

# STATE OF WEST VIRGINIA

*Department of Transportation, Division of Motor Vehicles*

Driver System Modernization  
CRFP-0802-DMV2400000002

*Cost Proposal*


Submitted by:  
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**BID COVER SHEET – COST PROPOSAL**

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Vendor Name: Fast Enterprises, LLC  
Buyer: David Pauline, Senior Buyer  
Solicitation Number: CRFP-0802-DMV2400000002  
Bid Opening Date: March 1, 2024  
Bid Opening Time: 1:30 p.m. EST  
Vendor Fax Number: (303) 770-3701

James G. Harrison, Partner & Authorized Signatory 02/29/24  
(Printed Name and Title of Authorized Representative) (Date)

  
(Signature of Authorized Representative)

## RESPONSE TO ATTACHMENT A – COST SHEET

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# Attachment A: Cost Sheet

This section of our proposal contains FAST's responses to the requirements found in Exhibit A – Cost Sheet.

- Exhibit A – Cost Sheet
- Cost Summary



# 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
<b>Driver System</b>			4.2.2.1			
	Milestone	Development	\$4,750,000.00	Lump Sum	1	\$4,750,000.00
	Milestone	Implementation	\$0.00	Lump Sum	1	\$0.00
	Milestone	Data Migration	\$6,650,000.00	Lump Sum	1	\$6,650,000.00
	Milestone	Production	\$7,600,000.00	Lump Sum	1	\$7,600,000.00
<b>Customer Centric Solution</b>			4.2.2.2			
	Milestone	Development	\$0.00	Lump Sum	1	\$0.00
	Milestone	Implementation	\$0.00	Lump Sum	1	\$0.00
	Milestone	Production	\$0.00	Lump Sum	1	\$0.00
<b>Mobile First</b>			4.2.2.3			
	Milestone	Development	\$0.00	Lump Sum	1	\$0.00
	Milestone	Implementation	\$0.00	Lump Sum	1	\$0.00
	Milestone	Production	\$0.00	Lump Sum	1	\$0.00
<b>Initiatives</b>			4.2.2.6			
	Milestone	S2S	\$0.00	Lump Sum	1	\$0.00
	Milestone	DACH	\$0.00	Lump Sum	1	\$0.00
	Milestone	EEE	\$0.00	Lump Sum	1	\$0.00
	Milestone	DHR	\$0.00	Lump Sum	1	\$0.00
	Milestone	NRCME	\$0.00	Lump Sum	1	\$0.00
<b>Maintenance and Support</b>			4.2.2.10 - 4.2.2.12			
	Year One		\$3,750,000.00	Annual	1	\$3,750,000.00
	Year Two		\$4,175,000.00	Annual	1	\$4,175,000.00
	Year Three		\$2,183,000.00	Annual	1	\$2,183,000.00
	Year Four		\$1,830,000.00	Annual	1	\$1,830,000.00
	Year Five		\$1,921,000.00	Annual	1	\$1,921,000.00
	Year Six		\$2,016,000.00	Annual	1	\$2,016,000.00
	Year Seven		\$1,849,000.00	Annual	1	\$1,849,000.00
	Year Eight		\$1,942,500.00	Annual	1	\$1,942,500.00
	Year Nine		\$2,039,500.00	Annual	1	\$2,039,500.00
	Year Ten		\$2,141,500.00	Annual	1	\$2,141,500.00
<b>Hourly Programming</b>			4.2.2.17			
	Year One		\$230.00	Hour	100	\$23,000.00
	Year Two		\$239.00	Hour	100	\$23,900.00
	Year Three		\$248.00	Hour	100	\$24,800.00
	Year Four		\$257.00	Hour	100	\$25,700.00
	Year Five		\$267.00	Hour	100	\$26,700.00
	Year Six		\$277.00	Hour	100	\$27,700.00
	Year Seven		\$288.00	Hour	100	\$28,800.00
	Year Eight		\$299.00	Hour	100	\$29,900.00
	Year Nine		\$310.00	Hour	100	\$31,000.00
	Year Ten		\$322.00	Hour	100	\$32,200.00
<b>Total Bid Amount</b>						<b>\$43,121,200.00</b>

