



# county of Santa Cruz

## HUMAN RESOURCES AGENCY

CECILIA ESPINOLA, ADMINISTRATOR

1000 EMELINE ST., SANTA CRUZ, CA 95060

(408) 454-4130 OR 4544045 FAX: (499) 454-4642

June 8, 1999

AGENDA: June 22, 1999

BOARD OF SUPERVISORS  
County of Santa Cruz  
701 Ocean Street  
Santa Cruz, California

### REQUEST FOR APPROVAL OF AGREEMENT WITH ELECTRONIC DATA SYSTEMS CORPORATION TO PROVIDE MAINTENANCE OF THE WELFARE CASE DATA SYSTEM

Dear Members of the Board:

The Human Resources Agency has utilized the Welfare Case Data System (WCDS) since 1971 to automate its income maintenance programs and more recently to operate the GAIN Information System. Santa Cruz County is presently one of seventeen (17) counties contracting with Electronic Data Systems Corporation (EDS) to provide the software to operate this system. The contract is administered by a WCDS Joint Committee consisting of a voting representative from each participating County. The purpose of this letter is to request your authorization to execute a contract amendment with EDS for services to be provided in FY 99/00, pending State and Federal approval, and contingent upon your Board's approval of the recommended FY 99/00 Human Resources Agency (HRA) budget.

The amendment provides for continuation of the existing Joint Maintenance Services on a year to year basis, at the option of the Counties, until all Counties have converted to the WCDS CalWIN System, unless otherwise terminated per existing Agreement terms.

Other changes reflected in the amendment are the addition of a millennium compliance paragraph, the addition of additional insurance requirements, and the addition of two optional billing rates for special categories of staff. The existing contract language calls for staff with less experience to be billed at 2/3 the basic rate. The basic billing rate will remain at \$80.00 per hour.

The Joint Committee has approved a maximum of 64,700 hours of service to maintain, enhance, and update the Welfare Case Data system due to the anticipated need for mandated changes as a result of welfare reform as well as the statewide implementation of Electronic Benefits Transfer (EBT). A set amount of \$480,800 to provide computer services relating to back-ups, storage and operating environment maintenance, and administrative services in support of the Joint Committee, subcommittees and work groups is included in the total contract amount of

## BOARD OF SUPERVISORS

2

Agenda: June 22, 1999

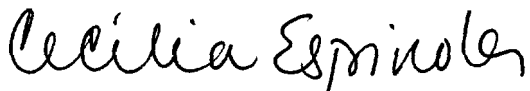
Request for Approval of Agreement with  
Electronic Data Systems Corporation to  
Provide Maintenance of the Welfare Case Data System

\$5,656,800. Santa Cruz County's share of the total contract amount is \$166,376. HRA has included the necessary funds in the recommended 392100 budget for FY 99/00. The agreement is on file with the Clerk of the Board.

IT IS THEREFORE RECOMMENDED that your Board:

1. Approve the 1999/00 contract amendment with Electronic Data Systems Corporation to maintain and improve the Welfare Case Data System in the amount of \$166,376, effective July 1, 1999, and contingent upon your Board's approval of the recommended FY 99/00 HRA budget; and
2. Authorize the Human Resources Agency Administrator to execute the agreement on behalf of the County.

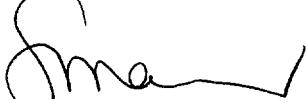
Very truly yours,



CECILIA ESPINOLA  
Administrator

CE/RT/FB:EDS-9900.BOS

RECOMMENDED:



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Susan A. Mauriello  
County Administrative Officer

cc: County Administrative Office  
County Counsel  
Auditor-Controller  
Contractor

AMENDMENT TEN TO THE AGREEMENT BETWEEN  
THE CALIFORNIA CASE DATA SYSTEM COUNTIES  
AND  
ELECTRONIC DATA SYSTEMS CORPORATION  
FOR THE  
MAINTENANCE OF A COMPUTERIZED WELFARE CASE DATA SYSTEM.

