



**Contra  
Costa  
County**

To: Board of Supervisors  
From: Marc Shorr, Chief Information Officer  
Date: January 22, 2019

Subject: CherryRoad Technologies, Inc., Contract Amendment No. 2 to Engage Contractor Resources for ongoing support of PeopleSoft 9.2 Applications

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**RECOMMENDATION(S):**

APPROVE and AUTHORIZE the Chief Information Officer, or designee, to execute a contract amendment effective February 1, 2019 with CherryRoad Technologies, Inc., to increase the payment limit by \$2,771,300 to a new payment limit of \$6,810,120 and extend the term through July 20, 2020 for five years of application hosting and support services of the County's human resources and payroll systems.

**FISCAL IMPACT:**

The contract cost comprises software and data application hosting services in the amount of \$4,038,820 for five years and ongoing support of PeopleSoft applications in the amount of \$2,771,300. The total of \$6,810,120 is budgeted under Org #1695 FY 2017-2018, FY 2018-2019, FY 2019-2020, FY 2020-2021 and FY 2021-2022 supported through countywide inter-departmental charges to all departments. The County can terminate this contract, without cause, through a 30-day written notice to the Contractor.

**BACKGROUND:**

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☒ APPROVE

☐ OTHER

☒ RECOMMENDATION OF CNTY ADMINISTRATOR

☐ RECOMMENDATION OF BOARD COMMITTEE

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Action of Board On: **01/22/2019** ☒ APPROVED AS RECOMMENDED ☐ OTHER

Clerks Notes:

**VOTE OF SUPERVISORS**

AYE: John Gioia, District I Supervisor  
Candace Andersen, District II Supervisor  
Diane Burgis, District III Supervisor  
Karen Mitchoff, District IV Supervisor  
Federal D. Glover, District V Supervisor

I hereby certify that this is a true and correct copy of an action taken and entered on the minutes of the Board of Supervisors on the date shown.

ATTESTED: January 22, 2019

David Twa, County Administrator and Clerk of the Board of Supervisors

By: Laura Cassell, Deputy

Contact: Marc Shorr  
925-608-4071

cc:

The PeopleSoft Human Capital Management (HCM) system has transitioned to production use. The system processes the County's payroll and, in addition, is utilized daily by the Human Resources Department to maintain employee benefits.

## BACKGROUND: (CONT'D)

The purpose of this amendment is to continue support of the PeopleSoft 9.2 HCM system. Additionally, this amendment will continue the utilization of the CherryRoad's hosted environment. The original hosted contract with CherryRoad Technologies provided for the Contractor to host the HCM System at a cost of \$2,192,520.

The approved first amendment to the contract increased the Contract payment limit by \$1,846,300 to \$4,038,820.

The proposed second amendment to the contract will: (1) increase the Contract payment limit by \$2,771,300; (2) amend the service plan to extend the Contractor's resource support to take advantage of the Optional Application Managed Services detailed in the Service Plan Article V Section B(1) and B(2).

The Steering Committee (the County Administrator, County Finance Director, Chief Information Officer, Human Resources Director, and Auditor-Controller) has approved this increase in the contract payment limit for ongoing support of PeopleSoft system.

The ongoing support from contractor will include:

- Technical and functional Support;
- Assistance to users with usage and navigation of application functionalities and business processes within the modules, specific to the County's application functional setup;
- Troubleshooting of functional issues and provision of solutions through configurations and setup changes;
- Assistance to users with issues associated with data consistency within their HCM applications;
- Provision of break/fix support for existing custom programs, forms, reports, and interfaces; and
- Support for data extracts and batch programs.

## CONSEQUENCE OF NEGATIVE ACTION:

Failure to approve the contract will result in the inadequate support to our HCM system and additional development of features required by the County, which will increase the risk that the County will be unable to process County's payroll, human resources administration and employee benefits timely and accurately.

## ATTACHMENTS

Contract Amendment #2 Specs