AstreaX

Cost Proposal:

West Virginia RFP to Mod_____e the DMV ____er System

_____citation Number
___V2400000002

____ubmitted By
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Vendor Signature

Date
December 13, 2023

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Thank you and please reach out with questions

Summary of Cost-Related Benefits

Attached is the Cost Sheet as requested by the WVDMV. This cover sheet is to provide the WVDMV with cost information that wasn't shared in the Technical Proposal.

No upfront or ongoing licensing fees for the MAX system

The WVDMV can avoid millions of dollars in software licensing costs by choosing MAX over a Commercial-Off-The-Shelf (COTS) vendor. Leveraging MAX over a custom, ground up development proposal (or in-house development effort) will save the WVDMV millions of dollars by reusing, configuring, and customizing and existing code base. By choosing MAX, the costs incurred by the WVDMV are simply the AstreaX implementation team, the Azure hosting costs, and the post-implementation support model the WVDMV chooses to implement.

Any jurisdiction can acquire the code and hold any resulting Intellectual Property in perpetuity at no cost to West Virginia

The MAX system was developed under a jurisdictional sharing model. MAX will lower the total cost of ownership (TCO) of a Drivers System, both upfront and on-going, because of its licensing model and support options. The way the jurisdictional sharing model is constructed, the WVDMV will retain full control of their MAX instances destiny and are not beholden to any external vendors.

Freedom to choose how to support and maintain the MAX system

There are no licensing fees and MAX is built on common Microsoft technologies. This benefits the WVDMV by avoiding being locked in to a vendor for on-going support and maintenance. The WVDMV is free to choose which vendor they want to provide this support or they can elect to build an internal team to support the system. With no restrictions due to licensing and the MAX system being built on common Microsoft technologies, it is expected the WVDMV will have several support options for the long term. Having several support options will empower the WVDMV to "shop around" and find the optimal price and service for the level of support desired.

Ability to leverage additional MAX components to replace ancillary systems

The MAX system contains functionality outside the scope of this RFP that the WVDMV could potentially leverage to eliminate the need for existing vendors and the associated licensing costs for their products. MAX has its own Cash Drawer, Motor Carrier, Drivers' Knowledge Testing, Appointment Scheduling & Queueing, and Customer Portal, to name a few. MAX can also help the WVDMV reduce fees to its customers. One example is the REAL ID Headstart currently offered by the WVDMV at a fee of $3.95 per transaction to the customer. The MAX Customer Portal also has this Headstart functionality already built in, and it can be offered as a free service to customers, if desired.

Leverage contributions from participating jurisdictions

MAX is live in Arizona and is currently being implemented in Wyoming and the Province of Alberta, with more jurisdictions to follow. This MAX community will develop additional system functionality and code enhancements that the WVDMV can use, which saves on future development costs. Further, these jurisdictions will be growing the MAX IT resource pool, which the WVDMV can tap into, resulting in additional IT personnel cost savings. To be clear, there is no ongoing sharing requirement between the participating jurisdictions. Rather, this option is suggested simply as an opportunity for continued collaboration. The "MAX Community" would be excited to include West Virginia among its members.

Pricing Assumptions

The included Cost Sheet is provided with the following assumptions.

- During contract finalization or at contract startup AstreaX will work with the WVDMV to determine the appropriate key deliverables and payment schedule for each milestone listed in Exhibit A – Cost Sheet.
- On Exhibit A – Cost Sheet, the Maintenance and Support section includes Maintenance, Support, and DevSecOps (development, security, and operations) support.
- The included Cost Sheet with Estimated Third-Party Costs describes estimates for Azure cloud hosting, required third-party software & SaaS, and Microsoft Support. The WVDMV will pay the respective vendors directly (not AstreaX) for these required items.
- The West Virginia team responsible for Azure cloud hosting will work together with AstreaX to define and manage the West Virginia Azure instance following standard and customary guidelines for large solution hosting. AstreaX will provide Azure experts and infrastructure support services to assist West Virginia in this regard.
- The Mobile First milestones will remain intact regardless of the WVDMV choice to leverage either the MAX Customer Portal or continue with their current NIC customer portal.
- AstreaX defines an Implementation milestone as the post-Development period of outreach, training, and user acceptance testing leading up to go-live.
- AstreaX defines a Production milestone as the post-Implementation period starting with go-live through system stabilization.