This is an amendment ("Amendment 10") to the agreement, as amended (the "Agreement"), between the California Counties of Santa Clara, San Mateo, San Diego, Sonoma, Santa Cruz, Fresno, Tulare, Solano, City and County of San Francisco, San Luis Obispo, Contra Costa, Placer, Alameda, Yolo, Orange, Santa Barbara, and Sacramento, and Electronic Data Systems Corporation, which commenced on July 1, 1991 for an initial period of three years. Subsequent to the Agreement, a first amendment dated July 1, 1992, a second amendment dated July 1, 1993, a third amendment dated July 1, 1993, a fourth amendment dated July 1, 1994, a fifth amendment dated July 1, 1995, a sixth amendment dated July 1, 1995, a seventh amendment dated July 1, 1996, an eighth amendment dated July 1, 1997, and a ninth amendment dated July 1, 1998 have been executed. The Agreement, plus the nine amendments are collectively referred to as the "Agreement".

Effective December 31, 1995 Marin County terminated its participation in the Agreement, reducing the total number of counties to eighteen (18), and the number of small counties to five (5).

Effective July 1, 1998 Nevada County terminated its participation in the Agreement, reducing the total number of counties to seventeen (17), and the number of small counties to four (4).

WHEREAS, the Counties and EDS wish to exercise their option to extend the term of the Agreement;

WHEREAS, the Counties and EDS desire to maintain the number of hours authorized for Joint Services for the year beginning July 1, 1999;

WHEREAS, the Counties and EDS desire to add two optional billing rates to the existing billing rate;

WHEREAS, the Counties and EDS desire to add a millennium compliance warranty;

WHEREAS, The Counties and EDS desire to add a software licensing provision, granting the use of proprietary EDS software in support of the maintenance, development, and operations of the Welfare Case Data Systems (WCDS) including the Services Management Access Resource Tracking (SMART) subsystem;

WHEREAS, The Counties and EDS desire to modify the insurance provisions of the Agreement requiring that the EDS employer liability insurance and the EDS performance bond be acquired from a rated company.

NOW, THEREFORE, it is agreed as follows:

1. By Amendment 9, Section 1.3 of the Agreement has been modified to extend the term of the Agreement on an annual basis, at Counties option, until systems jointly maintained under this Agreement have been replaced in all Counties by automation funded through the California Statewide Automated Welfare System (SAWS) strategy.
2. Pursuant to Section 1.3, as amended by Amendment 9, the Counties hereby exercise their annual option to extend the term of the Agreement by one year so that this Agreement shall expire on June 30, 2000.
3. Section 14.1 of the Agreement is modified to read:

14.1 Maximum Contractual Obligation:

It is mutually understood that for contract year 1, beginning July 1, 1991 and ending June 30, 1992, of the Agreement, Counties will appropriate \$2,958,600 to cover the costs under this Agreement. It is mutually understood that for contract year 2, beginning July 1, 1992 and ending June 30, 1993, of the Agreement, Counties will appropriate \$3,257,592 to cover the costs under this Agreement. It is mutually understood that for contract year 3, beginning July 1, 1993 and ending June 30, 1994, of the Agreement, Counties will appropriate \$3,257,592 to cover the costs under this Agreement. It is mutually understood that for contract option year 1, beginning July 1, 1994 and ending June 30, 1995, of the Agreement, Counties will appropriate \$3,257,592 to cover the costs under this Agreement. It is mutually understood that for contract option year 2, beginning July 1, 1995 and ending June 30, 1996, of the Agreement, Counties will appropriate \$4,814,842 to cover the costs under this Agreement. It is mutually understood that for contract option year 3, beginning July 1, 1996 and ending June 30, 1997, Counties will

appropriate \$3,750,812 to cover the costs under this Agreement. It is mutually understood that for contract option year 4, beginning July 1, 1997 and ending June 30, 1998, Counties will appropriate \$4,424,320 to cover the costs under this Agreement. It is mutually understood that for the contract option year beginning July 1, 1998 and ending June 30, 1999, Counties will appropriate \$5,656,800 to cover the costs under this Agreement. It is mutually understood that for the contract option year beginning July 1, 1999 and ending June 30, 2000, Counties will appropriate \$5,656,800 to cover the costs under this agreement. Notwithstanding any other provisions of the Agreement, the parties agree that at such time that the amount which Counties pay or become obligated to pay EDS for services rendered pursuant to this Agreement totals the amount appropriated, Counties may terminate the services of EDS pursuant to this Agreement, in which event Counties' total obligation to EDS for all services rendered pursuant to this Agreement shall not exceed the appropriated amount. In the alternative, at Counties' option, Counties may appropriate additional funds to pay for services pursuant to this Agreement, in which event EDS will continue to be obligated to perform at the rate set forth in this Agreement until such additional appropriation is exhausted (but not to exceed the term of this Agreement and any extensions hereto).