\*\*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 SUMMARY

Fast Enterprises (FAST) is pleased to present this proposal to the West Virginia Department of Transportation, Division of Motor Vehicles (WVDMV) in response to CRFP-0802-DMV2400000002, Driver System Modernization Project. We propose to implement our FastCore Driver Services (FastDS) software to meet the WVDMV's functional and technical goals. Our proposal includes software licensing, implementation services, hosting management services, and warranty support services. Our bid price consists of:

### Cost Summary

Cost	Description
\$3,000,000	FastDS Initial License Fee
\$19,000,000	Implementation Services
\$250,000	FastDS Annual Software Maintenance Fees (during implementation)
\$500,000	FAST Managed Services (during implementation)
\$22,750,000	16-Month Implementation Total
\$6,646,500	Warranty Support Services
\$7,661,000	FastDS Annual Software Maintenance Fees (post-implementation)
\$5,790,000	FAST Managed Services (post-implementation)
\$42,847,500	10-Year Proposal Total*

*\*Please note that this Cost Summary does not include the Year 1 to Year 10 Hourly Programming costs found in Exhibit A – Cost Sheet.*

### Cost Information

Our proposal will remain valid for one hundred eighty (180) days from the bid response due date. If requested, FAST is willing to extend the validity of our proposed pricing.

Our cost proposal is based on the RFP's terms and conditions and our exceptions noted in **02.a. Requested Contract Modifications**. We strongly believe it is in the interest of both parties to create a collaborative team environment. As such, we look forward to discussing our proposal, including our requested exceptions to the contractual terms and conditions. We believe our requested exceptions are reasonable and applicable to our standard project approach and COTS software. They also align with terms and conditions found in our contracts with multiple state government agencies.

We are providing 10-year pricing as follows:

- ▶ 16-month implementation period
- ▶ Warranty support until the end of the 10-year proposal period
- ▶ FastDS initial license and annual software maintenance fees
- ▶ Fast Managed Services – infrastructure management

#### FastDS Initial License

The FastDS Initial License fee is a one-time cost for a perpetual site license which covers all FastDS modules and components included in the project scope. There are no restrictions on the number of client workstations, valid users, concurrent users, application servers, database servers, or WVDMV

## COST SUMMARY

office locations. FastDS documentation is covered by the license and the license is valid for all environments (development, testing, training, production, etc.).

The FastDS Initial License fee is invoiceable once FastDS is installed on project hardware. This will be the first task undertaken by the project team. Therefore, we will invoice the FastDS Initial License fee (\$3,000,000), the Year 1 FastDS Annual Software Maintenance fee (\$250,000), and the Year 1 Fast Managed Services fee (\$500,000) upon installation.

### Payment Schedule

Our proposed payment schedule is included in the following table. Our proposed milestones and payments are based on activities in the FAST Implementation Methodology (our standardized approach for implementing our software on every FAST system-modernization project). The schedule also shows the estimated invoice date for each of the proposed payment milestones.

#### Milestone Payment Schedule

Payment Milestone	Estimated Invoice Date	Payment Amount
FastDS Initial License Installation	Project Initiation (PI)	\$3,000,000
Rollout 1		
Foundation Complete	PI + 6 Months	\$4,750,000
Testing Preparation Complete	PI + 10 Months	\$6,650,000
System Acceptance, Production Rollout	PI + 16 Months	\$7,600,000
Warranty Support Services		
Year 2 (8 months)	25% of the annual amount shown is due quarterly in arrears	\$3,150,000
Year 3		\$882,000
Year 4		\$463,000
Year 5		\$486,000
Year 6		\$510,000
Year 7		\$268,000
Year 8		\$281,500
Year 9		\$295,500
Year 10		\$310,500
FastDS Annual Software Maintenance Fees		
Year 1	Project Initiation (PI)	\$250,000
Year 2	PI + 1 Year	\$500,000
Year 3	PI + 2 Years	\$750,000
Year 4	PI + 3 Years	\$788,000
Year 5	PI + 4 Years	\$827,000
Year 6	PI + 5 Years	\$868,000
Year 7	PI + 6 Years	\$911,000
Year 8	PI + 7 Years	\$957,000

