



avante

Leader in Cherwell Delivery

RFQ PROPOSAL RESPONSE FOR

City of Columbus

Department of Technology

RFQ # 016850

Cherwell Service Management Software Maintenance and Support

DELIVERED TO

City of Columbus – Department of Technology

1111 E Broad Street

Columbus, OH 43205

Robin Cook

rgcook@columbus.gov

Due Date November 9, 2020

PREPARED BY

Rich Clark

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1.866.282.6831 x 105

AVANTE SOLUTIONS, INC.

728 W Jackson Boulevard Suite 105, Chicago, Illinois 60661

Cover Letter

On behalf of Avante Solutions, Inc. (Avante), we are delighted to be given the opportunity to provide a proposal to the City of Columbus – Department of Technology for your RFQ # 016850 “Cherwell Service Management Software Maintenance and Support”. Please refer to the Table of Contents for an outline of our proposal.

As we currently have a relationship with the City we would like to communicate a few key points:

- The pricing we provided to the City for your renewals is based on the pricing from the original contract in 2017. The City did have price protection in that contract to cap increases to maintenance and support fees.
- The City has requested pricing for additional licenses from Avante during the past three years, and the pricing we have provided to you is based on the current Cherwell pricing model. Avante has no control over Cherwell’s pricing and as a partner is subject to the same fee increases as any other customer.
- Since the City purchased Cherwell in 2017 Cherwell now exclusively sells their licensing under the subscription license model. Only existing customers who are on the Perpetual model can purchase under this model. Cherwell has increased the fees for the Perpetual model. In our opinion this is to incent customers to migrate to the Subscription model.
- Earlier this year we provided a pricing offer to the City to migrate to the subscription model. Avante confirms that offer is still valid. We have included this as an alternative/optional quote with this response document.
- Avante also secured a special offer of a one-time 7% increase in the maintenance and support fees for your existing licenses contingent on a three (3) year commitment. We confirm this offer still stands. We have also included this as an alternative/optional quote with this response document.
- The pricing we have provided to the City in this bid response is the same as the quotes we have provided over the past several months.

We thank the City for their consideration for these key points as you evaluate the responses you receive from other Cherwell partners.

My signature below indicates that all information contained herein is accurate. Please feel free to contact me directly and at any time. My contact details are outlined below.

Regards,

A handwritten signature in black ink, appearing to read "Rich Clark", is positioned above the typed name.

Rich Clark
Sales Manager
Avante Solutions, Inc.
rclark@avantesolutions.com
(401) 301-9924

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Why Avante Solutions – Experience and Quality Matters!

You have several choices when evaluating a Cherwell partner to provide Professional Services to assist with your implementation. In our opinion, it is the combination of experience, consultative approach, and quality that is the Avante Advantage. Below we have highlighted some examples of the Avante advantage:

1. **# 1 Cherwell Partner.** Avante is recognized by Cherwell as the top North American reseller. We have been awarded this designation several times since the inception of our partnership. We have been a Cherwell partner since 2009 – that’s over 11 years delivering the Cherwell technology.
2. **Extensive Experience Deploying Cherwell.** We would like to highlight that Avante has extensive experience implementing Cherwell. To date we have managed over one-hundred forty (140) deployments of Cherwell Service Management and over four-hundred (400) unique Cherwell projects, far more than any other North American partner. More than half of those engagements Avante was both the sales lead and reseller for the client, as well as the implementation partner. The balance is a mix between clients that Cherwell outsourced the services to Avante, clients where the Cherwell Account Manager introduced Avante due to our expertise, and clients that were referred to Avante by reference from existing customers (who were so pleased with our work they recommend Avante to others).
3. **Certified Cherwell Partner.** Avante is a Certified Resale, Delivery and Training partner to Cherwell. We are focused solely on selling and delivering the Cherwell technology. Cherwell accounts for 95% of our revenue. Our team members are all employees and hold several Cherwell certifications including: Cherwell Technical Implementer, Certified Engineer, and Certified Instructor. We are certified in Cherwell ITSM, HRSM, FSM, ISM, PPM and CAM. We keep up our training and are certified on all the current versions of Cherwell.

