



LEROY D. BACA, SHERIFF

County of Los Angeles
Sheriff's Department Headquarters
4700 Ramona Boulevard
Monterey Park, California 91754-2169

A Tradition of Service



April 30, 2013

The Honorable Board of Supervisors
County of Los Angeles
383 Kenneth Hahn Hall of Administration
Los Angeles, California 90012

Dear Supervisors:

**TERMINATION FOR CONVENIENCE AND APPROVAL OF AMENDMENT NUMBER
TWO TO AGREEMENT NUMBER 77210 FOR AUTOMATED EMPLOYEE
SCHEDULING SYSTEM SOFTWARE AND SERVICES
(ALL DISTRICTS) (3 VOTES)**

**CIO RECOMMENDATION: APPROVE (X) APPROVE WITH MODIFICATION ()
DISAPPROVE ()**

SUBJECT

The Los Angeles County Sheriff's Department (Department) requests the Board terminate for convenience Agreement Number 77210 (Agreement) for Automated Employee Scheduling System (AESS) software and services (Services) with Kronos, Incorporated (Kronos) and execute Amendment Number Two to the Agreement to effectuate the termination.

IT IS RECOMMENDED THAT THE BOARD:

1. Approve termination of the Agreement for AESS Services with Kronos for convenience.
2. Approve and instruct the Chairman of the Board to sign the attached Amendment Number Two to the Agreement that formally terminates the Agreement.

PURPOSE/JUSTIFICATION OF RECOMMENDED ACTION

In 2006, the Department began a research effort in search of a commercial off-the-shelf AESS that could be configured for public safety use. In 2007, the Chief Executive Office (CEO) asked we

include the Los Angeles County Fire (Fire) and Probation (Probation) Departments in the project. It was determined a pilot program could be implemented for the three departments at a cost of approximately \$1 million. In January 2008, the CEO allocated \$1 million for the pilot project from the CEO Efficiency Information Technology Fund and a Request for Proposal was issued in November 2008.

On December 15, 2009, Los Angeles County (County) entered into Agreement Number 77210 with Principal Decision Systems International (PDSI) for AESS Services for the Department, as well as Fire and Probation. On October 1, 2011, PDSI and Kronos formally merged. On June 11, 2012, the County and Kronos entered into Amendment Number One to the Agreement to memorialize the assignment of the Agreement from PDSI to Kronos.

While the County has made every effort to adapt the software to the pilot Department's business processes, the project was only partially implemented in Fire's Lifeguard Section but not department-wide as planned. Nevertheless, after an extensive evaluation of the Phase 1 pilot, and with the concurrence of the Chief Information Office (CIO), the County and Kronos have mutually agreed to terminate the Agreement.

Under the Agreement, the County purchased 3,000 perpetual user licenses, of which Fire will continue to use 1,031 user licenses for its Lifeguard operations upon termination of the Agreement. Fire will allocate \$32,330 annually to purchase maintenance and support for the implemented user licenses under separate Purchase Orders issued by the Internal Services Department.

Implementation of Strategic Plan Goals

The proposed action satisfies Strategic Plan Goal 2, Fiscal Sustainability. Termination of the Agreement serves as a prudent remedy to avoid further unnecessary costs associated with the project.

FISCAL IMPACT/FINANCING

The cost of services under the Agreement to implement the Phase 1 pilot for the three County departments was not to exceed \$1,494,600. Future maintenance, in the amount of \$494,600, was to be allocated individually by each participating department, if the project had been completed. The County has paid a total of \$640,468.68 to Kronos for deliverables completed and accepted by the County. The County and Contractor acknowledge there are no further obligations binding either party.

FACTS AND PROVISIONS/LEGAL REQUIREMENTS

The attached Amendment Number Two to the Agreement has been reviewed and approved as to form by County Counsel.

The Chief Information Office (CIO) reviewed the Board letter and recommends approval. It determined because this recommended action simply terminates for convenience an existing County Agreement and does not constitute a technology related acquisition, no formal CIO analysis is required.

IMPACT ON CURRENT SERVICES (OR PROJECTS)

There is no impact on current services or projects.

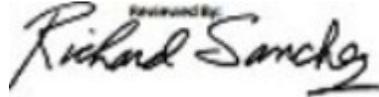
CONCLUSION

Upon approval by the Board, please return two adopted copies of the Board letter and two signed copies of Amendment Number Two to the Department's Contracts Unit.

