

**VI. PRICING PROPOSAL**

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## VI.1 INTRODUCTION

The DMS Program Proposed Solution shall include a series of projects, ongoing maintenance and operations (M&O) support, software, and hardware. The Bidder shall include all one-time and ongoing DMS Program Proposed Solution costs in the Bidder's Cost Proposal. Total Costs are required by both the Judicial Council and Appellate Courts for evaluation and budget purposes. Additional detail of all costs are required for the Judicial Council and the Appellate Courts (shall mean all California Courts of Appeal in each District and District's Division and the Supreme Court of California) to define the total costs. (The Bidder is required to state all other assumptions upon which its pricing is being determined in RFP Appendix D, Cost Workbook..

The projects to be priced only in the Bidder's Cost Proposal include the following:

- A. Project Preparation/Discovery Services
- B. Business Solution Services
- C. Realization/Configuration & Testing
- D. Final Preparation/Training
- E. Go Live Deployment Support/Post Implementation
- F. Scoping Services (Optional)

Bidders are required to provide costs for all Judicial Council or Appellate Court projects. The Appellate Courts' deployment should include all one time and on-going costs. For the set of Optional New Functionality there will be set pricing for project deliverables with the understanding that for each future project there will be a discovery to determine exact pricing for those cost items that are identified as "optional". The Optional New Functionality projects will finalize pricing via the Work Order process. This enables exact understanding of any specialized workflow, integrations or conversions.

Projects shall be firm-fixed price (FFP) with payments based on deliverables as proposed, while the ongoing M&O support payments shall be priced on either (i) a monthly or annual fixed price basis, and/or (ii) a monthly time and materials basis (based on hours invoiced) for the number and type of Bidder M&O staff positions to be specified by the Judicial Council and or Appellate Courts throughout the Agreement period. The Bidder shall provide fixed Hourly Rates to the Judicial Council and or Appellate Courts for work to be performed during DMS Proposed Solution projects separately from work to be performed during the contracted M&O Support period. In addition, these rates shall be available for the Judicial Council and or Appellate Courts to use for unanticipated tasks as necessary.

Please note the following pricing requirements:

- The Judicial Council may reject any proposal that requires payment in advance for services yet to be rendered. All payments for services must be in arrears.
- The Judicial Council expects to pay for any applicable software license(s) at or following productive use (go-live). If there is a multi-stage implementation (e.g., court-by-court or department-by-department), the vendor may propose a staggered fee schedule.
- The Judicial Council will not pay for any applicable software maintenance, support, and hosting fees until productive use (go-live). If there is a multi-stage implementation, the vendor may propose a staggered fee schedule.

## VI.2 COST WORKBOOK

In order to derive the DMS Program Proposed Solution costs, the Judicial Council and or Appellate Courts has made a Cost Workbook available to Bidders. The Cost Workbook is in Excel format and can be found in RFP Appendix D, Cost Workbook. Bidders must provide responses for all components of the DMS Program Proposed Solution costs, as required in the Appendix D, Cost Workbook. The Bidder must submit separate Appendix D, Cost Workbooks for Judicial Council and the Appellate Courts.

The Judicial Council and or Appellate Courts requires flexibility when selecting the execution of optional DMS Program Solution projects including the timing and sequence of optional functionality configuration and timing and sequence of deployment to each court. As such, it is mandatory for the Bidder to provide Total Costs for all projects in the completed Appendix D, Cost Workbooks.

The Appendix D, Cost Workbook includes eleven (11) pre-formatted Excel Worksheets, as outlined below:

1. Total Cost Summary Worksheet (Form VII-1) – This Worksheet provides a summary of total DMS Program Proposed Solution costs. The content of this Worksheet is automatically populated with information from other Worksheets in the Appendix D, Cost Workbook.
2. Implementation (Form VII-2) – This Worksheet provides the information for specification and pricing of all Implementation and professional services provided by the bidder.
3. Implementation Pricing Model (Forms VII-3) – This Worksheet provides pricing models for project preparation, Business Solution services including final preparation/training and Go live deployment Support and Post Implementation services.
4. M&O Support Costs Worksheet (Form VII-4) – This Worksheet provides the information for specification and pricing of all ongoing Bidder-provided services associated with the support of the DMS Program Proposed Solution (this includes ongoing M&O support in Years 1 - 3 plus optional M&O support in Years 4 and 5).
5. Labor Rates Worksheet (Form VII-5) – This Worksheet provides the information for specification of Bidder Composite Rates and individual staff classification Hourly Rates for the DMS Program Proposed Solution and potential change orders for unanticipated tasks during projects and to accommodate M&O support activities.
6. Software Costs Worksheet (Form VII-6) – This Worksheet provides the information for specification and pricing of all one-time and ongoing Bidder software costs.
7. Hosting Services Costs Worksheet (Form VII-7) – This Worksheet provides the information for specification and pricing of all one-time and ongoing Hosting services costs.
8. Payment Schedule Worksheet (Form VII-8) – This Worksheet provides the information for details of the deliverables-based payment schedule to the Bidder through final acceptance by the Judicial Council and or Appellate Courts.

