO MOTOR VEHICLE LAWS. This session law provided The Division of Motor Vehicles (DMV) with the authority to manage and procure information technology goods and services, and to enter contracts for up to five information technology projects.

LIMITED EXEMPTION FROM DEPARTMENT OF INFORMATION TECHNOLOGY OVERSIGHT AND REQUIREMENTS FOR DIVISION OF MOTOR VEHICLES INFORMATION TECHNOLOGY MODERNIZATION PROJECTS

SECTION 11.(a) Notwithstanding Part 3 and Part 4 of Article 15 of Chapter 143 of the General Statutes or any other provision of law to the contrary, the Department of Transportation may manage, procure information technology goods and services, and enter into contracts for up to five information technology projects for Division of Motor Vehicles system modernization, and these projects are exempt from Department of Information Technology oversight and requirements. These projects may include modernization of the Division of Motor Vehicles' electronic services and the Division's mail intake, handling, and management systems and practices



“DMV Five”

Mobile Driver License (mDL)

Driver License Credential Issuance Replacement (DLCIR)

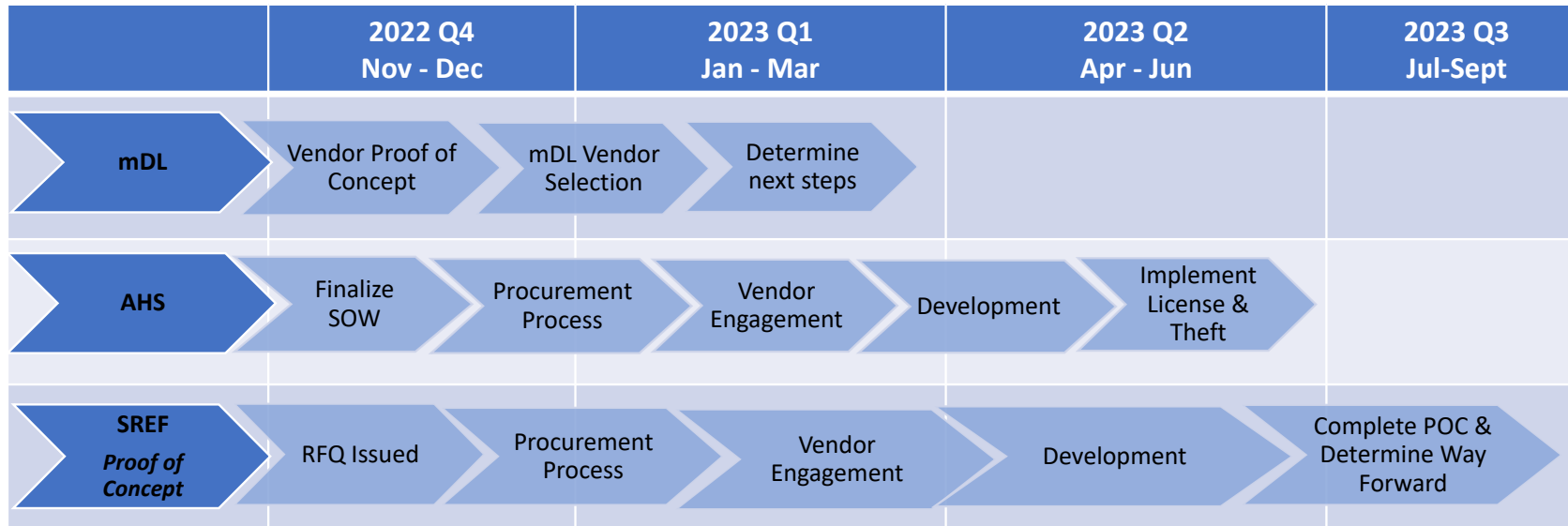
Automated Hearing Solution (AHS)

SADLS Refactoring (SREF)

eCRASH



Projects Scheduled for Implementation in 2023



Projects Scheduled for Implementation in 2024-2025