The obligation of Counties under this Agreement shall be contingent upon the availability of State and Federal funds for the reimbursement of Counties' expenditures. In the event that such funding is terminated or reduced, Counties' Contract Officer may terminate this Agreement or reduce Counties' maximum obligation set forth in this section.

4. Section 14.3.1 of the Agreement is modified to read:

- 14.3.1 The existing Billing Rate for twelve (12) months beginning July 1, 1999 shall be (\$80.00) per hour of service rendered by EDS. This rate shall include the following services: system joint maintenance, technical revisions to the system, and staff training.

The maximum number of billing hours of service is:

- 1) 40,000 hours of service for the period July 1, 1991 through June 30, 1992; and,

- 2) 44,800 hours of service for the period July 1, 1992 through June 30, 1993; and,
- 3) 44,800 hours of service for the period July 1, 1993 through June 30, 1994; and,
- 4) 44,800 hours of service for the period July 1, 1994 through June 30, 1995; and,
- 5) 69,800 hours of service for the period July 1, 1995 through June 30, 1996; and,
- 6) 52,800 hours of service for the period July 1, 1996 through June 30, 1997; and,
- 7) 62,000 hours of service for the period July 1, 1997 through June 30, 1998; and,
- 8) 64,700 hours of service for the period July 1, 1998 through June 30, 1999; and,
- 9) 64,700 hours of service for the period July 1, 1999 through June 30, 2000.

Counties may elect to use, with prior agreement with EDS, Data Engineering Specialist services for data base services, rendered by qualified EDS staff as defined in Section 2.18, at the rate of \$125 per hour. Counties may also elect to use, with prior agreement with EDS, Business Consultant services for business engineering, industry **based** modeling, workflow analysis, and business and technology planning rendered by qualified EDS staff as defined in Section 2.19, at the rate of \$150 per hour. Use of the above services will not increase the maximum amount of contractual obligation.

5. Section 11.1 naming key personnel who will serve continuously throughout the term of this Agreement shall be modified to read:

<u>Designated Individual</u>	<u>Position</u>
Marybeth Ryden	Account Executive
Maureen Finmand	Account Manager
Denise Kempf	Operations Manager
Lois Reed	Welfare Analyst
Pat Norwood	Systems Engineering Supervisor
Bob Nakano	Sr. Systems Engineer

6. Section 2.18 is added to the Agreement and provides: Data Engineering Specialist services include but are not limited to mean implementing database management systems, performing logical and physical database design, tuning database performance, integrating multiple databases including relational databases, distributing data, and data administration. Data Engineering Specialist services shall be provided by staff with a minimum of five (5) years experience in large systems, such as the Client Data System (CDS) and with at least (3) years experience in Data Engineering with large, complex databases.
7. Section 2.19 is added to the agreement and provides: Business Consultant services include but are not limited to mean creating strategic and tactical business and technology plans, conducting workflow analysis, business process engineering, and using/creating industry based business and technical models. Business Consultant services shall be provided by staff with a minimum of five (5) years experience in business engineering and technology planning as a Business Consultant and with a minimum of three (3) years experience in Welfare and Employment Services systems.
8. Section 11.2 Duties of EDS - - Joint Services: is modified to add Section 11.2.17 which provides:
  - 11.2.17 Millennium Compliance. EDS warrants the WCDS software maintained under this Agreement, in whole, and all its subsystems, shall accurately process, without error, date **and** time data (including, but not limited to calculating, comparing and sequencing) from, into, and between the twentieth and twenty-first centuries, and the years 1999 and 2000, and leap year calculations, to the extent that other information technology, used in combination with the information technology being used by EDS, under this agreement, properly exchanges date and time data with it. The COUNTIES, and each county, acknowledge and agree that in no event will EDS be responsible for: (1) changes, modifications, updates, or enhancements made to the software or systems by parties other than by EDS (including COUNTIES or any COUNTY); (2) any inaccuracies, delays, interruptions, or errors caused by software or systems provided by any third parties interfacing or doing business with COUNTIES or any COUNTY that EDS is required to interface with in EDS' performance of the services hereunder; (3)

