

# Cost of emissions test could drop to \$39 with new deal

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JOHNSTON – The cost of each auto emissions test in Rhode Island could drop from \$47 to \$39 after the end of the year, thanks to the state putting the management contract for the testing work out to bid and receiving dramatically lower bids.

The new contract lowers the portion of the fee for each auto test that goes to the contractor from \$13 to just \$4. It raises the portion going to the service station by \$1 to \$19 for each test, and it leaves the state's portion at \$16. The result is an \$8 lower fee for motorists, if approved by the General Assembly.

Over the five-year life of the new contract, state officials say motorists would save \$15.75 million through the lower fees.

Governor Carcieri announced the new contract yesterday afternoon outside of Tire Pros on Hartford Avenue in Johnston.

The governor's staff observed earlier this year that the seven-year contract held by Applus of Barcelona, Spain, would expire at the end of this year and state legislation mandated that the contractor collect a fee of \$13 for each test. Carcieri's staff initiated legislation with language indicating that \$13 would be the maximum fee, but less would be allowable.

Eliminating the mandatory fee opened the way for putting the contract out to bid.

Not mentioned at the news conference was that Applus and its predecessors, Apgar and Keating Technologies, had to spend millions of dollars on the diagnostic equipment used at each service station. The service station operators have been paying Applus back and will own the equipment at the end of the year, so the costs for any company managing the system would be cheaper.

In fact, according to Brian P. Stern, executive director of the state Department of Administration and head of the governor's Fiscal Fitness program, Applus' initial bid for the new contract was \$10 per motorist. Another company named Parsons bid between \$8 and \$9 per motorist. But SysTech Technologies of Utah bid \$5.50 per motorist.

In subsequent negotiations, all three companies lowered their bids. But Applus and Parsons didn't come close to SysTech's final offer of \$4 per motorist, according to Stern.

Steven Johnson, of Number One Tire in Warwick and an officer of the Automotive Service Association of Rhode Island who chairs a committee that reviews issues involving the inspection program, said his group has met periodically with state officials to offer insights and comments. But they had no idea the program was being put out to bid until after the bids were publicized.

“The program was working well, and we’re wondering, ‘Why disrupt it?’ ” Johnson said.

Johnson also wondered how a new management firm could come in and take over with just two months’ notice.

“There’s a lot of work to do,” Johnson said. “It seems impossible.”

It wasn’t mentioned at the news conference, but a SysTech Web site reports that the company provides the host computer system that is the basis of the Rhode Island safety and emissions program

“We operate very efficiently and maintain a database in-house, using no vendors,” said Geilen. “So we can pass our savings on to the state.”

After the news conference, Jim Melvin of Tire Pros said the new contract was a “no-brainer” because it would lower the cost of inspection services to customers and slightly improve the rewards for inspection stations. Along with the extra revenue, Systech will modernize each site by moving from dial-up to Web-based communications, making inspections speedier and saving dealers the cost of an additional telephone line.

“I’m about to add wi-fi (wireless Internet service) in my waiting room,” Melvin said. “It’s like the testing program: it doesn’t make me money directly, but it keeps my customers from going someplace else.”