

103326

DATE: September 12, 2023

TO: Board of Acquisition and Contract

FROM: Marguerite Beirne  
Chief Information Officer  
Department of Information Technology

RE: Authority to:

- 1.) Amend an agreement (IT-562 or '2004-FBAR-5VQUXD', as amended) with CGI Technologies and Solutions Inc., pursuant to which it licenses to the County various proprietary software systems regarding the 'CGI Advantage' software suite, by, a.) adding additional licensed software, and b.) extending the license period for certain existing third-party software, all at no additional licensing cost;
- 2.) Amend an agreement (IT-1562, as amended) with CGI Technologies and Solutions Inc., pursuant to which it was to provide the County with professional maintenance services for its various proprietary software systems regarding the 'CGI Advantage' software suite, by, a.) extending its term by two (2) years, b.) updating the list of aspects of the software systems to be maintained, c.) modifying the payment amounts and terms in order to account for the additional maintenance services that will be associated with the changes in the licensed software systems and the extended term, and d.) modifying the early termination fees based upon the modified maintenance amounts; and
- 3.) Amend an agreement (IT-1687) with CGI Technologies and Solutions Inc., pursuant to which it was to provide professional services for the implementation of a upgrade of the various proprietary software systems regarding the 'CGI Advantage' software suite, by, a.) extending its term by seventeen (17) months, b.) modifying its scope of work to add additional services, c.) increasing its not-to-exceed amount by \$1,769,050.00, in order to pay for the additional services, and d.) modifying its budget in order to allocate the additional funds.

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By a series of agreements starting in 1991, the County has contracted with CGI Technologies and Solutions Inc. ("CGI"), which was originally known as American Management Systems, Inc. ("AMS"), for software and services concerning payroll, human resources management, accounting, budgeting, and civil service enforcement.

In 2003, the County procured from CGI (then still known as AMS) what was then known as “AMS Advantage”, which was suite of various proprietary financial, human resources and budgeting software systems (now known as “CGI Advantage”). In conjunction with the procurement of the licensed software systems, the County also procured professional services to assist in the implementation of the software and maintenance services for the software for the future. The implementation of the licensed software systems was subsequently completed.

In 2010, the County pursued an upgrade to CGI Advantage. As part of the upgrade of the software, the County entered into an agreement with CGI for professional services to assist in the implementation of the upgrade. The implementation of the upgrade was subsequently completed.

In 2021, the County began undertaking a new upgrade to CGI Advantage, to update it to version 4 of the software suite (the “Upgrade”). In order to accomplish the Upgrade, the County amended its agreements with CGI concerning software licensing and software maintenance, and entered into a new professional services agreement with CGI for the implementation of the Upgrade. The work regarding the Upgrade is still on-going. Consequently, the County currently has three (3) separate agreements with CGI, as described below.

The County’s licensing of software regarding CGI Advantage, as it is to be upgraded, continues to be controlled by the license agreement from 2003, as amended (the “License Agreement”).

The County currently receives maintenance for software regarding CGI Advantage from CGI under an agreement that has a term that commenced on January 1, 2019 and will continue through December 31, 2023, for an amount not-to-exceed \$3,326,714.89, with the County having the option, in its sole discretion, to extend its term by five (5) additional years thereafter, on the same terms, except that the not-to-exceed amount for said option term, if exercised, would be \$3,997,459.49 (the “Maintenance Agreement”).<sup>1</sup>

The County currently has a professional services agreement with CGI, pursuant to which CGI was to provide professional services for the implementation of the Upgrade, for a period commencing upon execution and continuing for a period of twenty-four (24) months thereafter, for a total amount not-to-exceed \$3,907,695.00, payable pursuant to an approved budget (the “Services Agreement”).

The County has now determined, in conjunction with CGI, that, in furtherance of the Upgrade, the County requires modifications to each of the License Agreement, the Maintenance Agreement, and the Services Agreement.

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<sup>1</sup> By a resolution approved on August 26, 2021, your Honorable Board authorized the County to amend the then-existing maintenance agreement by making larger increases in the not-to-exceed amount for both the current term and the option term. However, subsequent negotiations lead to the executed amendment containing smaller increases for both terms, which is why the numbers shown here are lower than those shown in the aforementioned resolution.