In order to identify the Total Costs, various One-time and Ongoing Cost categories are included in the cost worksheets. Instructions for completing the cost worksheets are provided below.

### **VI.3 COST WORKSHEETS**

Bidders are responsible for entering cost data in the format prescribed by the Appendix D, Cost Workbook. Formulas have been inserted in the appropriate cells of the worksheets to automatically calculate summary numbers, and typically should not be altered. Further instructions for entering cost data are included in the worksheets. It is the sole responsibility of the Bidder to ensure that all mathematical calculations are correct and that the Total Costs in Form VII-1, Total Cost Summary, reflect the Bid Amount or Amounts for RFP Number: IT-DMS-2016-01-MDS.

Completion of the Appendix D, Cost Workbook and worksheets is mandatory. Applicable purchase, delivery, tax, services, safety, license, travel, per diem, Bidder's staff training, and any other expenses associated with the delivery and implementation of the proposed items must be included in the Bidder's firm-fixed price (FFP) and fixed Hourly Rates.

#### **VI.3.1 Total Cost Summary Worksheet (Form VII-1)**

The Total Cost Summary worksheet will calculate the total One-time and Ongoing Cost of all services and systems as proposed for the DMS Program Proposed Solution, as well as annual M&O support costs through the three (3) plus two (2) optional years of the Agreement. The Total Costs shall be inclusive of all other the miscellaneous costs (i.e., overhead, profit, per diem, etc.). The bottom row of the Total Cost Summary Worksheet shall calculate the Total Costs by summing the values in the "Total" column. The Total Costs will be evaluated using the methodology defined in RFP Section IX, Proposal Evaluation.

#### **VI.3.2 Implementation (Form VII-2)**

The Implementation worksheet is divided into two sections Appellate Court and Judicial Council. Bidders can fill out a proposal based on deliverables listed for either the Appellate Court or/and Judicial Council based on the Bidding proposal. At a minimum the Deliverables listed from Appendix B-02 and support requirements section 5.2 should be included. Bidders may add to the list in alignment with their proposals.

#### **VI.3.3 Implementation Pricing Model (Form VII-3)**

The worksheet lists the deliverables categories divided into Project Preparation/Discovery services, Business solution services, Realization/Configuration and testing services, Final preparation/Training services and Go live deployment support/post implementation services. The bidder should provide details pertaining to assumptions, expectations and/or performance parameters used as a basis for pricing in the proposal.

#### **VI.3.4 M&O Support Costs Worksheet (Form VII-4)**

M&O Support will be required following system productive use (go-live). The Judicial Council and or Appellate Courts requires dedicated support staff and the ability to ramp M&O Support staff by staff classification type up and/or down on a monthly basis throughout the duration of the Agreement. The Proposal shall identify either (i) the monthly or annual fixed price for M&O support; or (ii) on a time and materials basis, M&O Support staff rates in Form VII-6, Labor Rates Worksheet, while costs associated with M&O Support shall be calculated on Form VII-5, M&O Support Costs Worksheet, using the number of Hours per Year provided by the Judicial Council and or Appellate Courts.

**For the Appendix D, Appellate Court Cost Workbook the vendor should calculate 240 hours per year for two years for support that is not included in the standard package of offerings.**

For evaluation purposes, the M&O Support Costs Worksheet uses the Composite Rates from the Labor Rates Worksheet and the Hours per Year provided below to calculate its Total Cost for each year of M&O Support:

- License and Software M&O Support
- Hosting Services M&O Support
- M&O Support
- Termination Assistance

The M&O Support Costs Worksheet shall contain the ongoing M&O Support services costs for evaluation purposes only and shall not commit the Judicial Council and or Appellate Courts to a specific Bidder staff level.

The Bidder will invoice the Judicial Council and or Appellate Courts for staff based on the Hourly Rates and hours worked per month. The Judicial Council and or Appellate Courts will purchase Bidder staff in increments on a monthly basis. The hours invoiced per month must not exceed forty (40) hours per week per Bidder staff unless pre-approved by the Judicial Council and or Appellate Courts based on the standard Hourly Rates. The Judicial Council and or Appellate Courts expects on site during normal business hours. Judicial Council

M&O staff shall provide services for the DMS Program Proposed Solution including those services defined in the roles and responsibility tables in RFP Appendix B-02, Implementation and Support Requirements. M&O staff shall support the DMS Program Proposed Solution in support of activities associated with the M&O services (e.g. repairing defects and providing functional enhancements to the DMS System as well as maintenance and operations support).

