

Cleveland County Board of Commissioners
February 26, 2018

The Cleveland County Board of Commissioners met in a special called session on this date, at the hour of 2:30 p.m. in the Commission Chamber of the Cleveland County Administrative Offices.

PRESENT: Eddie Holbrook, Chairman
Susan Allen, Vice-Chair
Johnny Hutchins, Commissioner
Ronnie Whetstine, Commissioner
Doug Bridges, Commissioner
Brian Epley, County Manager
Tim Moore, County Attorney
Phyllis Nowlen, Clerk to the Board
Kerri Melton, Assistant County Manager
Allison Mauney, Human Resources Director
Chris Green, Tax Administrator
Marty Gold, Information Technology Director

CALL TO ORDER

Chairman Eddie Holbrook called the meeting to order and Commissioner Whetstine led the audience in the Pledge of Allegiance and provided the invocation for the meeting.

AGENDA ADOPTION

ACTION: Commissioner Allen made the motion, seconded by Commissioner Bridges and unanimously approved by the Board to, *approve the agenda.*

REGULAR AGENDA

Chairman Holbrook recognized Brian Epley, County Manager, to present the Enterprise Resource Planning Conversion Contract Recommendation. Staff has been researching, planning and working on a software upgrade since 2014. The last time Cleveland County government had a software upgrade was 1989. The County has been working off of an AS400 system which is very antiquated and requires a tremendous amount of manual processing. Although the AS400 system is dependable and has done the job, staff feels it is time to move forward with a new system which will eliminate the amount of time consumed with processing and coding done to enter information on a daily basis. Since 2014, one of the strategic goals set was sustainability. One of the foundations to achieve sustainability is streamlining and improving efficiency on a day to day basis. A steering committee was formed in September 2017 with the goal of finding a new software program with enhanced user friendliness, was intuitive and linear in the way it worked. The program also had to have efficiency and automation. Currently in departments such as Tax Administration, Tax Collections, Human Resources and Finance, it could take 12 – 18 months for a new employee to become fully trained and work independently on the current AS400 system due to the challenges and complexity of the software. The steering committee also wanted to place value on the citizens of Cleveland County and allow them to have some self-service ability on an integrated system on the county's website. This will permit more citizen engagement and agency transparency. The committee also wanted to promote more of a uniformed organization system and have an advanced business intelligence. This would allow departments to run high level analytics and possess the ability to have advanced functions that makes data driven business decisions for Cleveland County. Members of the steering committee included staff from the County

Manager's Office, Human Resources, Finance/Payroll, and the Tax Office. Once the committee was assembled and system goals were set, a request for proposal (RFP) was sent out. Marty Gold, Information Technology Director, was heavily involved in drafting the proposal, ensuring the technical requirements were being made. The team was skeptical of the companies located in North Carolina being able to offer the services they required as factors have changed since 1989. Cleveland County is now a medium market county with high demands. Five responses were received back from the RFP.

The validation process was done on the responses to ensure the replies sent in did meet the requests that were given. The team was quickly able to narrow down the choices to two companies, Keystone and Tyler Technologies. Each company was invited to come in and do an on-site program demonstration. Experts from each company came in and walked staff through their systems operations, going by department and function, as to what their product could offer. Members from the steering committee then did on-site visits to other organizations in North Carolina who use either of these systems to ascertain how they like the software, the functionality of the programs and the efficiency it provides. After the team completed their research and evaluations, they are recommending to the Board for approval, Keystone Information Systems as the new software vendor for Cleveland County. Mr. Epley invited several members from the steering committee to come up and present to the Board a few key points they have from their department for recommending Keystone. Lucas Jackson, Assistant Finance Director advised the increased efficiency through the ability to streamline will increase and aid in account accuracy. Any time you're able to use automation you're increasing the accuracy by eliminating some degree of manual input. Another key component is transaction attachments which allows staff and auditors to view all information correlated to an item/transaction. The third component is data extraction. The software will easily allow the exportation of data into spreadsheets or other forms needed for reports and audits. Chris Green, Tax Administrator echoed Mr. Jackson's statements regarding the importance of data extraction. Real property evaluation is large statistical amounts of information that staff from the Tax Office must be to be able to view and access to transfer it into easy workable reports. Mr. Green also touched on the importance of effective employee training. Marty Gold, Information Technology Director stated from an I.T perspective the program runs on a stable and proven platform. It also allows for easy exportability to excel and other software. The Windows based system enhances user friendliness. Allison Mauney, Human Resources Director explained this new software will allow for an integrated online application process with greater user friendliness for not only the applicant but staff as well. The new program will greatly enhance the accuracy and efficiency in payroll, FMLA, EEO, OSHA and other processes. Mrs. Mauney concluded by stating the software will allow for complete analytical abilities in areas such as employee turnover, compensation, demographics and succession planning.