any inaccuracies, delays, interruptions, or errors occurring as a result of incorrect data or data from telecommunication systems not under the reasonable control of EDS; or (4) any inaccuracies, delays, interruptions, or errors occurring as a result of incorrect data or data from other systems, software, hardware, processes, or third parties provide in a format that is inconsistent with the format and protocols established for WCDS, including date data in two-digit format or **windowing**. The parties acknowledge and agree, that for the purposes of the Agreement, **windowing** is a technique used to derive a century from a two-digit date using a pre-defined rule. In no event will EDS be responsible to COUNTIES, any COUNTY, or third parties for any indirect or consequential damages or amounts for loss of income, profits, or savings arising out of or relating to Year 2000 compliance or performance of Year 2000 work. Notwithstanding any provision to the contrary herein, the remedies available to COUNTIES under this warranty shall include, but not be limited to, repair or replacement at EDS' expense of any part of WCDS whose non-compliance is discovered and made known to EDS within ninety (90) days after the date of acceptance for new or revised WCDS programming or after March 31, 2000, whichever date is later. Nothing in this warranty shall be construed to limit any rights or remedies the COUNTIES may otherwise have under this Agreement with respect to defects other than Year 2000 performance.

9. Section 20.7 of the Agreement is modified to read:

20.7 Throughout the term of this Agreement, EDS ,at its sole cost, shall maintain in full force and effect a policy of statutory California Workers' Compensation coverage including broad form all-states coverage, and a policy of Employer's Liability coverage for not less than one million dollars (\$1,000,000) per occurrence, issued by a company or companies which hold a current policy holder's alphabetic and financial size category rating of not less than A V, according to Best's Key Rating Guide.

10. Section 21.1 of the Agreement is modified to read:

21.1 Throughout the term of this Agreement, EDS shall maintain and file with the Counties, a performance bond

in the amount of two million dollars (\$2,000,000), issued by a company that is a California admitted surety, with either a current A.M. Best rating of A IV or a current Standard and Poors (S&P) rating of A, and in such format as are reasonably acceptable to Counties. The filing with the Clerk of a Court of the State of California or the United States of a complaint against EDS seeking damages for failure to properly perform the services specified in this Agreement, together with service by mail on the surety company or on the financial institution of a copy of said complaint shall constitute perfection of the filing requirements of Counties' claim against the bond. Failure of EDS to maintain said bond shall be a material breach of this Agreement and shall constitute grounds for Counties to immediately terminate this Agreement. Counties are assured compliance has taken place. Nothing in this Section 21.1 shall be construed as diminishing or altering the rights of Counties to pursue any other legal or equitable remedies.

11. Section 31, COPYRIGHT ACCESS/SOFTWARE AND OWNERSHIP RIGHTS is modified to add Section 31.4 which provides:

31.4 EDS also agrees that upon termination of the Agreement, EDS grants to the COUNTIES a perpetual, royalty-free, nonexclusive, and irrevocable license to reproduce and use, and to authorize others to use, on behalf of COUNTIES and as successors to EDS, for purposes of maintenance, operations, and development of WCDS software, the EDS Family and Employment Services Class Library and any modifications thereof and associated documentation used in the development, maintenance, or operations of the SMART subsystem.

12. Except as noted above, all other provisions of the Agreement shall remain unchanged.

IN WITNESS WHEREOF, the parties hereto have caused this Amendment 10 to be executed by their respective authorized representatives.

Electronic Data Systems Corporation

Dated: 5/24/99

By   
Marybeth Ryden  
Vice President  
State and Local Government

ATTEST:

COUNTY OF SANTA CLARA

\_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

\_\_\_\_\_

ATTEST:

COUNTY OF SAN MATEO

\_\_\_\_\_

By \_\_\_\_\_  
President, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF SAN DIEGO

\_\_\_\_\_

BY \_\_\_\_\_  
Clerk of the Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF SONOMA

\_\_\_\_\_

BY \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF TULARE

\_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF SANTA CRUZ

\_\_\_\_\_

By \_\_\_\_\_  
Administrator  
Human Resources Agency

Dated: \_\_\_\_\_

APPROVED AS TO FORM:

