



STATE OF NEVADA
DEPARTMENT OF ADMINISTRATION
Purchasing Division

515 East Musser Street, Suite 300 | Carson City, Nevada 89701
Phone: 775-684-0170 | Fax: 775-684-0188

Purchasing Use Only:	
Approval#:	240305@

SOLICITATION WAIVER JUSTIFICATION AND REQUEST FORM

ALL FIELDS ARE REQUIRED - INCOMPLETE REQUESTS WILL BE RETURNED TO THE AGENCY

1a	Agency Contact Information - Note: Approved copy will be sent to only the contact(s) listed below:		
	State Agency Name:	Nevada Department of Motor Vehicles	
	<i>Contact Name and Title</i>	<i>Phone Number</i>	<i>Email Address</i>
	Angelena Sampson	775-684-4504	angelenasampson@dmv.nv.gov
	Angela Smith	775-684-4627	asmith@dmv.nv.gov

1b	Vendor Information:	
	Identify Vendor:	OpSec Security, Inc.
	Contact Name:	Greg Kinnear
	Complete Address:	1857 Colonial Village Lane (PO BOX 10155) Lancaster, PA 17601
	Telephone Number:	720-838-3950
	Email Address:	gkinnear@opsecsecurity.com

1c	Type of Waiver Requested - Check the appropriate type:	
	Sole or Single Source:	Sole Source
	Professional Service Exemption:	

1d	Contract Information:			
	Is this a new Contract?	Yes	<input checked="" type="checkbox"/>	No
	Amendment:	#		
	CETS:	#		

1e	Term:			
	One (1) Time Purchase:			
	Contract:	Start Date:	July 1, 2024	End Date:

1f	Funding:	
	State Appropriated:	None
	Federal Funds:	None
	Grant Funds:	None

Rec'd 03/20/24 // auto // Reimbursement

	Other (Explain):	<i>There is no fiscal impact to the State of Nevada. This contract is initiated by the Department of Motor Vehicles, Compliance Enforcement Division, for the benefit and protection of Nevada consumers in the retail sale or lease of motor vehicles and to make available to Nevada auto dealers a secure platform to allow them the ability to issue temporary placards as required by state law. All services and products offered by the vendor, OpSec Security Inc., are pass-through costs that will be paid directly by registered dealers who are validated through the DMV Compliance Enforcement Division's Occupational and Business Licensing process, thus permitting Nevada registered dealers to subscribe to OpSec security products described within the Scope of Work.</i>
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1g	Total Estimated Value of <u>this</u> Service Contract, Amendment or Purchase: \$ 2,376.052.00 (\$1.75 x 339,436 seals x 4 years)
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2	<p>Provide a description of work/services to be performed or commodity/good to be purchased:</p> <p><i>The Nevada Department of Motor Vehicles (NVDMMV) will continue the use of the vendor's SecureETag System, a web-based application utilized by the NVDMMV and Nevada auto dealers to issue and track temporary placards in a secure real-time manner, and with the following items:</i></p> <p><i>It is important to note that the pricing described below are pass-through costs for which Nevada licensed auto dealers will be responsible to pay directly to the vendor.</i></p> <p><i>The price of each security seal is \$ 1.75 per seal until June 30, 2028 for a four year contract. The pricing includes costs of the seal, access to the web-based system application utilized by the Nevada DMV and dealers for tracking, and the maintenance of the system.</i></p> <p><i>Actual shipping charges may be passed onto dealers upon shipment of orders.</i></p> <p><i>OpSec Security, Inc. will continue to produce the security seal in a manner which will allow the security seals to be folded in packs of 25, thus suitable to fit standard UPS/FedEx/USPS shipping envelopes.</i></p> <p><i>OpSec Security, Inc. will maintain the system, report any down time to NVDMMV, provide helpdesk support to the dealers and NVDMMV as needed, and report any breach of data encountered.</i></p>
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3	<p>What are the unique features/qualifications required for this service or good that are not available from any other vendor:</p> <p><i>OpSec Security Inc. is currently the only vendor in the United States offering an integrated ETag security system that requires an authenticated "security seal" to be affixed to a computer-generated temporary placard that serves as a temporary vehicle tag and is required to be issued by Nevada auto dealers upon the sale or lease of a vehicle. The use of the "security seal", a uniquely serialized and tamper-proof product, has made Nevada temporary placards less vulnerable to fraud. A temporary placard without the visible "security seal" affixed is not valid for issuance or use on motor vehicles. SecureETag is the only system in use today that simultaneously provides a secure storage of the information and document utilized by law enforcement and all stakeholders within Nevada and other</i></p>
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	<i>State users. NVDMV's law enforcement team is trained and highly proficient in utilizing this system for identifying and investigating the use of fraudulent temporary plates for the last ten years.</i>
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4	<p>Explain why this service or good cannot be competitively bid and why this purchase is economically only available from a single source:</p> <p><i>This service or good cannot be competitively bid and this purchase is currently only economically available from a single source. The unique combination of the security seal and the associated real-time information tracking access through a secure system is an exclusive product offering by OpSec Security and therefore does not exist in the product offerings of other known competitors. All existing competitors who have a product remotely close to offer are limited to the sale of a software platform and services, logistical tracking, and recommend other sources for the physical security seals. Current logistical technologies in the market are not familiar with offering a product specific to tracking security seals on temporary placards for vehicles, stated they would need to first develop and implement a system through a trial basis, and therefore have no evidence of success in the exact utilization as Nevada DMV has with this OpSec Security Inc. product.</i></p>
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Were alternative services or commodities evaluated? Check One.		Yes:	<input checked="checked" type="checkbox"/>	No:	<input type="checkbox"/>
a. <u>If yes</u> , what were they and why were they unacceptable? Please be specific about features, characteristics, requirements, capabilities and compatibility.					
<p><i>The Compliance Enforcement Division performed due diligence in reaching out to nine known competitors of OpSec Security for information to utilize in the evaluation process that led to the conclusion described above. The following vendors were contacted and yielded the following results:</i></p> <p><i>NetScout – no such product; offers network security and monitoring only; transportation tracking portfolio is limited to airline ticketing, mobile apps, rewards programs, train and rail, cruise ship and resort systems.</i></p> <p><i>Laetus – based in the United Kingdom and will not provide information unless a set budget is provided</i></p> <p>5 <i>CSC – attempted contact four separate occasions with long customer service hold times</i></p> <p><i>Progress Flowmon or Flowmon Network – no such product; provides an array of software applications that may be designed for tracking; offers no combination of physical security seals with a tracking system</i></p> <p><i>SixMap – no such product; only offers enterprise network security/protection and monitoring</i></p> <p><i>Sergeant Laboratories – no such product; only offers enterprise network security/protection and monitoring; current flagship products developed are focused in K-12 security diagnostics and monitoring platform</i></p> <p><i>TripWireless Inc. – no such product; current services are limited to telecommunication network infrastructure and asset protection and recovery</i></p> <p><i>Veridia Solutions – no such product; only offers enterprise staffing and technology solution services</i></p>					