Accordingly, authority is respectfully requested from your Honorable Board for the County to:

- 1.) Amend the License Agreement by, a.) adding additional licensed software, consisting of components of the 'CGI Advantage Academy' suite; and b.) extending the license period for the existing third-party 'IBM WebSphere Application Server Network Deployment' and 'DeltaXML' software, all at no additional licensing cost (the "License Amendment");
- 2.) Amend the Maintenance Agreement, by, a.) extending its term by two (2) years, through December 31, 2025, based upon the first two (2) years of the County's existing five (5) year option, and converting the remaining option period from what would be a three (3) year option to three (3) additional one (1) year options; b.) updating the list of maintained software systems, and related terms; c.) modifying the payment amounts and terms in order to account for the additional maintenance services that are to be added, by increasing the not-to-exceed amount of the Maintenance Agreement, for the period through December 31, 2025, in accordance with the extended term, by \$1,776,552.08, for a new total amount not-to-exceed \$5,103,266.97, and by increasing the not-to-exceed amount for each of the three (3) additional one (1) year options, by \$90,439.00 for 2026, \$94,961.00 for 2027, and \$99,709.00 for 2028, to a new total amounts not-to-exceed \$900,739.60 for 2026, \$924,024.55 for 2027, and \$949,863.89 for 2028; and d.) modifying the early termination fees based upon the modified maintenance amounts (the "Maintenance Amendment"); and
- 3.) Amend the Services Agreement, by, a.) extending its term by seventeen (17) months, from a term of twenty-four (24) months after execution to a term of forty-one (41) months after execution; b.) modifying its scope of work to add additional services; c.) increasing its not-to-exceed amount by \$1,769,050.00, to a new total amount not-to-exceed \$5,676,745.00, in order to pay for the additional services; and d.) modifying its budget in order to allocate the additional funds (the "Services Amendment").

Except as described above, all terms and conditions of each of the License Agreement, the Maintenance Agreement, and the Services Agreement shall remain in full force and effect.

The proposed License Amendment, Maintenance Amendment, and Services Amendment (collectively, the "Amendments") will serve a public purpose by allowing the County to obtain, implement, and maintain newly-upgraded software systems that will be used to perform mandatory government functions.

The goal and objective of the proposed Amendments is to allow the County to obtain, implement, and maintain newly-upgraded systems that will be used to perform mandatory government functions.

The goal and objective of the proposed Amendments is in the best interests of the County in terms of fiscal responsibility, as allowing the County to obtain, implement, and maintain

newly-upgraded systems that will be used to perform mandatory government functions will ultimately help ensure responsible and timely performance of such functions.

The goal and objective of the proposed Amendments will be tracked and monitored by staff of the Department of Information Technology.

The procurement of the changes in licensing under the License Amendment is exempt from the requirements of the Westchester County Procurement Policy and Procedures pursuant to Section 3(b) thereof.

The additional services to be provided under the Services Amendment and the Maintenance Amendment are only available from CGI, as CGI Advantage is proprietary to CGI. Accordingly, I recommend that the procurement of the services to be provided under the Services Amendment and the Maintenance Amendment be classified as sole source procurements pursuant to Section 9 of the Westchester County Procurement Policy and Procedures.

Accordingly, the attached resolution is submitted for your consideration.

MB/SF/bdm/nn

APPROVED BOARD OF ACQUISITION & CONTRACT - 09/14/2003 - RAYMOND S. CUKKY, SECRETARY

## **RESOLUTION**

Upon a communication from the Chief Information Officer, Department of Information Technology, be it hereby:

**RESOLVED**, that the County of Westchester is hereby authorized to amend a license agreement (IT-562), as amended, with CGI Technologies and Solutions Inc., which was originally known as American Management Systems, Inc., ("CGI"), pursuant to which CGI licensed to the County a suite of various proprietary financial, human resources and budgeting software systems that is now known as "CGI Advantage", (the "License Agreement") by, a.) adding additional licensed software, consisting of components of the 'CGI Advantage Academy' suite; and b.) extending the license period for the existing third-party 'IBM WebSphere Application Server Network Deployment' and 'DeltaXML' software, all at no additional licensing cost; and be it further

**RESOLVED**, that except as hereby authorized to be amended, all terms and conditions of the License Agreement shall remain in full force and effect; and be it further

