



TO: Board of Contracts and Awards
FROM: Jack Kelanic, Director of Information Technology
Kipling Morris, Manager, Information Technology Department
COPY: City Council, City Manager, City Clerk, SBE Coordinator, LEAP Coordinator, and
Joe Parris, Finance/Purchasing
SUBJECT: Increase for ServiceNow IT Service Management (ITSM) Software, GSA Schedule No.
GS-35F-0119Y, Contract No. 4600011306 – October 31, 2017
DATE: October 17, 2017

SUMMARY:

The Information Technology Department (ITD) requests approval to increase Contract No. 4600011306 with Carahsoft Technology Corp., Reston, VA, by \$64,619.34, plus applicable sales tax, for the subscription renewal of the ServiceNow IT Service Management (ITSM) software through December 31, 2018. This increase will bring the contract to a cumulative total of \$510,482.34, plus applicable sales tax.

STRATEGIC POLICY PRIORITY:

- Encourage and promote an efficient and effective government, which is fiscally sustainable and guided by engaged residents.

This software increases the efficiency with which ITD manages incidents, change requests, and service delivery.

BACKGROUND:

As part of the continuing effort to provide superior customer service, ITD utilizes ITSM as a method for aligning services with business needs. ITD has gained increased visibility into business processes as well as improved tracking of service delivery as part of this program. Resolution No 39342 provided for the initial purchase of ServiceNow ITSM software to be utilized by a core group of ITD staff.

ISSUE: Since the initial purchase of the ServiceNow ITSM software, there has been a growing demand for IT services and ITD increased the number of services offered via the employee portal. To support such growth, additional ITD employees were licensed in order to take action on service requests assigned to them.

ALTERNATIVES: The alternative course of action would be to reduce existing subscription levels. This would limit the availability of IT services offered from the customer self-service portal as well as decrease efficiency in managing and tracking IT requests for services and management of IT issues. This alternative does not support ITD’s continuous improvement and customer service principles.

COMPETITIVE SOLICITATION: This contract was awarded to Carahsoft who is ServiceNow’s GSA Schedule holder: GS-35F-0119Y effective December 19, 2016 – December 19, 2021. This GSA contract is available for use by state and local governments.

CONTRACT HISTORY: The original contract was approved by Resolution No. 39342 on December 15, 2015 with an approved amount of \$445,863. This increase will bring the contract to a cumulative amount of \$510,482.34, plus applicable sales tax.



SUSTAINABILITY: Carahsoft has an active sustainability plan which includes efforts to reduce energy consumption and minimize greenhouse gas emissions. Carahsoft also promotes carpooling, recycling and the use of timer and motion sensitive lighting controls.

SBE/LEAP COMPLIANCE: Not applicable.

RECOMMENDATION:

The Information Technology Department (ITD) requests approval to increase Contract No. 4600011306 with Carahsoft Technology Corp., Reston, VA, by \$64,619.34, plus applicable sales tax, for the subscription renewal of the ServiceNow IT Service Management (ITSM) software through December 31, 2018. This increase will bring the contract to a cumulative total of \$510,482.34, plus applicable sales tax.

FISCAL IMPACT:

EXPENDITURES:

FUND NUMBER & FUND NAME *	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800 – Information Systems	80008765	5412170	\$64,619.34
TOTAL			\$64,619.34

* General Fund: Include Department

REVENUES:

FUNDING SOURCE	COST OBJECT (CC/WBS/ORDER)	COST ELEMENT	TOTAL AMOUNT
5800 – Information Systems	80008765	5412170	\$64,619.34
TOTAL			\$64,619.34

FISCAL IMPACT TO CURRENT BIENNIAL BUDGET: \$64, 619.34

ARE THE EXPENDITURES AND REVENUES PLANNED AND BUDGETED? No

IF EXPENSE IS NOT BUDGETED, PLEASE EXPLAIN HOW THEY ARE TO BE COVERED.

The additional expense of the software subscription renewal will be covered using savings in the IT Enterprise Resources cost center, 596000.