



# Monterey County

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## Board Report

Legistar File Number: 18-522

May 22, 2018

Introduced: 5/4/2018

Current Status: Agenda Ready

Version: 1

Matter Type: General Agenda Item

- a. Approve and Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to execute Amendment #1 to Agreement A-13745 containing non-standard language provisions, by and between County of Monterey and Kronos, Incorporated to convert the existing system to a cloud hosted time scheduling system. The Amendment adds two years, at a cost of \$59,580.00, for a total cost of \$162,580.00 for four years; and
- b. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to approve up to two (2) future amendments to the Agreement where the amendment(s) do not significantly change the scope of work, and together do not add more than ten (10) percent (\$10,300) of the originally approved contract amount, for a total contract value of \$172,880.00.

### **RECOMMENDATION:**

It is recommended that the Board of Supervisors:

- a. Approve and Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to execute Amendment #1 to Agreement A-13745 containing non-standard language provisions, by and between County of Monterey and Kronos, Incorporated to convert the existing system to a cloud hosted time scheduling system. The Amendment adds two years, at a cost of \$59,580.00, for a total cost of \$162,580.00 for four years; and
- b. Authorize the Contracts/Purchasing Officer or the Contracts/Purchasing Supervisor to approve up to two (2) future amendments to the Agreement where the amendment(s) do not significantly change the scope of work, and together do not add more than ten (10) percent (\$10,300) of the originally approved contract amount, for a total contract value of \$172,880.00.

### **SUMMARY**

The Monterey County Sheriff's Office seeks to amend an existing agreement to convert it to a cloud hosted environment, and extend the agreement by two (2) years. The new annual cloud hosted solution cost is actually lower than the current annual cost, so this reduces out years' operating costs for the Sheriff's Office.

### **DISCUSSION**

Your board approved a new Agreement with Kronos, Incorporated (A-13745) on October 3rd, 2017 for an enterprise time scheduling system for the Monterey County Sheriff's Office (MCSO). Subsequent to that time, a new cloud hosted solution was presented to MCSO, and it will improve access, reduce the labor needed to maintain the system, and it has a lower annual operating cost. This amendment moves MCSO to the cloud hosted environment, and removes some services and

equipment coverage that are no longer needed by cloud hosting. This amendment reduces annual fees; the increase in dollar amount is simply the cost of adding two years to the agreement.

There are other efficiencies that will be gained from the conversion. All updates to the system are included in the costs of cloud hosting, and are not a separate cost passed on to the end user. The conversion reduces the labor needed to run the system at MCSO, allowing that labor to be utilized to improve and support information technology usage throughout the Office.

**OTHER AGENCY INVOLVEMENT:**

County Counsel and the Auditor/Controller have reviewed this document and approved as to legal and fiscal provisions, respectively. Risk Management is unable to sign the contract as it limits Kronos's liability to the dollar amount paid to them on the contract, like most Information Technology contracts. All services provided under the contract are provided remotely and this vendor does not come on site. The Sheriff respectfully requests approval of the contract as the system is necessary for day to day business operations.

**FINANCING:**

This contract is a multi-year contract, and the end date is March 6, 2021. The costs were known and included in the FY 2017-18 approved budget. The annual operations costs for FY 2018-19 and out years is \$42,656.00 versus \$51,439.75 per year on the old system, for an annual operational savings of \$8,783.75. The amount added to the contract is less than the \$42,656.00 cost per year, as there were contract savings due to an unused programming allowance, equipment maintenance that was removed from the contract, and because the cloud conversion will take place prior to the original end date of the contract, March 7th, 2019. All these factors reduced the amount MCSO needed to add to the contract to cover the next two years.

**BOARD OF SUPERVISORS STRATEGIC INITIATIVES:**

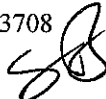
This contract meets the Board's strategic initiatives by increasing efficiency and accountability in MCSO administrative timekeeping and scheduling operations.

Mark a check to the related Board of Supervisors Strategic Initiatives

Economic Development  
☒ Administration  
Health & Human Services  
Infrastructure  
Public Safety

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Approved by: Steve Bernal, Sheriff/Coroner, Extension #3750



Attachments: Kronos Inc. Contract A-13745, Amendment #1 and Exhibits A, B, C, and E - Exhibit D was removed with this Amendment