**RESOLVED**, that the County is hereby authorized to amend an agreement (IT-1562), as amended, with CGI, pursuant to which CGI was to provide the County with maintenance services regarding CGI Advantage, for the period from January 1, 2019 through December 31, 2023, for an amount not-to-exceed \$3,326,714.89, with the County having the option, in its sole discretion, to extend its term by five (5) additional years thereafter, on the same terms, except that the not-to-exceed amount for said option term, if exercised, would be \$3,997,459.49, (the "Maintenance Agreement") by, a.) extending its term by two (2) years, through December 31, 2025, based upon the first two (2) years of the County's existing five (5) year option, and converting the remaining option period from what would be a three (3) year option to three (3) additional one (1) year options; b.) updating the list of maintained software systems, and related terms; c.) modifying the payment amounts and terms in order to account for the additional maintenance services that are to be added, by increasing the not-to-exceed amount of the Maintenance Agreement, for the period through December 31, 2025, in accordance with the extended term, by \$1,776,552.08, for a new total amount not-to-exceed \$5,103,266.97, and by increasing the not-to-exceed amount for each of the three (3) additional one (1) year options, by \$90,439.00 for 2026, \$94,961.00 for 2027, and \$99,709.00 for 2028, to a new total amounts not-to-exceed \$900,739.60 for 2026, \$924,024.55 for 2027, and \$949,863.89 for 2028; and d.) modifying the early termination fees based upon the modified maintenance amounts (the "Maintenance Amendment"); and be it further

**RESOLVED**, that except as hereby authorized to be amended, all terms and conditions of the Maintenance Agreement shall remain in full force and effect; and be it further

**RESOLVED**, that pursuant to Section 9 of the Westchester County Procurement Policy, the procurement of the additional services under the Maintenance Amendment is deemed a sole source procurement; and be it further

**RESOLVED**, that the County is hereby authorized to amend an agreement (IT-1687)

with CGI, pursuant to which CGI was to provide the County with professional services for the implementation of a new upgrade to CGI Advantage, to update it to version 4 of the software suite, for a period commencing upon execution and continuing for a period of twenty-four (24) months thereafter, for a total amount not-to-exceed \$3,907,695.00, payable pursuant to an approved budget, (the “Services Agreement”) by, a.) extending its term by seventeen (17) months, from a term of twenty-four (24) months after execution to a term of forty-one (41) months after execution; b.) modifying its scope of work to add additional services; c.) increasing its not-to-exceed amount by \$1,769,050.00, to a new total amount not-to-exceed \$5,676,745.00, in order to pay for the additional services; and d.) modifying its budget in order to allocate the additional funds (the “Services Amendment”);

**RESOLVED**, that except as hereby authorized to be amended, all terms and conditions of the Services Agreement shall remain in full force and effect; and be it further

**RESOLVED**, that pursuant to Section 9 of the Westchester County Procurement Policy, the procurement of the additional services under the Services Amendment is deemed a sole source procurement; and be it further

**RESOLVED**, that the County Executive or his duly authorized designee is hereby authorized to execute any documents and take any actions necessary and appropriate to effectuate the purposes of this resolution.

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APPROVED BOARD OF ACQUISITION & CONTRACT - 09/14/2023 - RAYMOND SOULKY, SECRETARY

**Agreement IT-562, as amended (License Agreement)**

Original Amount \$1,895,600  
 Previous amendment \$ 16,360  
 This amendment \$ 0  
 Total \$1,911,960

Account to be Charged/Credited:

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars

Budget Funding Year(s): \_\_\_\_\_ Start Date: 01/01/04 End Date: N/A

Funding Source Tax Dollars: \_\_\_\_\_  
 State Aid: \_\_\_\_\_  
**\$0.00** Federal Aid: \_\_\_\_\_  
 (must match resolution) Other: \_\_\_\_\_

**Agreement IT-1562, as amended (Maintenance Agreement)**

Original Amount \$3,116,232.66  
 Previous amendment \$ 210,482.23  
 This amendment \$1,776,552.08  
 Total \$5,103,266.97

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars
2024	101	16	6400	4070		910,056.41
2025	101	16	6400	4070		866,495.67

Budget Funding Year(s): 2023-2025 Start Date: 01/01/19 End Date: 12/31/25

Funding Source Tax Dollars: **\$ 1,776,552.08**  
 State Aid: \_\_\_\_\_  
**\$1,776,552.08** Federal Aid: \_\_\_\_\_  
 (must match resolution) Other: \_\_\_\_\_

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**Agreement IT-1687 (Services Agreement)**

Original Amount                \$3,907,695.00  
This amendment               \$1,769,050.00  
Total                               \$5,676,745.00

Year	Fund	Dept	Major Program, Program & Phase Or Unit	Object/ Sub- Object	Trust Account	Dollars
2023 <sup>34</sup>	316	16	BIT50-01	6190		1,769,050.00

Budget Funding Year(s): 2023-2025    Start Date: Execution    End Date: 41 months after start date

Funding Source                      Tax Dollars: **\$1,769,050.00**  
State Aid: \_\_\_\_\_  
**\$1,769,050.00**                      Federal Aid: \_\_\_\_\_  
(must match resolution)        Other: \_\_\_\_\_

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