



County of Monterey

Board of Supervisors
Chambers
168 W. Alisal St., 1st Floor
Salinas, CA 93901

Board Report

File #: A 19-157, **Version:** 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 17 to the Master Proprietary Software Maintenance Agreement, No. 1402716, with CGI Technologies and Solutions, Inc. for support of the County's Enterprise Resource Planning (ERP) system, adding \$5,061,995.07 to the existing contract amount of \$2,613,215.17 and extending the term for five years, July 1, 2019 through June 30, 2024; and
- b. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 18 to the Master Proprietary Software Maintenance Agreement, No. 1402716, to provide for Enhanced Maintenance Services of the County's ERP system, supporting unique Monterey County business requirements, through June 30, 2024, at an additional cost of \$1,073,353.88 over five (5) years.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 17 to the Master Proprietary Software Maintenance Agreement, No. 1402716, with CGI Technologies and Solutions, Inc. for support of the County's Enterprise Resource Planning (ERP) system, adding \$5,061,995.07 to the existing contract amount of \$2,613,215.17 and extending the term for five years, July 1, 2019 through June 30, 2024; and
- b. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 18 to the Master Proprietary Software Maintenance Agreement, No. 1402716, to provide for Enhanced Maintenance Services of the County's ERP system, supporting unique Monterey County business requirements, through June 30, 2024, at an additional cost of \$1,073,353.88 over five (5) years.

SUMMARY/DISCUSSION:

On April 1, 2008, the Board of Supervisors approved and authorized the Contracts/Purchasing Officer to sign the Master Proprietary Software Maintenance Agreement, No. 1402716 with CGI Technologies and Solutions, Inc. (CGI). The Agreement supports the County's ERP system, e.g., Human Resource Management, Payroll, Financial, and Budgeting functions. Subsequent amendments allowed for the increased maintenance and support coverage of third-party bundled software enhancements at no significant cost. Subsequent amendment also provided for the provision of enhanced maintenance services required to support unique County business practices.

As of June 30, 2019, the amount of Agreement No. 1402716 is \$2,613,215.17. Amendment No. 17 to Agreement No. 1402716 extends the term by an additional five years, from July 1, 2019 to June 30, 2024. It establishes maintenance fees to be paid to CGI for each fiscal year in a total amount of \$5,061,995.07 over the 5-year extension. The additional five years of ERP software maintenance and support is essential to reliably maintain and execute essential County business functions.

In Amendment No. 7 to Agreement No. 1402716, the parties agreed to delivery of Enhanced Maintenance Services (EMS) of the County's ERP system, made necessary by Monterey County's unique business practices, effective July 26, 2011. Proposed Amendment No. 18 provides for the continuance of EMS for the period of July 1, 2019 through June 30, 2024. It establishes fees for EMS over this five-year period in the amount of \$1,073,353.88. EMS is based on unique and complex Monterey County payroll and other human resources

practices and systems. Per Amendment No. 18, CGI will also provide Patch Set Services, Extended Phone Support Services, and Discretionary Services.

Neither Amendment Nos. 17 or 18 to the Master Proprietary Software Maintenance Agreement No. 1402716 change non-standard provisions previously approved by the Board. Both amendments provide that all contract terms remain unchanged, except as specified by the amendments

OTHER AGENCY INVOLVEMENT:

County Counsel does not approve continuance of non-standard provisions, as provided by Amendment Nos. 17 and 18 to Agreement No. 14024716.

FINANCING:

Funding is included in the FY 2019-20 Information Technology Department budget under Fund 001, Appropriation Unit INF002, Budget Unit 8433, and future year costs will be included in all respective future budget submittals.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Approval of the proposed amendments will enable the County to reliably perform essential County human resources functions.

- Economic Development
- Administration
- Health & Human Services
- Infrastructure
- Public Safety

Prepared by: Lynnette Beardsall, Management Analyst II, 759-6938

Approved by:

_____ Date: _____
Eric A. Chatham, Director of Information Technology, 759-6920

Attachments: CGI Master Proprietary Software Maintenance Agreement, No. 1402716; CGI Technologies and Solutions, Inc. Amendment No. 17; CGI Technologies and Solutions, Inc. Amendment No. 18

Attachments on file with the Clerk of the Board