



County of Monterey

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

Board Report

File #: 18-071, Version: 1

- a. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 15 to the Master Proprietary Software Maintenance Agreement for new and upgraded Licensed Software and Bundled Software beginning January 1, 2018 through June 30, 2019 for a total of \$1,240,659.69: and,
- b. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 16 for Enhanced Maintenance Services for a three-year term through June 30, 2019 at a cost of \$575,000. This would replace the five-year term of Amendment No. 13.

RECOMMENDATION:

It is recommended that the Board of Supervisors:

- a. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 15 to the Master Proprietary Software Maintenance Agreement for new and upgraded Licensed Software and Bundled Software beginning January 1, 2018 through June 30, 2019 for a total of \$1,240,659.69: and,
- b. Approve and authorize the Contracts/Purchasing Officer to execute Amendment No. 16 for Enhanced Maintenance Services for a three-year term through June 30, 2019 at a cost of \$575,000. This would replace the five-year term of Amendment No. 13.

SUMMARY/DISCUSSION:

On April 1, 2008, the Board of Supervisors approved and authorized the Contracts/Purchasing Officer to sign the Enterprise Resource Planning (ERP) Proprietary Software Maintenance Agreement No. 1402716 with CGI Technologies. The original agreement included a base "Standard Support and Maintenance" at a fixed price of \$2,038,455 for the period of 8/1/08 through 12/31/12. Subsequent Amendments allowed for the increased coverage of third party bundled software enhancements at no significant cost. On February 5, 2013 Amendment No.1 to the Master Proprietary Software Maintenance Agreement was extended through 12/31/17 at a cost of \$3,432,883.

Amendment No. 15 will provide the updated software maintenance, licenses, and bundled software for CGI V3.10. Cost will be \$807,677.53 for January 1, 2018 - December 31, 2018 and \$432,982.16 for January 1, 2019 - June 30, 2019 for a total of \$1,240,659.69. This will provide time to evaluate services and costs.

Enhanced Maintenance Services (EMS) was introduced on July 26, 2011 with Amendment No. 7. EMS allows CGI Technologies to maintain a test copy of Monterey County's Advantage HRM version 3.7 production code environment. This test copy enables CGI to evaluate, resolve and test current and future Monterey County specific HR/Payroll system configurations. This test environment is based on unique and complex Monterey County adopted pay practices which vary from the FLSA compliant system developed by CGI Technologies. EMS also provides: Patch Set Services, Extended Phone Support Services, and Discretionary Services. Subsequent Amendment Nos. 8-10 and Amendment No. 13 continued Enhanced Maintenance Service (EMS) for Advantage HRM from July 1, 2011 through June 30, 2021 at a cost of \$1,770,000.

Amendment No. 16, which would replace Amendment No. 13 in its entirety, has a shorter term of July 1, 2016 through June 30, 2019. This shorter term will provide time to evaluate services and costs.

OTHER AGENCY INVOLVEMENT:

The Information Technology Department participated in negotiations regarding cost and length of the Master Proprietary Software Maintenance Agreement and regarding the necessity and cost of enhanced maintenance services.

FINANCING:

The cost for Amendment No. 15, and Amendment No. 16 for continued Maintenance Services have been included in Fund 001-1110-AUD001-8373 - Systems Management Budget for FY 2017-18 and FY 2018-19. The budgeted appropriation in Unit 8373 is offset by ERP Departmental Charges.

BOARD OF SUPERVISORS STRATEGIC INITIATIVES:

Enterprise Resource Planning is the financial infrastructure for the County of Monterey. These Amendments will help ensure continued services without interruption.

Mark a check to the related Board of Supervisors Strategic Initiatives

☐ Economic Development
☒ Administration
☐ Health & Human Services
☐ Infrastructure
☐ Public Safety

Prepared by: Maria Papurello, Administrative Services Assistant, 755-5084

Approved by: Michael J. Miller, CPA, Auditor-Controller, 755-5040

Attachments:

Exhibit A - Maintenance Cost Summary
CGI Amendment No. 15
CGI Amendment No. 16
CGI Bundled Software Pricing