Exhibit A - Cost Sheet

GRAND TOTAL BREAKDOWN:

Vendor must provide the individual cost breakdown for the components listed below.

			Unit Cost	Unit of Measure	Estimated Quantity	Extended Cost
Driver System		4.2.2.1				
	Milestone	Development	$7,500,000.00	Lump Sum	1	$7,500,000.00
	Milestone	Implementation	$1,250,000.00	Lump Sum	1	$1,250,000.00
	Milestone	Data Migration	$3,000,000.00	Lump Sum	1	$3,000,000.00
	Milestone	Production	$250,000.00	Lump Sum	1	$250,000.00
Customer Centric Solution		4.2.2.2				
	Milestone	Development	$3,580,000.00	Lump Sum	1	$3,580,000.00
	Milestone	Implementation	$598,500.00	Lump Sum	1	$598,500.00
	Milestone	Production	$121,500.00	Lump Sum	1	$121,500.00
Mobile First		4.2.2.3				
	Milestone	Development	$655,000.00	Lump Sum	1	$655,000.00
	Milestone	Implementation	$115,000.00	Lump Sum	1	$115,000.00
	Milestone	Production	$30,000.00	Lump Sum	1	$30,000.00
Initiatives		4.2.2.6				
	Milestone	S2S	$100,000.00	Lump Sum	1	$100,000.00
	Milestone	DACH	$100,000.00	Lump Sum	1	$100,000.00
	Milestone	EEE	$100,000.00	Lump Sum	1	$100,000.00
	Milestone	DHR	$100,000.00	Lump Sum	1	$100,000.00
	Milestone	NRCME	$100,000.00	Lump Sum	1	$100,000.00

Maintenance and Support	4.2.2.10 - 4.2.2.12					
	Year One		$0.00	Annual	1	$0.00
	Year Two		$0.00	Annual	1	$0.00
	Year Three		$1,140,000.00	Annual	1	$1,140,000.00
	Year Four		$1,197,000.00	Annual	1	$1,197,000.00
	Year Five		$1,256,850.00	Annual	1	$1,256,850.00
	Year Six		$1,319,693.00	Annual	1	$1,319,693.00
	Year Seven		$1,385,677.00	Annual	1	$1,385,677.00
	Year Eight		$1,454,961.00	Annual	1	$1,454,961.00
	Year Nine		$1,527,709.00	Annual	1	$1,527,709.00
	Year Ten		$1,604,094.00	Annual	1	$1,604,094.00
Hourly Programming	4.2.2.17					
	Year One		$136.00	Hour	100	$13,600.00
	Year Two		$136.00	Hour	100	$13,600.00
	Year Three		$136.00	Hour	100	$13,600.00
	Year Four		$150.00	Hour	100	$15,000.00
	Year Five		$150.00	Hour	100	$15,000.00
	Year Six		$150.00	Hour	100	$15,000.00
	Year Seven		$165.00	Hour	100	$16,500.00
	Year Eight		$165.00	Hour	100	$16,500.00
	Year Nine		$165.00	Hour	100	$16,500.00
	Year Ten		$182.00	Hour	100	$18,200.00
				Total Bid Amount		**$28,639,484.00**

**The estimated purchase volume for each item represents the approximate volume of anticipated purchases only. No future use of the Contract or any individual item is guaranteed or implied.

Cost Sheet with Estimated Third-Party Costs

This version of the Cost Sheet includes costs that would be paid directly to the third-party (not AstreaX)

GRAND TOTAL BREAKDOWN:

Vendor must provide the individual cost breakdown for the components listed below.