*Joe M. Scott*  
\_\_\_\_\_  
County Counsel

ATTEST:

COUNTY OF FRESNO

\_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF SOLANO

\_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

CITY AND COUNTY OF SAN FRANCISCO

\_\_\_\_\_

**BY** \_\_\_\_\_  
President, Social Services  
Commission

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF SAN LUIS OBISPO

\_\_\_\_\_

**By** \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

**By** \_\_\_\_\_  
Deputy County Counsel

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF CONTRA COSTA

\_\_\_\_\_

**BY** \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

ATTEST:

COUNTY OF PLACER

\_\_\_\_\_

**By** \_\_\_\_\_  
Chairperson, Board of Supervisors

Dated: \_\_\_\_\_

000309

ATTEST:

COUNTY OF ALAMEDA

\_\_\_\_\_  
Dated: \_\_\_\_\_

BY \_\_\_\_\_  
Chairperson, Board of Supervisors

ATTEST:

COUNTY OF YOLO

\_\_\_\_\_  
Dated: \_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

ATTEST:

COUNTY OF ORANGE

\_\_\_\_\_  
Dated: \_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

ATTEST:

COUNTY OF SANTA BARBARA

\_\_\_\_\_  
Dated: \_\_\_\_\_

By \_\_\_\_\_  
Chairperson, Board of Supervisors

ATTEST:

COUNTY OF SACRAMENTO

\_\_\_\_\_  
Dated: \_\_\_\_\_

BY \_\_\_\_\_  
Chairperson, Board of Supervisors

COUNTY OF SANTA CRUZ  
REQUEST FOR APPROVAL OF AGREEMENT

TO: Board of Supervisors  
County Administrative Officer  
County Counsel  
Auditor-Controller

310

FROM: Human Resources Agency (Dept.)  
[Signature] (Signature) 6/8/99 (Date)

The Board of Supervisors is hereby requested to approve the attached agreement and authorize the execution of the same.

1. Said agreement is between the County of Santa Cruz Human Resources Agency (Agency)  
and Electronic Data Systems Corporation, P.O. Box 1890 Rancho Cordova, CA 95741 (Name & Address)
2. The agreement will provide maintenance, enhancements, updates to Welfare Case Data System  
and GAIN Information System
3. The agreement is needed. to provide payment for services as 1 of 17 counties
4. Period of the agreement is from 7/1/99 to 6/30/00
5. Anticipated cost is \$ 166,376 (Fixed amount; Monthly rate; Not to exceed)
6. Remarks: Amendment #10 contract period 7/1/91 - 6/30/00, Budget agreement 7/1/99 - 6/30/00  
W-9 on file; Contact - R. Tranowski X4047
7. Appropriations are budgeted in 392100 (Index#) 3665 (Subobject)

NOTE: IF APPROPRIATIONS ARE INSUFFICIENT, ATTACH COMPLETED FORM AUD-74

Appropriations are available and have been encumbered. \* Contract No. 90071 Date 6/9/99  
are not will be

\* SUBJECT TO APPROVAL OF THE 1999-2000  
BUDGET

GARY A. KNUTSON, Auditor - Controller  
By [Signature] Deputy.

Proposal reviewed and approved. It is recommended that the Board of Supervisors approve the agreement and authorize the  
HRA Administrator to execute the same on behalf of the Human Resources Agency

(Agency).

Remarks:

[Signature] (Analyst)

County Administrative Officer  
By [Signature] Date 6/10/99

Agreement approved as to form. Date \_\_\_\_\_

Distribution:

Bd. of Supv. - White  
Auditor-Controller - Blue  
County Counsel - 4000  
Co. Admin. Officer - Canary  
Auditor-Controller - Pink  
Originating Dept. - Goldenrod

37 Orig. Dept. if rejected.

ADM - 29 (6/95)

State of California )  
County of Santa Cruz ) ss

I \_\_\_\_\_ ex-officio Clerk of the Board of Supervisors of the County of Santa Cruz,  
State of California, do hereby certify that the foregoing request for approval of agreement was approved by  
said Board of Supervisors as recommended by the County Administrative Officer by an order duly entered  
in the minutes of said Board on \_\_\_\_\_ County Administrative Officer  
\_\_\_\_\_ 19 \_\_\_\_ By \_\_\_\_\_ Deputy Clerk