

RESOLUTION NO. 24-48

A RESOLUTION OF KITSAP TRANSIT BOARD OF COMMISSIONERS
AUTHORIZING STAFF TO AWARD A FIVE-YEAR AGREEMENT TO UKG FOR
PROCESSING PAYROLL AND MANAGING EMPLOYEE BENEFITS

WHEREAS, Kitsap Transit has processed its employee payroll with Paychex since 2013; and

WHEREAS, in an effort to improve the functionality of processing and reporting employee payroll in excess of five hundred (500) employees and to accommodate the complexities of several collective bargaining agreement work rules, Kitsap Transit solicited a request for proposals (RFP) to improve processing employee payroll and managing employee benefits; and

WHEREAS, after review and consideration of several RFP packets and live demonstrations, staff is recommending the award of a service agreement to UKG for a term of five years with an option for a two-year renewal; and

WHEREAS, the master service agreement will fix rates for the initial five-year (5-year) period and include a moderate increase of four percent (4%) each year of the two-year renewal option; and

WHEREAS, staff is requesting the initial award to include modules for payroll, time and attendance, scheduling, and the human resources module for employee benefits and record purposes; and

WHEREAS, UKG offers several human capital management modules that staff may choose to add and leverage in the future; and

WHEREAS, the payroll processing services are generally priced on an employee or unit price basis; and

WHEREAS, based on approximate employee count of five hundred (500) employees, the estimated annual operating expense will approximate one hundred sixty-two thousand two hundred seventy dollars (\$162,270); and

WHEREAS, the UKG proposal also includes a one-time implementation fee of twenty-eight thousand nine hundred seventy dollars (\$28,970); and

WHEREAS, the estimated operating expense per pay period is approximately six thousand two hundred forty-one dollars (\$6,241) based on five hundred (500) employees as compared to the current operating budget of four thousand six hundred fifteen dollars (\$4,615); and

WHEREAS, several of the RFP respondent's quotes exceeded the estimated amount included within the 2024 Operating Budget; and

WHEREAS, Kitsap staff is recommending UKG as the best value with the most complete solution for Kitsap Transit's payroll and benefit needs; and

WHEREAS, Kitsap Transit's procurement department letter of recommendation is attached herein as Exhibit A.

NOW THEREFORE, BE IT RESOLVED the Board of Commissioners hereby authorizes staff to award a five-year (5-year) agreement with a two-year (2-year) renewal option to UKG for payroll and benefit software processing and record services as presented in this resolution.

ADOPTED by the Kitsap Transit Board of Commissioners at a regular meeting held on the 2nd day of July, 2024.

DocuSigned by:
Greg Wheeler
782D47B21D054B5...
Greg Wheeler, Chairperson

ATTEST:

DocuSigned by:
Jackie Bidon
2395D24B46804E7...
Jackie Bidon, Clerk of the Board