## COST SUMMARY

Payment Milestone	Estimated Invoice Date	Payment Amount
Year 9	PI + 8 Years	\$1,005,000
Year 10	PI + 9 Years	\$1,055,000
FAST Managed Services		
Year 1	Project Initiation (PI)	\$500,000
Year 2	PI + 1 Year	\$525,000
Year 3	PI + 2 Years	\$551,000
Year 4	PI + 3 Years	\$579,000
Year 5	PI + 4 Years	\$608,000
Year 6	PI + 5 Years	\$638,000
Year 7	PI + 6 Years	\$670,000
Year 8	PI + 7 Years	\$704,000
Year 9	PI + 8 Years	\$739,000
Year 10	PI + 9 Years	\$776,000
<b>10-Year Proposal Total</b>		<b>\$42,847,500</b>

### Milestone Definitions:

- ▶ During the Foundation phase, the project team will agree on a scope for the Foundation setup. The project team will then perform the agreed configurations, and then the project team will present the system with its Foundation to the agency at large through a series of Foundation Verification Sessions. The *Foundation Complete* milestone is achieved after the Foundation Verification Sessions have been delivered.
- ▶ The *Testing Preparation Complete* milestone is achieved when the project is positioned to begin business testing as outlined in the FAST Implementation Methodology. This includes preparing the Test Plan, building out a testing facility, setting up the test environment software and data, and identifying the following: testers, business test scenarios, approach to executing business testing, modules targeted for performance testing, end-to-end testing approach, and acceptance criteria. Testers will have received training in how to use the new system and in how to conduct business testing. FAST will continue to complete development of the remaining outstanding functionality while business testing begins.
- ▶ The System Acceptance, *Production Rollout* milestone is achieved when the rollout goes live in production.

### FastDS Annual Software Maintenance

Our proposed cost includes FastDS Annual Software Maintenance during the entire proposal period. This includes items such as:

- ▶ Defect repair for FastDS core licensed software
- ▶ Access to hot fixes, service packs, and new versions



**DRIVER SERVICES**



## COST SUMMARY

- ▶ Access to new and revised documentation
- ▶ Phone support

FastDS Annual Software Maintenance covers defects in the core licensed software provided by FAST. Defects in configurations or custom software for site processing are covered by Warranty Support Services and Application Support Services (see below).

### Warranty Support Services

Our proposal includes on-site application support services during the 3-month warranty period at sufficient levels to ensure, at a minimum, that for the system as delivered at the production rollout:

- ▶ Defects with FastDS core code are resolved,
- ▶ Defects with custom site programs are resolved,
- ▶ Defects resulting from configurations are resolved, and
- ▶ The overall system is kept in good running order.

Our proposal also includes on-site application support services to continue the level of support being provided during the warranty period through the end of the 10-year contract period. This will in effect provide a continuing warranty for the entire system as delivered at the production rollout.

Warranty support services do not include making modifications or enhancements to the application, and do not include implementing legislative or other business changes. If needed, WVDMV can separately procure additional FAST application support resources on a time-and-materials basis to implement modifications, enhancements, and legislative changes.

The level of ongoing support services that the agency may require is dependent on:

- ▶ The extent that agency developers learn to support the system during the implementation project and can provide support after go-live.
- ▶ The scope and complexity of requested FastDS customization.
- ▶ The extent of on-going modifications and enhancements arising from user requests and from legislation.
- ▶ The agency's commitment to keep up with service packs and new versions.