Sincerely,



LEROY D. BACA
Sheriff



RICHARD SANCHEZ
Chief Information Officer

LDB:MEM:mm

Enclosures

**AMENDMENT NUMBER TWO TO AGREEMENT NO. 77210
FOR AUTOMATED EMPLOYEE SCHEDULING SYSTEM (AESS)
SOFTWARE AND SERVICES**

This Amendment Number Two (hereinafter "Amendment") to Agreement Number 77210 (hereinafter "Agreement") is entered into by and between County of Los Angeles (hereinafter "County") and Kronos Incorporated (hereinafter "Contractor"), effective upon execution by all parties.

- A. WHEREAS, on December 15, 2009, County and Contractor entered into Agreement Number 77210 for Automated Employee Scheduling System (AESS) Software and Services; and
- B. WHEREAS, on October 1, 2011, PDSI and Kronos Incorporated formally merged, and the surviving entity was Contractor; and
- C. WHEREAS, on June 11, 2012, County and Contractor entered into Amendment Number One to recognize the acquisition of PSDI by Contractor and add new County mandated terms; and
- D. WHEREAS, Contractor has completed, and County has accepted, certain Deliverables required under the Agreement as follows:
 - 1. Fire Department: Completed and accepted deliverables 1.1, 1.3, 2.1, 3.1, 4, 5, 6, 7, 9
 - 2. Probation Department: Completed and accepted deliverables 1.1, 1.3, 2.1, 3.1, 4, 5, 6, 7, 9
 - 3. Sheriff's Department: Completed and accepted deliverables 1.1, 1.3, 2.1, 3.1, 4, 5
- E. WHEREAS, for the completed and accepted Deliverables set forth above, County has paid Contractor in full the amount of \$640,468.68, and both County and Contractor acknowledge that all Work obligations have been fully satisfied and that all payment obligations for such Work have been fulfilled; and
- F. WHEREAS, in accordance with Paragraph 6.1, Termination for Convenience, of Exhibit A, Additional Terms and Conditions, of the Agreement, County and Contractor mutually agree to terminate the Agreement.

NOW, THEREFORE, in consideration of the foregoing recitals, all of which are hereby incorporated as part of this Agreement, the mutual covenants set forth herein, and for other good and valuable consideration, the receipt and sufficiency of which are hereby acknowledged, County and Contractor hereby agree as follows:

**AMENDMENT NUMBER TWO TO AGREEMENT NO. 77210
FOR AUTOMATED EMPLOYEE SCHEDULING SYSTEM (AESS)
SOFTWARE AND SERVICES**

1. The Agreement is terminated for convenience, in whole and in its entirety, by County, effective upon approval of this Amendment by the County Board of Supervisors.
2. County hereby releases Contractor from any and all further obligations to provide Work required under the Agreement.
3. Contractor acknowledges County's full payment for all Work provided under the Agreement and hereby releases County of any and all further obligations for payments for Work provided by Contractor under the Agreement.
4. In accordance with Paragraph 24.0, Survival, of the Agreement, the following Paragraphs of the Agreement shall survive its expiration or termination for any reason: 1, 2, 6, 9, 11, 13, 14, 15, 16, 17, 20, 21, 22 and all Paragraphs set forth in Exhibit A, Additional Terms and Conditions, of the Agreement.
5. Except as expressly provided in this Amendment, all terms, covenants, and conditions of the Agreement shall remain the same and in full force and effect.
6. Contractor represents and warrants that the person executing this Amendment for Contractor is an authorized agent who has actual authority to bind Contractor to each and every item, condition, and obligation of this Amendment and that all requirements of Contractor have been fulfilled to provide such actual authority.

**AMENDMENT NUMBER TWO TO AGREEMENT NO. 77210
FOR AUTOMATED EMPLOYEE SCHEDULING SYSTEM (AESS)
SOFTWARE AND SERVICES**

IN WITNESS WHEREOF, the County of Los Angeles, by order of its Board of Supervisors has caused this Amendment Number Two to be executed on its behalf by the Chairman of said board and attested by the Executive Officer-Clerk of the Board of Supervisors thereof, and Contractor has executed this Amendment Number Two, or caused it to be duly executed by its duly authorized officer.

COUNTY OF LOS ANGELES

By: _____
Chair, Board of Supervisors

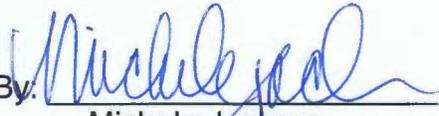
ATTEST:
Sachi A. Hamai
Executive Officer
Los Angeles County Board of Supervisors

By _____
Deputy

KRONOS INCORPORATED

By: 
Print Name: Greg Ekstrom
Title: VP, GM
Date: 3/22/13

APPROVED AS TO FORM:
JOHN F. KRATTLI
County Counsel

By: 
Michele Jackson
Deputy County Counsel

Date: 3/12/13