



# ADMINISTRATION COMMITTEE

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## Agenda Report

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**File #:** 2026-4981

**Agenda Date:** 6/24/2026

**Agenda Item No:** 14.

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**FROM:** Robert Thompson, General Manager  
Originator: Wally Ritchie, Director of Finance

### SUBJECT

### SERVICENOW SOFTWARE LICENSE AGREEMENT RENEWAL

### GENERAL MANAGER'S RECOMMENDATION

#### RECOMMENDATION:

- A. Approve a Purchase Order for a one-year contract with Carahsoft for a software license agreement with ServiceNow, utilizing the NASPO ValuePoint Cooperative Purchasing Contract 7-17-70-40-05 for a total amount not to exceed \$594,536; and
- B. Approve a contingency of \$59,454 (10%).

### BACKGROUND

The Orange County Sanitation District (OC San) leverages the ServiceNow platform as a centralized solution for managing and delivering critical services. The platform supports the intake and fulfillment of Information Technology (IT) service requests, the governance and tracking of IT changes, the OC San employee intranet, and the creation and distribution of knowledge base articles for both end users and staff. It also enables lifecycle management of IT assets, facilitates IT project intake and execution, supports Human Resources (HR) case management, assists in business continuity planning, and provides a structured system for receiving and processing public initiated easement requests. Furthermore, OC San is planning an increase in ServiceNow licensing to accommodate additional end users and extend platform access across additional departments, enabling broader organizational utilization and standardization of service management and delivery.

### RELEVANT STANDARDS

- Maintain a culture of improving efficiency to reduce the cost to provide the current service level or standard
- Protect OC San assets
- Ensure the public's money is wisely spent

### PROBLEM

The existing ServiceNow software license agreement will expire on August 29th, 2026. Due to the inclusion of additional functionality and an increase in license counts, the renewal of the license

agreement has increased.

### **PROPOSED SOLUTION**

Renew OC San's ServiceNow software license agreement for one-year utilizing Carahsoft's cooperative agreement.

### **TIMING CONCERNS**

Renewal of the ServiceNow software license agreement should occur prior to August 29, 2026, to prevent a lapse in coverage.

### **RAMIFICATIONS OF NOT TAKING ACTION**

Failing to renew the annual software license agreement will result in OC San losing access to the ServiceNow platform, which will adversely affect business processes.

### **PRIOR COMMITTEE/BOARD ACTIONS**

July 2025 - Approved a Purchase Order for a one-year contract with Carahsoft Technology, Corp. for a software license agreement with ServiceNow, utilizing the NASPO ValuePoint Master Agreement No. AR2472, California Contract # 7-17-70-40-05 for a total amount not to exceed \$296,904; and a contingency of \$29,690 (10%).

November 2022 - Approved a Purchase Order to Insight Public Sector for the purchase of ServiceNow License Renewal using the OMNIA Partners Public Sector (formerly U.S. Communities) cooperative contract #4400006644 for a one-year contract for the period of December 30, 2022 through December 29, 2023 for a total amount not to exceed \$112,408 plus tax and delivery (if applicable); and a contingency of \$11,241 (10%).

November 2021 - Approved a Professional Services Agreement to Computer Aid, Inc. (CAI) to provide ServiceNow IT Service Management software and implementation services, Specification No. CS-2021-1244BD, for a total amount not to exceed \$474,505; and a contingency of 47,451 (10%).

### **ADDITIONAL INFORMATION**

OC San is utilizing a cooperative agreement with Carahsoft Technology, Corp. through NASPO ValuePoint, an organization that provides contracts, which are competitively solicited nationally, from a variety of industries. NASPO ValuePoint is a recognized cooperative purchasing program that serves State and local governments, and education; they meet OC San's requirements for a competitive procurement process. OC San will be issuing a Purchase Order to ServiceNow, an authorized reseller of Carahsoft Technology Corporation.

### **CEQA**

N/A

**FINANCIAL CONSIDERATIONS**

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted and will be included in the FY 2026-27 and FY 2027-28 budget under the Service Maintenance line item.

**ATTACHMENT**

*The following attachment(s) may be viewed on-line at the OC San website ([www.ocsan.gov](http://www.ocsan.gov)) with the complete agenda package:*

N/A