While being a “Certified” Cherwell partner means you have been to all the required training, that does not mean you have the field experience to efficiently configure the technology. By delivering an extensive number of systems our team has garnered the experience to efficiently perform configuration efforts, typically in less time than a consultant that lacks that experience.

Furthermore, the quality of the delivery team is an important success factor. We assign an Engagement Manager to every project. This individual remains on the project throughout. They perform the key high-level deliverables (Workshops, Requirements and Design, System Review, Go-Live Support and Engagement Management). The least senior Engagement Manager Avante will assign the SAIT has been on our staff for 12 years.

4. **Proven Implementation Methodology.** Our approach and methodology to a Cherwell deployment is another differentiator. A few of the key areas that distinguish our approach are ITIL Educational Workshops, Consultative Requirements Gathering, and System Design focused on “outcomes”. Below is a quote from one of our customers regarding our approach:

JESSICA HARRIS, *Manager, IT Service Management & Governance, Durham College*

- *“Staying within budget was extremely important to us. Avante went above and beyond to make sure that we met the cost of our RFP.”*
- *“We got a good feeling about Avante very early on. We wanted to find an implementation Partner that really matched our values and could become a close ally. Thank you Avante!”*
- *“Final thoughts? Yes, I am happy to share that we have extended our relationship with Avante for another 2 years.”*
- *“Working with Avante was (and continues to be) an outstanding experience.”*

Avante Experience

In addition to the information we provide regarding our experience in our section “Why Avante Solutions – Experience and Quality Matters!” below we would like to highlight our experience with Government customers:

Avante has been implementing ITSM technologies for over twenty (20) years and have over eleven (11) years implementing the Cherwell ITSM system.

We have extensive experience with Government Clients, some examples include: California Teachers Retirement System, Texas Department of Public Safety, San Antonio Water Service, UCOR, Ramsey County, City of Tacoma, Shelby County, City of Guelph, City of Richmond, Worker's Safety & Compensation Commission, and Florida Agency for State Technology.

This year we have been selected by the Great Lakes Water Authority, Financial Services Regulatory Authority of Ontario (FSRA) and the Manitoba Liquor and Lotteries where we were selected in competitive RFP process to sell and implement the Cherwell technology. In both bids we were competing with other Cherwell partners and were selected based on the quality of our delivery, our experience delivering Cherwell, and that we only sell Cherwell – Avante as an organization is 100% focused on selling, implementing and supporting the Cherwell technology.

References

City of Detroit

1010 Woodward Avenue

Detroit, Michigan 48226

Nick Clark

(313) 224-1525

clarken@detroitmi.gov

Fax: (313) 224-2900

Initial purchase date: June 2019

Texas Department of Public Safety

Tony Cook

5805 North Lamar Boulevard

Austin Texas 78725

(512) 424-2006

Detoneal.Cook@dps.texas.gov

Fax: (512) 424-2000

Initial Purchase Date: April 24, 2017

King County

Ashley Boyd

(206) 263-8036

Ashley.Boyd@kingcounty.gov

401 5th Ave., Suite 600, Seattle, Washington 98104

Fax: (206) 296-0108

Initial Purchase Date: May 2, 2018

Virginia Commonwealth University

Thom Mattauch

(804) 827-0532

mattauchtj@vcu.edu

910 W Franklin Street, Richmond Virginia 23284

Fax: (804) 827-0060

Initial Purchase Date: March 29, 2019

Pricing Response

- 3.1.2 **Pricing:** Bidders are to bid firm or fixed prices, FOB Destination, Freight Prepaid and Allowed. All pricing must include manufacturer warranty. All manufacturer warranties will be passed on to the City of Columbus.

Avante confirms.

- Price for maintenance and support for 70 Cherwell Service Management software perpetual licenses for the term of this contract (2/01/2021 – 1/31/2022)

Avante has provided pricing for a one (1) year term.

- Fixed and firm pricing for new perpetual licenses and/or maintenance and support during the term of this contract and during two optional yearly renewals.

Cherwell will agree to fix the costs to add licenses during the initial one (1) year term. For the two optional renewal periods Cherwell will agree to an annual cap of 7%.

