



## CITY OF HOUSTON - CITY COUNCIL

Meeting Date:

ALL

Item Creation Date: 11/8/2017

S17-H26442 - Licenses and Software Maintenance for the Enterprise Service Management Portal (ServiceNow) - ORDINANCE

Agenda Item#:

**Background:**

**S17-H26442** - Approve an ordinance awarding a contract to Precision Task Group, Inc. through the Texas Department of Information Resources (DIR) in an amount to exceed \$2,626,121.60 for licenses and software maintenance for the Enterprise Service Management Portal, the primary IT Service Management Tool (ITSM), Service Now, for Houston Information Technology Services.

**Specific Explanation**

The Chief Information Officer and the Chief Procurement Officer recommend that City Council approve an ordinance awarding a three-year contract with two one-year options to the Texas Department of Information Resources (DIR) -Go-Direct vendor -Precision Task Group, Inc. (PTG) for licenses and software maintenance for the Enterprise Service Management Portal (ServiceNow) in the total amount not to exceed \$2,626,121.60 for Houston Information Technology Services (HITS). [The requested spend authority will cover the currently utilized licensing and services. HITS will return to Council for spend authority to address the forecasted additional services and licensing for pending initiatives, as addressed during TTI Committee.](#)

This contract will consolidate all licenses and support into a single citywide agreement, and allow for expansion; to include two additional modules allowing for better oversight; Performance Analytics and Service Watch.

The Service Now ITSM solution gives end-to-end visibility into industry standard Information Technology Infrastructure Library (ITIL) processes and infrastructure through a single system of record for IT. This enables the City to consolidate and automate service management processes, increase efficiency, lower costs and devote more time to innovating and creating the consumer-like self-service experience to the user departments. Currently, the City supports a wide variety of departmental helpdesks and service portals which include Public Works (PWE), Houston Public Library (HPL) and Municipal Courts (MCD), that all cater to services offered within each department. The new consolidated agreement will enable migration from current solutions to allow better visibility and increase efficiency; thereby streamlining services, lowering costs and improving customer service.

The Performance Analytics and Service Watch modules, both within ServiceNow, provide the City with better oversight of event management, orchestration of processes, service mapping and cloud management. These tools will allow HITS to maintain an inventory of systems and devices on the network; which will help in redundancy and consolidating more of the City's platforms. We will also be able to automate IT and business processes for operations management.

**Background:**

In 2016 HITS began a three-phase project to enhance the current service management tool. The enhancements improved the customer experience for all departments utilizing the service tool, permitting a more efficient workflow, automation capabilities and acceleration of IT service-related requests including incident and change management. The solution offers a wide variety of configurable products that enables the City to scale and adjust to meet current and future business needs.

This initiative was presented to the Transportation, Technology & Infrastructure (TTI) Committee on September 18, 2017.

**MWBE Participation:**

Precision Task Group, Inc. has designated the below-named company as its certified MWBE subcontractor.

VENDOR NAME	TYPE OF WORK	PERCENT
<a href="#">PRECISION TASK GROUP, Inc.</a>	<a href="#">Possible Mission, Inc.</a>	Professional Services 24%

**Pay or Play:**

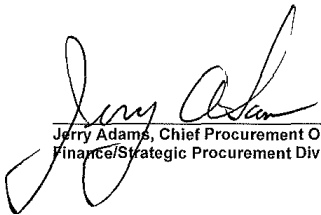
The proposed contract requires compliance with the City's 'Pay or Play' ordinance regarding health benefits for employees of City contractors. In this case, the contractor provides health benefits to eligible employees in compliance with City policy.

**Hire Houston First:**

This procurement is exempt from the City's Hire Houston First Ordinance. Bids/proposals were not solicited because the department is utilizing an Interlocal or Cooperative Purchasing Agreement for this purchase.

**Fiscal Note:**

Funding for this item is included in the FY2018 Adopted Budget. Therefore, no Fiscal Note is required as stated in the Financial Policy Ord. 2014-1078.



Jerry Adams, Chief Procurement Officer  
Finance/Strategic Procurement Division

Department Approval Authority

ESTIMATED SPENDING AUTHORITY			
DEPARTMENT	FY18	OUT YEARS	TOTAL
HITS	\$274,848.00	\$1,139,217.48	\$1,414,065.48
PWE	\$83,436.00	\$345,833.88	\$429,269.88
HAS	\$83,436.00	\$345,833.88	\$429,269.88
PLANNED EXPANSION	\$68,712.00	\$284,804.37	\$353,516.36
TOTALS	\$510,432.00	\$2,115,689.60	\$2,626,121.60

**Amount of Funding:**

\$ 343,560.00 - FY18 Central Service Revolving Fund (1002) - HITS  
 \$ 83,436.00 - FY18 Water and Sewer System Operating Fund (8300) - PWE  
 \$ 83,436.00 - FY18 HAS - AIF Capital Outlay Fund (8012) - HAS  
\$ 2,115,689.60 - Out Years  
 \$ 2,626,121.60 - TOTAL

**Contact Information:**

NAME: DEPARTMENT/DIVISION PHONE

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**ATTACHMENTS:**

Description	Type
<a href="#">MWBE Letter of Intent</a>	Backup Material
<a href="#">Affidavit of Ownership</a>	Backup Material
<a href="#">Fair Campaign</a>	Backup Material
<a href="#">Pay or Play</a>	Backup Material
<a href="#">Form B</a>	Backup Material
<a href="#">Statement of Residency</a>	Backup Material
<a href="#">Link to DIR Contract</a>	Backup Material
<a href="#">Service Agreement</a>	Backup Material
<a href="#">Funding Information</a>	Financial Information