Office of the City Manager

To: Honorable Mayor and Members of the City Council

From: Dee Williams-Ridley, City Manager

Submitted by: Savita Chaudhary, Director, Information Technology

Subject: Contract No. 10542 Amendment: ServiceNow, Inc. for Information
           Technology Service Management, Project Management, and Government
           Risk and Compliance Software Licenses

RECOMMENDATION
Adopt a Resolution authorizing the City Manager to execute an amendment to Contract
No. 10542 with ServiceNow, Inc., for the extension of software licenses of the IT Service
Management, Business Management, and Governance Risk and Compliance (GRC)
modules, for an additional amount not-to-exceed $266,076 and a total not-to-exceed
amount of $527,832 from February 14, 2017 to June 30, 2022.

FISCAL IMPACTS OF RECOMMENDATION
This amendment will extend the hosting and access of the ServiceNow portal through
June 30, 2022. Funding for this extension in the amount of $266,076 will be provided by
the Department of Information Technology's IT Cost Allocation Fund, General Fund, and
the Sanitary Sewer Fund.

Spending for this amendment in future fiscal years is subject to Council approval of the
proposed city-wide budget and Annual Appropriation Ordinances.

$88,692	FY 20 - Software Licenses for ServiceNow Service Management, Project Management, and GRC Budget Codes: 680-35-363-380-0000-000-472-613130- ($87,252) 011-35-363-380-0000-000-472-613130- ($1,440) 611-35-363-380-0000-000-472-613130- ($240)
$88,692	FY 21 - Software Licenses for ServiceNow Service Management, Project Management, and GRC

Page 2 of 4

Contract: Information Technology Service Management and   Consent CALENDAR
Information Technology Asset Management   December 10, 2019

Budget Codes:
680-35-363-380-0000-000-472-613130- ($87,252)
011-35-363-380-0000-000-472-613130- ($1,440)
611-35-363-380-0000-000-472-613130- ($240)

$88,692	FY 22 - Software Licenses for ServiceNow Service Management, Project Management, and GRC Budget Codes: 680-35-363-380-0000-000-472-613130- ($87,252) 011-35-363-380-0000-000-472-613130- ($1,440) 611-35-363-380-0000-000-472-613130- ($240)
$266,076	*Total NTE FY 20-22 Amendment 10542A for Software Licenses*

CURRENT SITUATION AND ITS EFFECTS

The Department of Information Technology's Help Desk is the 'face of IT' and is highly dependent on the incident and service request fulfillment processes. Staff are currently using ServiceNow's Incident Management, Change Management, Service Request, and Problem Management modules to assist with their service request fulfillment process. These modules integrates with other software tools, automates workflows, and provides online self-service management in addition to providing knowledge base for shared articles across all IT divisions.

The Department of Information Technology's projects team is using ServiceNow's Project Management module to centralize project tracking, tasks, and resource management for the City's technology project. The Project Management module also provides a wide range of reports and dashboards to help make informed decisions for utilizing our resources effectively in alignment with Digital Strategic Plan and City's Strategic Goals to serve the City of Berkeley community.

BACKGROUND
The Department of Information Technology previously utilized a custom home-grown software application to manage requests for service since 2001, called DoIT. DoIT lacked asset management and project management capabilities, as well as the ability to track service level agreements (SLAs) with other departments and vendors.

In 2015 the Department of Information Technology began looking at replacement solutions that would serve both the daily needs of a service management and asset management solution, as well as the longer term needs of managing IT projects and IT resources.

In September 2016, the City released a Request for Proposal (RFP) Specification No. 16-11072-C for an Information Technology Service Management and Asset Management

Page 3 of 4

Contract: Information Technology Service Management and   Consent CALENDAR
Information Technology Asset Management   December 10, 2019

solution. The City received three qualified vendor responses. In November 2016, the review committee selected the top two vendors to participate in two rounds of demos.

In January 2018, Staff launched ServiceNow's Incident Management, Change Management, Service Request, and Problem Management modules and in August 2018 launched went live with the Project Management modules.

RATIONALE FOR RECOMMENDATION
In addition to meeting the City's operational and business requirements, SerivceNow meets all security compliance standards for HIPAA (Health Information), Payment Card Industry (PCI) and Department of Justice (DOJ) and is meets the federal standards for FEDRAMP Certification.Furthermore, Staff do not currently have the capacity to implement a new service management tool.

Continuing the use of ServiceNow allows Staff to maintain and expand resource management and project tracking with advanced workflows, and reporting capabilities thus resulting in efficient and effective implementation of IT projects to serve the City of Berkeley Community.

ALTERNATIVE ACTIONS CONSIDERED
An alternative consideration is to revert back to the old home-grown DoIT application. This will be cost prohibitive due to the significant staff time requirements to develop, troubleshoot as well as to provide maintenance and support of the application. The goal of the Digital Strategic plan is to eliminate custom built software where feasible and go with Commercial off the Shelf (COTS) solution to provide modern technological solutions to serve the City of Berkeley community.

ENVIRONMENTAL SUSTAINABILITY
ServiceNow Corporation will conduct some of their work remotely, and when they do come on-site for face to face meetings, they will be working exclusively over multiple days with the IT Department to minimize both travel costs and greenhouse gas emissions related to travel. Migrating the system from on-premise to cloud based will also reduce the server and storage computing needs as well as ongoing maintenance needed to maintain the equipment. In addition, although not directly related to the deployment of the IT Service Management and Asset Management project, the results of the project will enable the IT Department to input, track, and complete requests for services via web-based tools for CoB staff, which will reduce travel associated with on-site visits to City offices.

CONTACT PERSON
Savita Chaudhary, Director, Information Technology, 510-981-6541

Attachments:
1: Resolution - ServiceNow Corporation

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 10542 AMENDMENT: SERVICENOW, INC. FOR IT SERVICE
MANAGEMENT, ASSET MANAGEMENT, AND PROJECT MANAGEMENT LICENSES

WHEREAS, on September 23, 2016, the City issued a Request for Proposals (RFP) for
an Information Technology Service Management and Information Technology Asset
Management (Specification No.16-11072-C) and received three qualifying vendor
responses; and

WHEREAS, the RFP review committee evaluated each proposal and determined that the
ServiceNow Corporation's proposal best met the City's operational, technological, and
fiscal requirements; and

WHEREAS, in 2018, Staff went live with ServiceNow's Incident Management, Change
Management, Service Request, and Problem Management modules to assist with their
service request fulfillment process and Project Management modules; and

WHEREAS, in addition to meeting the City's operational and business requirements,
SerivceNow meets all security compliance standards for HIPAA (Health Information),
Payment Card Industry (PCI) and Department of Justice (DOJ) and is meets the federal
standards for FEDRAMP Certification; and

WHEREAS, funds have been allocated Fiscal Year 2020-2022's IT Cost Allocation,
General Fund, and Sanitary Sewer Fund, and funding in future fiscal years is subject to
council approval of the proposed city-wide budget and annual appropriation ordinances.

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the
City Manager is authorized to execute an amendment to Contract No. 10542 with
ServiceNow, Inc., for the extension of software licenses of the IT Service Management,
Business Management, and Governance Risk and Compliance (GRC) modules, for an
additional amount not-to-exceed $266,076 and a total not-to-exceed amount of $527,832
from February 14, 2017 to June 30, 2022.