### **VI.3.5 Labor Rates Worksheet (Form VII-5)**

The Bidder shall provide staff Hourly Rates and a Composite Rate for each of the following Project types:

The Labor Rates Worksheet shall include the Bidder's firm-fixed Hourly Rates (inclusive of travel, per diem, and other expenses) for standard staff classifications based on the Staff Positions provided in the tables. The Composite Rate for any DMS Program Proposed Solution Project type is a single, standard Hourly Rate that the Bidder shall offer as an option to the Judicial Council and or Appellate Courts for each DMS Program Proposed Solution Project type for unanticipated tasks, regardless of the mix of staff classifications required to actually perform the work. However, the Composite Rate shall be *based* on the Hourly Rate for each Staff Position used to establish the Composite Rate, and its associated Composite Weight Percentage. Composite Rate percentages shall be based on the corresponding Project's level of effort for each Staff Position (which at a minimum shall include Key Personnel provided in the tables).

A single, standard Composite Rate (inclusive of travel, per diem, and other expenses) shall be provided for Optional DMS Support for services to be provided upon request by the Judicial Council and or Appellate Courts, regardless of the mix of DMS Experts required to actually perform the work.

The Composite Rate for each year of M&O Support is a single, standard Hourly Rate that the Bidder shall offer as an option to the Judicial Council and or Appellate Courts for each year of ongoing M&O Support and ongoing unanticipated tasks, regardless of the mix of staff classifications required to actually perform the work. However, the Composite Rate shall be based on Hourly Rate for each Staff Position used to establish the Composite Rate, and its corresponding Composite Weight Percentage. Staff Positions and Composite Weight Percentages for M&O Support are provided in the tables for evaluation purposes and shall not be modified.

The fixed rates shall apply throughout the term of the Agreement period. Bidders may apply a maximum annual escalation of up to 5% for staff rates for M&O Support.

The Judicial Council and or Appellate Courts may request that the Agreement provide additional services for unanticipated tasks that were not originally envisioned and are out-of-scope of this Agreement. These service requests will be handled via change requests.

#### **VI.3.6 Software Costs Worksheet (Form VII-6)**

The Software Costs worksheet shall enumerate all one-time and ongoing commercial off the shelf (COTS) software costs required for the development, quality1, quality2, training, stage, and production environments beyond those that may be currently licensed by the Judicial Council and or Appellate Courts (e.g. DMS). Examples of software items to be proposed by the Bidder include other DMS modules, and other Bidder-Proposed Enterprise Technology Tools (e.g. DMS Security – Segregation of Duties).

The Appendix C and Appendix D, Cost Work Proposal shall identify all ongoing software costs required (e.g. maintenance, version upgrades, Level 3 COTS application support)<sup>1</sup> for the M&O base years 1 through 3, and the two (2) one-year (1-year) Agreement options. The Judicial Council and or Appellate Courts will have the right to exercise the two (2) one-year (1-year) Agreement option(s) for version upgrade and support services, or may acquire these products and services separately from another provider.

#### **VI.3.7 Hosting Costs Worksheet (Form VII-7)**

The Appendix D, Cost Work Book Proposal shall enumerate all hosting costs. The Bidder shall provide hosting costs based on the following categories:

1. Core/CPU infrastructure
2. Initial Storage
3. Storage Growth Estimates annually
4. Backups
5. Disaster Recover Readiness
6. Network Utilization
7. Standard M&O

#### **VI.3.8 Payment Schedule Worksheet (Form VII-8)**

The Bidder shall detail the payment schedule by Deliverable Group (defined as Project Preparation, Business Solutions, Realization, Final Preparation, Go Live and Deployment Support) as identified in Form VII-8. Each Deliverable Group has a not to exceed percentage

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<sup>1</sup> Level 0 is end-user self-service, Level 1 is the first-level support analyst, Level 2 typically consists of desk-side support analysts and system administrators, and Level 3 consists of senior support staff and subject matter experts.

relationship to the total cost proposed by Bidders per project as provided in RFP Appendix B-02, Implementation and Support Requirements, Section 6.3, Maximum Payment Schedule Percentages. All costs and cost items by Deliverable Group must be included in the Maximum Payment Schedule. The Bidder may add additional rows, move deliverables, and apply the percentages within each stated Deliverable Group as appropriate.

The Contractor shall be entitled to payments during the execution of projects of the DMS Program Proposed Solution. Each payment will be tied to the successful completion of work and the Judicial Council and or Appellate Courts conditional acceptance of the work, as defined by the Agreement and the Bidder Payment Schedule Worksheet. A 10% retention will be applied to each deliverable identified in each Deliverable Group. The payment to the Contractor on this 10% retention will be made after Final Acceptance of each project.