### **Additional Support**

Additional on-site FAST support resources can be added on a short-term or long-term basis. Almost all FAST clients retain on-site FAST personnel after the project to provide support for the system. These FTEs work on support activities according to the needs and priorities of the agency. Pricing (i.e., the number of on-site FTEs) can be varied from year to year according to the agency's preferences.

These FTEs can assist an agency with tasks such as:

- ▶ Implementation of legislative/business changes
- ▶ Implementation of system modifications and enhancements
- ▶ Implementation of product hot fixes, service packs, and new versions
- ▶ Prioritization and management of solution requests
- ▶ On-call production support



## COST SUMMARY

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- ▶ Coordination with the FAST Development Center
- ▶ Configuration assistance
- ▶ Application development
- ▶ Non-warranty defect repair
- ▶ Best practices recommendations
- ▶ Supplemental user, developer, or operator training
- ▶ Other consulting and services as requested

We strongly encourage agencies to view FastDS as an investment that can serve the agency well into the future, provided they commit to its regular care and maintenance. Doing so ensures the agency's evolving needs are met using modern technology, and ultimately results in reduced costs and disruption to the agency. Investing in a COTS product will permit the agency to avoid the cycle of obsolescence and replacement that has been so common in the IT industry.

### Hardware and Third-Party Software

The projected costs for hosting the infrastructure at a mutually agreed Cloud Service Provider (CSP) are approximately \$350,000 - \$400,000 per year. Our solution does not require additional software licensing for third-party software outside the Microsoft licensing costs included with CSP hosted servers.

This hardware does not include individual developer, user, and training workstations, monitors, printers, and other such items.

### Managed Hosting Services

Our proposed offering is for FAST to manage the cloud infrastructure provided by WVDMV on the mutually agreed Cloud Service Provider (CSP). Under this offering, FAST will work with WVDMV to provision the server-side environments required to host the application. The managed solution is designed to meet the agency's service level requirements. The architecture has been designed with redundancy to maximize system up-time.

Managed services include infrastructure management, security, and compliance services. FAST hosting personnel are responsible for building, maintaining, and managing the CSP environments for the solution. Our hosting support staff is available 24x7.

### Mobile ID

FAST believes that mobile IDs belong within an agency's system of record where the agency maintains a resident's official identity because the mobile ID is just that – part of the official identity. Our approach enables agencies to focus on what they do best: issuing valid, secure, and reliable identification. The FAST Mobile Credential solution enables multiple third-party providers to request and host mobile IDs. This approach eliminates the need for an agency to build, buy, deploy, and provide customer support for consumer apps. Removing driver and motor vehicle IT organizations from servicing consumer apps allows the agency to focus on its administrative mission and enables consumer apps to handle customer support. Mobile ID is included in our proposal at no additional cost and will happen concurrently with the FastDS implementation.

## COST SUMMARY

### Optional Services

#### FAST SMS Service

The FAST SMS Service is an integrated feature within FastDS which enables SMS text messaging. To provide an additional security layer, FAST recommends using two-factor authentication via SMS when accessing sensitive systems. Additionally, FAST can support different SMS use cases such as appointment scheduling, if needed.

Simple Message Service (SMS) is the mobile phone protocol that almost all phones use to send text messages. Utilizing an SMS Gateway such as the FAST SMS Service eliminates message delivery uncertainty and ensures a high delivery probability. The FAST SMS Service also provides delivery confirmations for messages sent to recipients using carriers that support delivery notifications. If the Agency already has an SMS gateway, then FastDS can leverage it. We offer the FAST SMS Service for those agencies that do not already have access to an SMS gateway.

FAST invoices clients monthly, in arrears, based on usage with a \$500.00 per month minimum charge. FastDS includes detailed reporting tools to monitor usage. Note that international messages can be enabled or disabled at WVDVMV's request. Message rates for this optional service are included in the table below.