			Unit Cost	Unit of Measure	Estimated Quantity	Extended Cost
Driver System		4.2.2.1				
	Milestone	Development	$7,500,000	Lump Sum	1	$7,500,000
	Milestone	Implementation	$1,250,000	Lump Sum	1	$1,250,000
	Milestone	Data Migration	$3,000,000	Lump Sum	1	$3,000,000
	Milestone	Production	$250,000	Lump Sum	1	$250,000
Customer Centric Solution		4.2.2.2				
	Milestone	Development	$3,580,000	Lump Sum	1	$3,580,000
	Milestone	Implementation	$598,500	Lump Sum	1	$598,500
	Milestone	Production	$121,500	Lump Sum	1	$121,500
Mobile First		4.2.2.3				
	Milestone	Development	$655,000	Lump Sum	1	$655,000
	Milestone	Implementation	$115,000	Lump Sum	1	$115,000
	Milestone	Production	$30,000	Lump Sum	1	$30,000
Initiatives		4.2.2.6				
	Milestone	S2S	$100,000	Lump Sum	1	$100,000
	Milestone	DACH	$100,000	Lump Sum	1	$100,000
	Milestone	EEE	$100,000	Lump Sum	1	$100,000
	Milestone	DHR	$100,000	Lump Sum	1	$100,000
	Milestone	NRCME	$100,000	Lump Sum	1	$100,000

Maintenance and Support	4.2.2.10 - 4.2.2.12				
	Year One		$0	Annual	1	$0
	Year Two		$0	Annual	1	$0
	Year Three		$1,140,000	Annual	1	$1,140,000
	Year Four		$1,197,000	Annual	1	$1,197,000
	Year Five		$1,256,850	Annual	1	$1,256,850
	Year Six		$1,319,693	Annual	1	$1,319,693
	Year Seven		$1,385,677	Annual	1	$1,385,677
	Year Eight		$1,454,961	Annual	1	$1,454,961
	Year Nine		$1,527,709	Annual	1	$1,527,709
	Year Ten		$1,604,094	Annual	1	$1,604,094

Third-Party Costs		MAX Licensing Cost	Cloud Hosting	Third Party Software & SaaS	Microsoft Cloud Support	
Annual	Year One	$0	$600,000	$375,000		$975,000
Annual	Year Two	$0	$630,000	$310,000		$940,000
Annual	Year Three	$0	$1,200,000	$325,500	$110,000	$1,635,500
Annual	Year Four	$0	$1,260,000	$341,775	$115,500	$1,717,275
Annual	Year Five	$0	$1,323,000	$358,864	$121,275	$1,803,139
Annual	Year Six	$0	$1,389,150	$376,807	$127,339	$1,893,296
Annual	Year Seven	$0	$1,458,608	$395,647	$133,706	$1,987,960
Annual	Year Eight	$0	$1,531,538	$415,430	$140,391	$2,087,358
Annual	Year Nine	$0	$1,608,115	$436,201	$147,411	$2,191,726
Annual	Year Ten	$0	$1,688,521	$458,011	$154,781	$2,301,313

Hourly Programming	4.2.2.17					
	Year One		$136.00	Hour	100	$13,600
	Year Two		$136.00	Hour	100	$13,600
	Year Three		$136.00	Hour	100	$13,600
	Year Four		$150.00	Hour	100	$15,000
	Year Five		$150.00	Hour	100	$15,000
	Year Six		$150.00	Hour	100	$15,000
	Year Seven		$165.00	Hour	100	$16,500
	Year Eight		$165.00	Hour	100	$16,500
	Year Nine		$165.00	Hour	100	$16,500
	Year Ten		$182.00	Hour	100	$18,200
				Total Bid Amount		**$46,172,052**

**The estimated purchase volume for each item represents the approximate volume of anticipated purchases only. No future use of the Contract or any individual item is guaranteed or implied.