Mr. Epley reviewed some of the key aspects offered by Keystone such as a streamlined implementation rollout, simplified training for employees and a local project manager available who is a subject matter expertise. The Board was reminded of the importance of the implementation time table. Last year a resolution was passed to reschedule re-evaluations for the year 2021. In order to make that deadline, the Finance and Tax departments must

be implemented by March 2019. This will be an aggressive 12-month implementation schedule that Tyler Technologies was unable to meet. Mr. Epley introduced Judd Van Dervort, President of Keystone Information Systems. Mr. Van Dervort presented Rhonda Owens, Customer Support and Project Lead for Cleveland County and Julie Alfred, Project Lead, to the Board. He then gave a brief background and synopsis of Keystone Systems and what Cleveland County can expect if their software is approved and implemented. Chairman Holbrook opened the floor to Commissioners for questions or comments. Commissioner Whetstine inquired if the system is able to be modified to the exact needs of the County. Mr. Van Dervort advised yes it could be, and if approved there are a few aspects of the software that will be modified to fit the exact needs of several departments in the county office. Commissioner Allen thanked Mr. Van Dervort and his staff for coming to the meeting and she stressed to them the importance of customer service and timeliness in resolving any program issues the County may encounter. Commissioner Hutchins asked how long Rutherford County has been using Keystone Systems. Mr. Van Dervort advised Rutherford has been using Keystone since the 1980's and recently did a major upgrade with the software in 2007. This is the same software that has been presented to Cleveland County. Professional references have been given to staff as part of their RFP bid packet. Commissioner Hutchins asked about the cost of the program. Mr. Epley advised the County had started preparing for a software upgrade in 2014. Tyler Technologies is 1.8 million dollars above budget while Keystone is within the County's budget. Commissioner Hutchins asked for reassurance that Keystone Systems will provide the promised services. Mr. Epley stated everything will be documented and thoroughly worded in the contract. Chairman Holbrook thanked Mr. Van Dervort and his staff for coming and being available for questions or comments the Board had.

Cleveland County Enterprise Resource Planning (ERP) Software Conversion

BACKGROUND

- Current AS/400 system in place since 1989
- Limited software upgrades
- Lack of system overhaul has lead to dated and inefficient software

GOALS

Strategic Goal: Fiscal Sustainability

- Enhanced user friendliness
- Increased efficiency and automation
- Streamlined service delivery
- Reduced employee training time
- Citizen self service
- Unified organizational system
- Advanced business intelligence

TIMELINE

Sep. 8 th	Initial steering committee meeting
Sep. 22 nd	RFP submitted
Dec. 30 th	5 Responses received
Jan-Feb	Vendor research/ client discussions
Jan. 25 th	Keystone on-site demo
Jan. 31 st and Feb. 1 st	Tyler Technologies on-site demo
Feb. 13 th	Tyler Technologies site visit (City of Shelby)
Feb. 15 th	Keystone implementation discussion
Feb. 16 th	Keystone site visit (Rutherford County)
Feb. 20 th	Steering committee meeting
Feb.26 th	Vendor recommendation