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Corsearch – no such product; copyright and trademark or brand protection services are limited to commercial products.	
b. <u>If not</u> , why were alternatives not evaluated?	

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Has the agency purchased this service or commodity in the past? Check One. Note: If your previous purchase(s) was made via solicitation waiver(s), a copy or copies of <u>ALL</u> previous waivers <u>MUST</u> accompany this request.				Yes:	<input checked="" type="checkbox"/>	No:	<input type="checkbox"/>
a. If yes, starting with the most recent contract and working backward, for the entire relationship with this vendor, or any other vendor for this service or commodity, please provide the following information:							
Term Start and End Dates		Value	Short Description	Type of Procurement (RFP#, RFQ#, Waiver #)			
06/12/2014	06/30/2024	\$3,053,758.00	Temporary Tag Issuance System	RFP#3053			
6		\$		*please note that this amount has been modified to \$0.00 cost to the State when it was determined as a pass-through cost			
		\$					
		\$					
		\$					

What are the potential consequences to the State if the waiver request is denied and the service or good is competitively bid?	
7	<p>If the waiver request is denied, an application for a contract extension will be pursued due the existing contract expiring on June 30, 2024. If the service or good is competitively bid, the process will take between twelve to fourteen months to execute the contract, with no current known competition for the desired product, and the Nevada dealer industry will be negatively impacted by an additional six to twelve months to implement a completely new system, to train all 1,300+ registered dealers and their end users of such system, to integrate a new system to communicate with Nevada DMV's system in the middle of our own system transformation effort, train DMV end users including Compliance Enforcement officers for fraudulent plate tracking, and adapt to all transition processes involved, all while real time retail sale or lease transactions are ongoing. Nevada DMV is currently not sufficiently staffed for an additional undertaking. Since the vendor is the only one in the country providing real-time tracking of issuance of sealed temporary placards, using any other system will regress the fraud investigation process for temporary tags.</p>

8	What efforts were made or conducted to substantiate there is no competition for the service or good and to ensure the price for this purchase is fair and reasonable?
	<i>Nevada DMV Compliance Enforcement Division has verified that there are no other vendors currently offering an integrated tracking system with their security seals at no additional charge. The implications of a changeover to a completely new system and product during this period alone, as described above, was evaluated to provide a high risk of negative impact to the State and its consumers.</i>

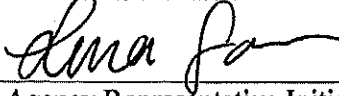
9	Will this purchase obligate the State to this vendor for future purchases? <u>Before selecting your answer, please review information included on Page 2, Section 9 of the instructions.</u>	Yes:		No:	✓
	a. If yes, please provide details regarding future obligations or needs.				

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#240305(2)

By signing below, I know and understand the contents of this Solicitation Waiver Request and Justification and attest that all statements are true and correct.



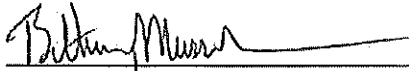
Agency Representative Initiating Request

Angelena Sampson

Print Name of Agency Representative Initiating Request

3/18/2024

Date



Signature of Agency Head Authorizing Request

Bethany Mosselman

Print Name of Agency Head Authorizing Request

3/20/2024

Date

PLEASE NOTE: In an effort to avoid possible conflict with any equipment, system or process already installed or in place by the State of Nevada or to assist in our due diligence, State Purchasing may solicit a review of your request from another agency or entity. The signature below indicates another agency or entity has reviewed the information you provided. This signature does not exempt your agency from any other processes that may be required.

Name of agency or entity who provided information or review:

Representative Providing Review

Print Name of Representative Providing Review

Date

Please consider this memo as my approval of your request. This exemption is granted pursuant to NAC 333.150 or NRS 333.400. This exemption may be rescinded in the event reliable information becomes available upon which the Purchasing Administrator determines that the service or good sought may in fact be contracted for in a more effective manner. Pursuant to NRS 333.700(7), contracts for services do not become effective without the prior approval of the State Board of Examiners (BOE).

If you have any questions or concerns, please contact the Purchasing Division at 775-684-0170.

Approved by:



Administrator, Purchasing Division or Designee

3/28/24

Date