
File #: 2025-4393

Agenda Date: 7/23/2025

Agenda Item No: 16.

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 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
- B. Approve a contingency of \$29,690 (10%).

BACKGROUND

The Orange County Sanitation District's (OC San) Information Technology (IT) department utilizes the ServiceNow platform to process all incoming service requests, track change requests, store and disseminate knowledgebase articles, track assets, and manage projects. Additionally, several projects are underway to utilize the ServiceNow platform to host the district's intranet, manage business continuity plans, track human resources requests, and host a public portal.

The ServiceNow platform's versatility has enabled OC San to use a single platform for multiple business functions, reducing the administrative overhead associated with managing several software products. Integrating the processing and monitoring of diverse business functions within a unified environment has greatly enhanced efficiency and transparency across departments.

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 29, 2025. With the addition of new functionality, the renewal of the license agreement for the upcoming one-year period requires Board approval.

PROPOSED SOLUTION

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

TIMING CONCERNS

Renewal of the ServiceNow software license agreement should occur prior to August 29, 2025, to prevent a lapse in coverage.

RAMIFICATIONS OF NOT TAKING ACTION

Not renewing the annual software license agreement will cause OC San to lose use of the ServiceNow platform and consequently negatively impact the stated relevant standards.

PRIOR COMMITTEE/BOARD ACTIONS

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 approved 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 Carahsoft Technology, Corp.

CEQA

N/A

FINANCIAL CONSIDERATIONS

This request complies with authority levels of OC San's Purchasing Ordinance. This item has been budgeted (FY 2024-25 and 2025-26, Section 6, Page 24, Information Technology Operating Expenses) and the budget is sufficient for the recommended action.

ATTACHMENT

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

N/A