VENDOR PROFILE

Keystone

- Founded in 1975
- 25+ employees, 50+ clients
- Family owned
- 11 County clients in NC, 1 city



Tyler Technologies

- Founded in 1962
- 4000+ employees, 15,000+ clients
- Publicly owned
- 56 County clients in NC, 31 cities



COMPARISON

Keystone

- + Significant upgrade
- + Intuitive interface and training
- + Streamlined workflow and automation
- + Personalized support
- + Feasible implementation timeline
- + Local project manager
- Lacking advanced features
- Few peer counties

• \$950K+\$85K/annual
• Project estimate: **\$1.4M**

Tyler Technologies

- + Advanced analytics
- + Large number of clients
- + Cutting edge updates
- + Lengthy implementation timeline
- Significant cost
- Steep learning curve
- Demanding hardware requirements

• \$3.29M+\$130k/annual
• Project estimate: **\$3.81M**

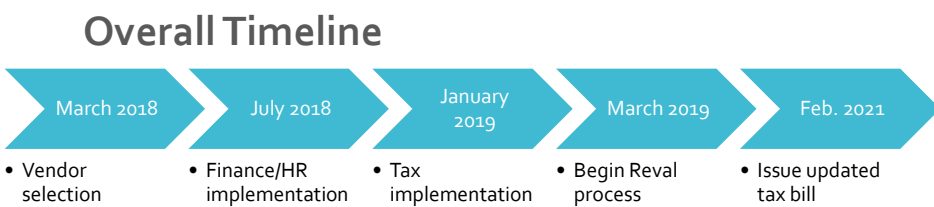
<h3>Finance</h3> <ul style="list-style-type: none"> • Efficient & accurate • Transaction attachments • Data extraction for analysis 	<h3>Tax</h3> <ul style="list-style-type: none"> • Portability of data • Reduce (training) time to effectiveness • Split database for revaluation • Specific NC focus
<h3>Information Technology</h3> <ul style="list-style-type: none"> • Runs on a stable and proven platform • Windows based enhances user friendliness • Easy exportability to Excel and other software • More personalized customer service 	<h3>Human Resources</h3> <ul style="list-style-type: none"> • Integrated online application process • Efficiency in payroll, FMLA, EEO, OSHA, and other processes • Increased analytical ability in the areas of turnover, compensation, demographics, and succession planning.

RECOMMENDATION

Keystone

- Difficult to quantify increased cost of Tyler Technologies
- Significant upgrade to current system
- Streamlined implementation rollout
- Opportunity for business process review
- Local project manager with subject matter expertise
- Simplified training for current workforce
- Prioritized support

Estimated \$2.5M cost difference



Questions?

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Allen and unanimously approved by the Board to, *accept Keystone Information Systems as the recommended vendor and authorize the County Manager to execute the contract.*

CLOSED SESSION

ACTION: Commissioner Allen made the motion, seconded by Commissioner Hutchins, and unanimously adopted by the Board, *to go into closed session per NCGS 143-318.11(a)(3) to consult with the County Attorney on a potential legal matter.* (Copy of closed session minutes are sealed and found in Closed Session Minute Book)

RECONVENE IN REGULAR SESSION

ACTION: Commissioner Hutchins made the motion, seconded by Commissioner Bridges, and unanimously adopted by the Board to, *reconvene in open session.*

Chairman Holbrook announced no official action was taken.

ADJOURN

There being no further business to come before the Board at this time, Commissioner Hutchins made the motion, seconded by Commissioner Allen, and unanimously adopted by the Board, *to adjourn the meeting*. The next meeting of the Commission is scheduled for *Tuesday, March 20, 2018 at 6:00 p.m. in the Commissioners Chamber*.

*Eddie Holbrook, Chairman
Cleveland County Board of Commissioners*

*Phyllis Nowlen, Clerk to the Board
Cleveland County Board of Commissioners*