



City of Sunnyvale

Agenda Item-No Attachments (PDF)

File #: 18-0839, Version: 1

REPORT TO COUNCIL

SUBJECT

Award of a Three-year Contract for Information Technology Service Management and Project Portfolio Management Solution (F18-195)

REPORT IN BRIEF

Approval is requested to award a three-year contract, not to exceed \$211,424 (\$40,560 in implementation fees and \$170,864 for three years of licensing and hosting) to TeamDynamix of Columbus, Ohio, for the purchase and implementation of an Information Technology Service Management and Project Portfolio Management solution. Approval is also requested for a 10% contract contingency in the amount of \$21,142, and delegated authorization for the City Manager to renew the contract for four additional one-year periods, not-to-exceed budgeted amounts, provided pricing and service remain acceptable to the City

EXISTING POLICY

Pursuant to Chapter 2.08 of the Sunnyvale Municipal Code, contracts for this type of service are awarded pursuant to a Request for Proposals (RFP) best value process, unless otherwise exempt from the competitive bidding process. Additionally, City Council approval is required for procurement of good and/or services exceeding \$100,000 in any one transaction.

ENVIRONMENTAL REVIEW

The action being considered does not constitute a "project" within the meaning of the California Environmental Quality Act ("CEQA") pursuant to CEQA Guidelines section 15378(a) as it has no potential for resulting in either a direct physical change in the environment, or a reasonably foreseeable indirect physical change in the environment.

BACKGROUND AND DISCUSSION

The City of Sunnyvale presently uses KACE K1000, K2000 Management Appliance by Dell, to manage Information Technology (IT) services and assets. Historically, the City has adopted and implemented methodologies for delivery of IT services developed by operational teams that meet individual work requirements. Thus, services are not uniformly designed, and disparate support processes along with a variety of toolsets are utilized to manage IT services. In addition, there are multiple avenues for client departments to request and track service requests with IT staff, including help desk tickets, phone calls, emails, and direct interaction, which results in inconsistent reporting on performance. The City currently does not use a Project Portfolio Management (PPM) tool, but has a prioritized list of projects in Excel and uses Excel or Microsoft Project for Work Breakdown Structure (WBS)/Task plans.

The implementation of an Information Technology Service Management (ITSM) and Project Portfolio Management (PPM) tool/solution will support and manage the City's IT service, process needs, and

will assist in advancing the City towards greater organizational maturity in ITSM and PPM through implementation of an Information Technology Infrastructure Library (ITIL) and Project Management Institute (PMI) best practices. The recommended product is a single Software as a Service (SaaS) solution that is fully integrated to perform the ITSM and PPM functions.

The solution is expected to provide the following functions:

Information Technology Service Management (ITSM)

- Improve the ability to achieve service level commitments and provide both cost-effective and timely service to departments
- Control and reduce operating costs with an increase in efficiency in managing services and IT assets
- Increase responsiveness to customer issues and reduce/prevent reoccurring incidents
- Improve the ability to measure, manage, identify and mitigate risks associated with service interruptions, thereby improving quality of services delivered
- Increase ITD's customer service level
- Increase the ability to share and preserve institutional knowledge
- Track and manage the full lifecycle of all IT assets and configurations
- Incorporate automation and integration among ITSM processes and key existing data sources
- Ability to manage, maintain, and improve desktop image rollout and patch management ability to enable end-users with access to self-help, quick tips, automated fixes and step-by-step instructions
- Ability to provide a service catalog with standard assets (e.g., cell phones, laptops, PCs, monitors, etc.) for users to request, managers to approve and IT to procure
- Provide customer dashboards with ticket/incident/problem statistics and request status

Project Portfolio Management (PPM)

- Align and prioritize IT projects based on strategic goals and prioritization criteria
- Ability to have real-time analytics to measure, manage, track and trace all projects and resources
- Manage project schedules, tasks, and resources in a single location for the entire project portfolio
- Manage and organize demand for new projects and initiatives
- Provide customer portfolio dashboards with project status, risk and relevant project details (upcoming milestones, etc.)

In support of identifying a solution that meets the previously described need, a competitive Request for Proposals (RFP) was distributed in February 2018 to five firms and posted to the City's DemandStar public procurement network. Three proposals were received on March 6, 2018. The proposals were reviewed by a team from the Information Technology Department. The proposals were evaluated on overall solution functionality, proposer qualifications and experience, and proposed implementation plan. After proceeding through the initial evaluation, all three proposers were invited to present City staff with a product demonstration. Based on evaluation of both the proposals and product demonstrations, staff determined the IT Service Management (ITSM) and Project Portfolio Management (PPM) solution proposed by TeamDynamix with Kaseya deployment

tools would offer the City the best value for ITSM and PPM.

FISCAL IMPACT

Budgeted funds are available in the Information Technology Equipment Replacement Account for implementation and the first 7 years of service. In Fiscal Year 2025/26 the cost for the service will be absorbed in the ITD Operating budget. It is expected that efficiencies provided by the software will contribute to reducing ITD operating costs and the ongoing expense for service can be absorbed with no changes to the 20-year plan.

PUBLIC CONTACT

Public contact was made by posting the Council agenda on the City's official-notice bulletin board outside City Hall, at the Sunnyvale Senior Center, Community Center and Department of Public Safety; and by making the agenda and report available at the Sunnyvale Public Library, the Office of the City Clerk and on the City's website.

RECOMMENDATION

1) Award a three-year contract in substantially the same form as Attachment 1 to the report in the amount not to exceed \$211,424 to TeamDynamix for ITSM and PPM solution and authorize the City Manager to execute the contract when all necessary conditions have been met; 2) approve a 10% contract contingency in the amount of \$21,142; and 3) delegate authority to the City Manager to renew the contract for an additional four (4) one-year periods, not-to-exceed budgeted amounts, provided pricing and service remain acceptable to the City.

Prepared by: Gregory S. Card, Purchasing Officer
Reviewed by: Timothy J. Kirby, Director of Finance
Reviewed by: Kathleen Foster, Chief Information Officer
Reviewed by: Teri Silva, Assistant City Manager
Approved by: Kent Steffens, City Manager

ATTACHMENTS

1. Draft Software Agreement