

**PALM BEACH COUNTY
BOARD OF COUNTY COMMISSIONERS
AGENDA ITEM SUMMARY**

Meeting Date: September 13, 2016 Consent Regular
 Public Hearing Workshop

Department:

Submitted by: Information Systems Services (ISS)
Submitted for: Office of Financial Management & Budget (OFMB)

I. EXECUTIVE BRIEF

Motion and Title: **Staff recommends motion to approve:** Amendment No. 23 to the Professional/Maintenance Services and Proprietary Software License Agreement with CGI Technologies and Solutions Inc. (CGI) dated September 30, 2002 (R2002-1782) to obtain software maintenance and support services for the period October 1, 2016 through September 30, 2021 at a total cost of \$3,402,144.38.

Summary: Amendment No. 23 renews the annual software and technical update maintenance contract for the Countywide Advantage Financial system for the five (5) year period October 1, 2016 through September 30, 2021. This maintenance agreement provides baseline system upgrades (e.g., Version 3.9 to 3.10), strategic enhancements, help desk support, software defect correction, and membership in the Advantage Financial System User Group. The Advantage Financial System is the County’s enterprise financial system used for the accounting, budgeting, procurement, grant and fixed asset functions for all agencies serving under the Board of County Commissioners. Countywide (PFK)

Background and Justification: The Advantage Financial System was implemented in October 2004 and has been periodically upgraded and improved by the vendor – CGI, to meet the needs of the County. The County recently entered into a Statement of Work to implement the Performance Budgeting Module which will replace the older BRASS budgeting module. This product will provide advanced capabilities for budgeting, tracking, planning, and forecasting of salary and benefits.

Software maintenance fees for the Advantage Financial System represent a significant expenditure in the County’s General Government budget. After extensive research of similar CGI contracts with other county governments, ISS staff negotiated a reduction of \$511,456 in maintenance costs from the initial offer presented by CGI, with no reduction in service level. These savings were achieved by negotiating a 5% reduction in the existing base amount and limiting the annual increase to 3% rather than 5% over the five-year period of the contract.

CGI Technologies and Solutions Inc., more commonly known as CGI, is a Canadian global information technology (IT) consulting, systems integration, outsourcing, and solutions company headquartered in Montreal, Quebec, Canada. CGI stands for "Conseillers en Gestion et Informatique" in French, which translates in English as "Consultants to Government and Industry (*source: Wikipedia*).

Attachments:

- 1. Amendment No. 23 to CGI Agreement (R2002-1782), 3 originals

Recommended by: Steve Bordelon 8-29-16
 Department Director Date

Approved by: [Signature] 9/7/16
 County Administrator Date

II. FISCAL IMPACT ANALYSIS

A. Five Year Summary of Fiscal Impact

Fiscal Years	<u>2017</u>	<u>2018</u>	<u>2019</u>	<u>2020</u>	<u>2021</u>
Capital Expenditures	\$0	0	0	0	0
Operating Costs	\$640,809	\$660,034	\$679,835	\$700,230	\$721,236
External Revenues	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
Program Inc (County)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
In-Kind Match (County)	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>	<u>0</u>
NET FISCAL IMPACT	\$640,809	\$660,034	\$679,835	\$700,230	\$721,236

Additional FTE Positions (Cumulative) 0 0 0 0 0

Is Item Included in Proposed Budget? Yes X No

Expenditure Budget Number: Fund: 0001 Dept: 760 Unit: 7606 Obj: 4674

B. Recommended Sources of Funds / Summary of Fiscal Impact

FY 2017 costs are included in the proposed operating budget.

C. Department Fiscal Review: *Robert Seal 8/29/16*

III. REVIEW COMMENTS

A. OFMB Fiscal and/or Contract Development & Control Comments:

J. H. ... 8/29/16 *Dr. J. J. ... 9/11/16*
 OFMB 8/29/16 Contract Development and Control

B. Legal Sufficiency:

Paul F. ... 9/2/16
 Assistant County Attorney

C. Other Department Review:

 Department Director

**TWENTY-THIRD AMENDMENT to
CONTRACT FOR PROFESSIONAL/MAINTENANCE SERVICES and
SOFTWARE LICENSE AGREEMENT between
PALM BEACH COUNTY and
CGI TECHNOLOGIES AND SOLUTIONS INC.
(Contract No. R2002 1782)**

THIS TWENTY-THIRD AMENDMENT (“AMENDMENT”) is made and entered into this _____ day of _____ 2016, by and between Palm Beach County, a political subdivision of the State of Florida (the “COUNTY”) and CGI Technologies and Solutions Inc. (the “CONTRACTOR” or “CGI”).

