

AGENDA



Recommendation for Council Action (Purchasing)

Austin City Council	Item ID:	72907	Agenda Number	37.
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Meeting Date:	August 17, 2017
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Department:	Purchasing
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Subject

Authorize negotiation and execution of a 12-month contract through the State of Texas Department of Information Resources with CARAHSOFT TECHNOLOGY CORP., to provide a new cloud-based service desk software solution with implementation and first year subscription service, in an estimated amount of \$779,197, with four 12-month extension options in an estimated amount of \$389,970 per extension option, for a total contract amount not to exceed \$2,339,077.

Amount and Source of Funding

Funding in the amount of \$1,500,000 is available in the Fiscal Year 2016-2017 Capital Budget of the Communications and Technology Management Department. Funding for the extension options is contingent upon available funding in future budgets.

Fiscal Note

A fiscal note is not required.

Purchasing Language:	Multiple cooperative purchase programs were reviewed for these goods and services. The Purchasing Office has determined this Contractor best meets the needs of the department to provide the goods and services required at the best value for the City. The recommended Contractor is not the current provider for these goods and services.
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Prior Council Action:	
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For More Information:	Inquiries should be directed to the City Manager's Agenda Office, at 512-974-2991 or AgendaOffice@ austintexas.gov or to the buyer, Jim Howard, at 512-974-2031 or Jim.Howard@ austintexas.gov
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Boards and Commission Action:	
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Related Items:	
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MBE / WBE:	This procurement was reviewed for subcontracting opportunities in accordance with City Code Chapter 2-9C Minority Owned and Women Owned Business Enterprise Procurement
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Program. For the goods and services required for this procurement, there were no subcontracting opportunities; therefore, no subcontracting goals were established.

Additional Backup Information

The current service desk system was implemented in 2003 and reached end-of-life in December 2016, and will no longer be supported by the vendor after December 31, 2017. Since implementing this system 14 years ago, the City's information technology (IT) infrastructure has grown in both size and complexity.

This contract will replace the current end-of-life and end-of-support system with an upgraded service desk system. Multiple City departments will use the new system. Service desk technicians, supervisors, managers and end users will use the new system to track and service IT issues and IT requests. The new system will provide mobile access to all users. The new system will replace the current system with a system based on the information technology infrastructure library, a globally recognized collection of best practices for managing IT services. The new system will provide IT service management workflow for handling incidents, service requests, problems and changes. In addition, the new system will provide a configuration management database, which is a data repository for IT assets that contains relational information about IT systems, assets, platforms, software and other IT-related data. The new system can be expanded to provide inter-departmental automated workflows between IT and other organizational functions such as Human Resources or Building Services.

The contract annual support/maintenance renewal for the current system is \$75,386.29. The increase in cost with the new system is explained by the necessary increase in the number of named licensed users, acquisition of a new configuration management database (current system does not have this functionality), self-service access to the new system by up to 14,000 City employees who can use the new system to report incidents or request services via desktop or mobile access (the current system does not have this functionality), increased automation of workflows for IT service management and additional IT service management capabilities related to problem management, change management, service catalog, and IT asset management.

Additionally, the new system will enhance alignment among City departments, specifically by converging general revenue departments and Austin Energy on a common toolset for management of IT services.

The State of Texas Department of Information Resources (DIR) cooperative establishes competitively bid contracts that can be utilized by the State and other government agencies through a cooperative agreement. Cooperative agreements save taxpayer dollars by leveraging the State's volume-buying power to drive down costs on hundreds of contracts through a streamlined cooperative purchasing program.

Without a replacement service desk system, the City will suffer significant degradation of response to IT service incidents.

CARAHSOFT TECHNOLOGY CORP.				
	# months	Contract Amount	Contract Amendment	Revised Amount
Original Term	12	\$ 779,197	n/a	n/a
Extension Option 1	12	\$ 389,970	n/a	n/a
Extension Option 2	12	\$ 389,970	n/a	n/a
Extension Option 3	12	\$ 389,970	n/a	n/a
Extension Option 4	12	\$ 389,970	n/a	n/a
TOTAL	60	\$ 2,339,077	\$ -	\$ -