

October 10, 2023

C-20

HONORABLE MAYOR AND CITY COUNCIL
City of Long Beach
California

RECOMMENDATION:

Authorize the City Manager, or designee, to execute all documents necessary to amend Contract No. 35862 with Carahsoft Technology Corporation, of Reston, VA, for annual licensing and maintenance of the City of Long Beach service management application, ServiceNow, to increase the contract amount by \$150,000 for a revised contract amount of \$260,565, with a 20 percent contingency in the amount of \$52,113, for a revised contract amount not to exceed \$312,678, for one year with the option to renew for two additional one-year periods, at the discretion of the City Manager. (Citywide)

DISCUSSION

City Council approval is requested to amend Contract No. 35862 with Carahsoft Technology Corporation, for annual licensing and maintenance of the City of Long Beach (City) technology management platform, ServiceNow.

The City has been working with Carahsoft and using the service management application ServiceNow since 2017. On January 10, 2017, the City Council adopted the specifications of RFP TI16-112 and awarded an agreement to Carahsoft Technology Corporation for one-time implementation and ongoing annual licensing and maintenance of ServiceNow for a first year contract amount not to exceed \$303,515 and thereafter, in an annual amount not to exceed \$68,040, for ongoing licensing and maintenance fees, for year two, with the option to renew for two additional one-year periods. On June 11, 2019, City Council authorized to amend the Carahsoft agreement and increase the annual amount from \$68,040 to \$110,565, with a 20 percent contingency in the amount of \$22,113, for a total annual contract amount not to exceed \$132,678. This increase allowed for the purchase of additional ServiceNow licenses to accommodate growth in system usage following go-live of the Tyler Munis Enterprise Resource Planning System (LB COAST) and the corresponding increase in technical and application support requests in the ServiceNow workflow.

On February 9, 2021, the City Council adopted a Resolution and authorized the execution of Agreement No. 35862 with Carahsoft Technology Corporation, for continued annual licensing and maintenance of the City's service management application, ServiceNow for a period of three years, with the option to renew for two additional one-year periods.

This contract increase will utilize approximately \$34,000 of the funds requested, to enable up to 175 City staff to conduct approvals within the platform. The user count came as a result of a recent analysis in which departments were asked to review and adjust their department approver listings to ensure appropriate spending. Once provisioned, these management level employees will be able to approve and/or reject technology-related requests for their respective departments.

The remaining funds, approximately \$116,000, will be used to purchase the IT Operations Management (ITOM) module. The immediate use for ITOM is to dynamically discover, maintain, and provide reporting for Technology and Innovation Department's critical server infrastructure. The primary benefit of maintaining server inventory within ServiceNow is improved visibility into the impact of an outage. Current outages are noted within ServiceNow, however, the full impact of a system outage is not known because server dependencies are not automatically maintained.

The long-term goal for ITOM is to conduct an ongoing and automated inventory for all critical technology infrastructure and end-user devices, respectively. The intended outcome is to have one cohesive view into the City's hardware environment to better react to outages and technology changes, improved hardware lifecycle management, and annual budget planning for hardware refresh requirements.

This matter was reviewed by Deputy City Attorney Erin Weesner-McKinley on September 19, 2023, Purchasing Agent Michelle Wilson on September 18, 2023, and by Budget Analysis Officer Greg Sorensen on August 20, 2023.

TIMING CONSIDERATIONS

City Council action to amend Contract No. 35862 is requested on October 10, 2023, to ensure continued use of the City's service management application, ServiceNow.

FISCAL IMPACT

The total annual amount of the contract will not exceed \$312,678 inclusive of a 20 percent contingency of \$52,113. Sufficient funds are budgeted in the General Services Fund Group in the Technology and Innovation Department. Costs for annual licensing and maintenance of ServiceNow are recovered from client departments through the annual TI Memorandum of Understanding (MOU). This recommendation has no staffing impact beyond the normal budgeted scope of duties and is consistent with existing City Council priorities. There is no local job impact associated with this recommendation.

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SUGGESTED ACTION:

Approve recommendation.

Respectfully submitted,



LEA D. ERIKSEN
DIRECTOR
TECHNOLOGY AND INNOVATION

APPROVED:



THOMAS B. MODICA
CITY MANAGER