

State of Vermont**DEPARTMENT OF MOTOR VEHICLES**

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Memo To: Senate Committee on Institutions
From: Andrew Collier, Commissioner Department of Motor Vehicles
Date: February 14, 2025
Subject: Cost Breakdown of DMV Modernization Project

The purpose of this memo is to provide a breakdown of the costs associated with the DMV's modernization project.

The following breakdown shows ongoing operational costs once the project is live (exclusive of DMV staff time). The following figures are inclusive of ~\$1.4m in ADS billable time at current rates.

- FY26 – \$8.01m
- FY27 – \$8.12m
- FY28 – \$8.28m
- FY29 – \$8.28m
- FY30 – \$5.8m
- FY31 – \$6.71m

The balance is almost 100% vendor cost which includes the following:

- Annual maintenance (base level of support)
- Application Support Services (premium support)
- Off-hour production process monitoring (a.k.a. batch monitoring)
- Fast Hosting Services Cloud Hosting
- Warranty for all Camera Stations (100)
- SMS Text Plan for Appointment Scheduler

Maintenance and operations costs are lower in FY30 and FY31 because the first two years of the maintenance and operations cost for the phase 1 portion of the project expires. On other words, the maintenance and operations cost for phase 1 are no longer being paid in FY30 and FY31.

Costs for a contract after FY31 are yet to be determined. It will depend on the level of support DMV needs to have in the out years and what the price of the required services will be 6 years from now. Also, there are procurement rules that come in to play once a contract is over 10 years old and by FY31, the foundational Fast contract under which these two statements of work are written will have had to be renegotiated.