WHEREAS, the parties have entered into that certain Contract dated September 30, 2002, hereinafter referred to as the “CONTRACT”, under which the CONTRACTOR is to provide professional and maintenance services and a software license for CGI Advantage® 3.x;

WHEREAS, the County and CONTRACTOR have agreed to further modify the Agreement to add additional maintenance and support services to support the County’s use of the Licensed Software and Third Party Products to extend the maintenance period.

NOW, THEREFORE, in consideration of the premises and of the mutual covenants contained herein, and other good and valuable consideration, the receipt of which the parties hereby expressly acknowledge, the parties hereto covenant and agree to the following terms and conditions:

1. Governing Document

The CONTRACT is incorporated herein and forms a part of this AMENDMENT. Except as provided below, all other terms and conditions of the CONTRACT shall remain unchanged and in full force and effect and are hereby ratified and reaffirmed by the parties hereto. In the event of any conflict or inconsistency between the provision set forth in the AMENDMENT and the CONTRACT, this AMENDMENT shall govern and control.

2. Additional Maintenance Services and Associated Fees

Exhibit C (Proprietary Software Maintenance Agreement) of the CONTRACT is replaced in its entirety with the attached Exhibit C to account for the following change:

a. Maintenance Period Extension

Section 1 (Maintenance Period) of Exhibit C to the CONTRACT is modified by extending the maintenance period five additional years through September 30, 2021.

Reminder of Page Left Blank

IN WITNESS WHEREOF, the Board of County Commissioners of Palm Beach County, Florida, has made and executed this TWENTY-THIRD AMENDMENT to the CONTRACT on behalf of the COUNTY and CONTRACTOR has hereunto set its hand the day and year written above.

ATTEST:

**PALM BEACH COUNTY, BOARD OF
COUNTY COMMISSIONERS
CHAIR**

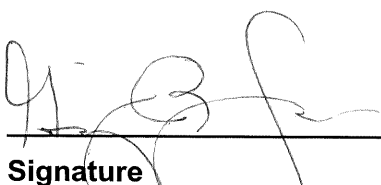
By: _____ By: _____

Mary Lou Berger, Mayor

CONTRACTOR:

CGI Technologies and Solutions Inc.

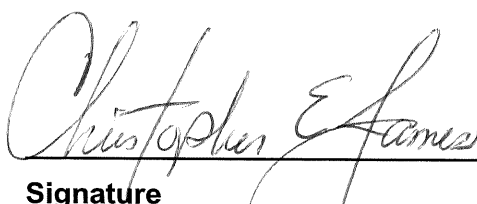
WITNESS:



Signature

Ginger B. James

Name (type or print)



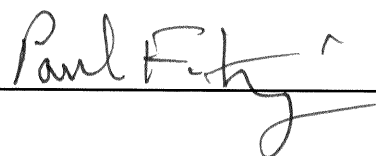
Signature

Christopher E. James

Name (type or print)

**APPROVED AS TO FORM
AND LEGAL SUFFICIENCY**

(Corporate Seal)

By: 

APPROVED AS TO TERMS AND CONDITIONS

By: 

Exhibit C
CGI Technologies and Solutions Inc.
Proprietary Software Maintenance Agreement

1. **Maintenance Period.** The Maintenance Period is the period beginning October 1, 2016 and ending September 30, 2021.
2. **Maintenance Fee.** The maintenance fee for the following periods shall be:

Maintenance Period	Maintenance Fee
October 1, 2016 - September 30, 2017	\$640,809.45
October 1, 2017 - September 30, 2018	\$660,033.73
October 1, 2018 - September 30, 2019	\$679,834.74
October 1, 2019 - September 30, 2020	\$700,229.78
October 1, 2020 - September 30, 2021	\$721,236.68

After September 30, 2021, COUNTY may buy maintenance services for the Software in which CONTRACTOR is offering maintenance services, at CONTRACTOR's then current rates.

3. **Software.** The maintenance services under this CONTRACT are provided with respect to the Software outlined in Attachment A of the Proprietary Software License Agreement.
4. **License Agreement.** The Software was provided to COUNTY pursuant to the terms and conditions of that certain Professional/Maintenance Services and Proprietary Software License Agreement between CONTRACTOR and COUNTY made effective as of September 30, 2002.