Monthly Message Rates Counted as message segments sent or received	
Minimum Charge	\$500.00 / Month
1 - 1,000,000	\$0.007 / Message Segment
1,000,001 - 10,000,000	\$0.006 / Message Segment
10,000,001 +	\$0.005 / Message Segment
Canada	\$0.015 / Message Segment
International	\$0.100 / Message Segment
Carrier Fees, Taxes, and Surcharges	Passed through from cellular carriers

#### Fast Centralized Tech

Fast Centralized Tech (FCT) offers an alternative technical support method for production support projects. The method is successful due to limiting the scope of work for FCT staff to appropriate tech-related tasks. This allows for an emphasis on proactive measures to provide optimal system performance and reduced information system risks.

Some of the key FCT Support features include, but are not limited to:

- ▶ Regularly scheduled Tech QA reviews
- ▶ Weekly or bi-weekly meetings with on-site resources (FAST & client) with meeting minutes
- ▶ Increased attention to conforming with FAST standards and best practices
- ▶ FAST Delivery Workbench manager template for reoccurring tech tasks
- ▶ Assistance for site developers (as required)
- ▶ Performance tuning

## COST SUMMARY

- ▶ Security reviews
- ▶ FCR sync packs and version upgrades
- ▶ Application architecture syncs
- ▶ On-call and after-hours support

Fast Centralized Tech (FCT)	Estimated Invoice Date	Payment Amount
Year 2	Invoiced quarterly in arrears	\$ 400,000
Year 3		\$ 420,000
Year 4		\$ 441,000
Year 5		\$ 463,000
Year 6		\$ 486,000
Year 7		\$ 510,000
Year 8		\$ 536,000
Year 9		\$ 563,000
Year 10		\$ 591,000

### Fast Monitoring Services (FMS)

Once in Production, the Operations Support subsystem is used to manage and support FastCore operations as part of ongoing production support. This includes batch and system processing as well as performance and exception monitoring that is required outside of business hours. The objective of FMS is to provide quality FAST system monitoring services that remove that burden from an agency client. Fast Monitoring Services can include the following types of support and monitoring:

- ▶ Batch job streams
- ▶ Issue resolution
- ▶ Following documented procedures
- ▶ Escalating issues
- ▶ Performance monitoring
- ▶ Reporting
- ▶ Sending completion reports that include failures, escalations, errors, and other key metrics

## COST SUMMARY

Fast Monitoring Services (FMS)	Estimated Invoice Date	Payment Amount
Year 2	Invoiced quarterly in arrears	\$ 125,000
Year 3		\$ 131,000
Year 4		\$ 138,000
Year 5		\$ 145,000
Year 6		\$ 152,000
Year 7		\$ 160,000
Year 8		\$ 168,000
Year 9		\$ 176,000
Year 10		\$ 185,000

### General Cost Information

- Our bid price includes our consulting expenses, moving expenses, meals, etc.
- Our bid price only includes items listed and does not include other items such as
  - additional staff or consultants that WVDMV may need to hire or engage
  - WVDMV operational costs
  - expenses for WVDMV employees and consultants
  - facilities costs such as project and training space
  - hardware not listed such as scanners and mail opening equipment
  - software not listed such as data capture, IVR, etc.
- Should rollout dates need to be extended for causes beyond FAST's control, we anticipate negotiating a change order.
- FAST requests that late payments made by the State be subject to interest as allowed by State laws.
- Our bid price does not include any transaction taxes based on the sale/purchase of goods or services, such as sales tax or gross receipts tax, that may be applicable now or in the future. Any applicable transaction tax will be added to invoices in accordance with State law.

### Summary

We are proud of our ability to provide clients with an up-front implementation cost and then to deliver at that cost. We have accomplished this in every one of our implementations. We do not subscribe to the notion of incremental cost "adjustments" via change requests or any other means. We do not begin projects with a study to confirm our understanding of scope and then present the "real" implementation costs later. If a client wants to come in on budget, then we make that happen. Moreover, we do so while delivering a quality system that exceeds expectations.