As the City is only committing to a one (1) year term, Cherwell will not fix any fees outside that term. If the City is interested in a three (3) year commitment, then we can consider fixing the fees for both the maintenance and support renewal fees as well as any new perpetual licenses the City adds during the term.

- 3.1.3 **Escalator Clause:** No adjustment of the discount shall be granted during the first twelve (12) months duration of an awarded contract. Thereafter no more than two such adjustments may occur during the life of the contract, one in each subsequent contract year. In the event the supplier receives a general price increase in the cost of the finished product contracted for, due to increase in the cost of raw materials, labor, freight, etc., upon giving thirty (30) days prior notice and proper documentation as proof, said adjustment in addition to the price quoted herein, may be permitted, subject to the sole discretion of the City of Columbus Finance and Management Director. In the event any such adjustment is granted, no adjustment shall be permitted on orders received by supplier which are in process or filled but awaiting shipment prior to the increase. All price decreases shall inure to the benefit of the City of Columbus. The written notice and following documentation shall be sent to: City of Columbus Department of Technology Director or designee.

Avante confirms we have provided fixed costs for the initial term and an annual cap of 7% per year during two optional yearly renewals.

Avante Solutions is pleased to provide you with the following quote for the renewal of your Cherwell Service Management licenses.

INVESTMENT SCHEDULE FOR PURCHASE			
Item	Unit Cost	Units	Investment
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$771.47	50	\$38,573.50
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$920.20	15	\$13,803.00
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$1,080.00	5	\$5,400.00
TOTAL ANNUAL FEE			\$57,776.50

TERMS AND CONDITIONS

1. Pricing is based on a one (1) year agreement.
2. Annual increases after the initial term will be capped at 7%.
3. Payment terms are net 30.
4. As the City is tax exempt, taxes are not applicable.

Costs for Additional Licenses

Required Items			
Item	Unit Cost	Units	Investment
Cherwell Service Management Licenses	\$5,400.00	TBD	TBD
Annual Maintenance and Support	\$1,080.00	TBD	TBD
TOTAL FEE			TBD

TERMS AND CONDITIONS

1. The pricing to add licenses above is valid during the first year of the agreement.
2. Annual increases after the initial term will be capped at 7%.
3. Payment terms are net 30.
4. As the City is tax exempt, taxes are not applicable.

Alternative Quote – Option #1 Perpetual Model – Three Year Term

The pricing below is based on a three (3) year term commitment, paid annually.

INVESTMENT SCHEDULE FOR PURCHASE			
Item	Unit Cost	Units	Investment
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$771.47	50	\$38,573.50
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$920.20	15	\$13,803.00
Annual Maintenance & Support (Effective dates 2/01/2021 – 1/31/2022)	\$1,080.00	5	\$5,400.00
TOTAL ANNUAL FEE			\$57,776.50

TERMS AND CONDITIONS

1. Pricing is based on a three (3) year agreement.
2. Annual increases after the initial three (3) term will be capped at 7%.
3. Payment terms are net 30.
4. As the City is tax exempt, taxes are not applicable.

Alternative Quote – Option #2 Migrate to Subscription Model

Below is the pricing should the City consider migrating to the Subscription License Model

Required Items			
Item	Unit Cost	Units	Investment
Cherwell Service Management – conversion of licenses from Perpetual to Subscription model	\$963.00	70	\$67,410.00
TOTAL FEE			\$67,410.00

Terms and Conditions:

- Pricing is contingent on a new three (3) year term.
- The \$963.00 ONLY applies to your existing 70 perpetual licenses that will be converted.
- Any new licenses added during the new three (3) year term will be at \$150.00/license/month.
- City of Columbus must maintain at least 65 subscription licenses to maintain this proposed rate for the three (3) year term.
- Proposal is based on an On-premise (Customer-hosted) hosting model.

Costs for Additional Licenses

Required Items			
Item	Unit Cost	Units	Investment
Cherwell Service Management Licenses – Subscription License model – price listed is the per month fee, subscription is paid annually	\$150.00	TBD	TBD
Annual Maintenance and Support	Included	TBD	TBD
TOTAL FEE (\$150 X 12 X TBD)			TBD

TERMS AND CONDITIONS

1. The pricing to add licenses above is valid during the first year of the agreement.
2. Annual increases after the initial term will be capped at 7%.