

**REPORT/RECOMMENDATION TO THE BOARD OF SUPERVISORS
OF SAN BERNARDINO COUNTY
AND RECORD OF ACTION**

June 10, 2025

FROM

LYNN FYHRLUND, Chief Information Officer, Innovation and Technology Department

SUBJECT

Amendments to Agreement with Logicalis, Inc. for ServiceNow Software Licenses, Training, and Professional Installation/Configuration Services

RECOMMENDATION(S)

1. Approve Amendment No. 4 to Agreement No. 21-452 with Logicalis, Inc., for additional ServiceNow software licenses, training, and professional installation/configuration services, increasing the total not-to-exceed amount by \$450,000, from \$2,400,000 to \$2,850,000, with no change to the contract term of June 22, 2021, to June 21, 2026.
2. Approve Amendment No. 5 to Agreement No. 21-452 with Logicalis, Inc., clarifying the remaining professional installation/configuration services to be performed under the statement of work, and adjusting the payment structure into two installments in the amount of \$118,708 each, paid upon execution of Amendment No. 5 and then completion of services, with no change to the total not to exceed amount of \$2,850,285,000 and no change to the contract term of June 22, 2022 through June 21, 2026.

(Presenter: Lynn Fyhrlund, Chief Information Officer, 388-5501)

COUNTY AND CHIEF EXECUTIVE OFFICER GOALS & OBJECTIVES

Operate in a Fiscally-Responsible and Business-Like Manner.

FINANCIAL IMPACT

Approval of this item will not result in the use of Discretionary General Funding (Net County Cost). The Innovation and Technology Department's (ITD) operating costs are recovered via service rates approved annually by the Board of Supervisors (Board). The costs for ServiceNow software licenses, training, and professional installation/configuration services with authorized reseller Logicalis, Inc. (Logicalis) will not exceed \$2,850,285,000 through June 22, 2026. Sufficient appropriation is included in ITD's Computer Operations 2024-25 budget and will be included in future recommended budgets.

BACKGROUND INFORMATION

ITD utilizes ServiceNow software licenses, training, and professional installation/configuration services for service desk requests. ServiceNow is an Information Technology Service Management (ITSM) software solution purchased through authorized reseller Logicalis and provides capabilities to construct reusable workflow activities based on an organization's business needs.

On June 22, 2021 (Item No. 49), as a result of a competitive procurement, the Board approved the Terms and Conditions of Sale Agreement No. 21-452 (Agreement) with Logicalis, including non-standard terms, to purchase ServiceNow software licenses, training, and professional installation/configuration services in the not-to-exceed amount of \$2,400,000, comprised of \$1,905,903 for an initial scope of work for ServiceNow software and services and a contingent amount not-to-exceed \$494,097 for future purchases of ServiceNow products and services, for

the contract term of June 23, 2021, through June 22, 2026. The Board also approved a delegation of authority to the Chief Information Officer to execute non-substantive amendments to the Statement of Work of the Agreement with Logicalis, subject to review by County Counsel, so long as such changes to the documents did not increase the total not-to-exceed amount of \$2,400,000 or change the duration of the Agreement.

Subsequently, it was determined that the Board's approval for the Agreement did not reflect the term as June 22, 2021 through June 21, 2026, and that the total cost for the Agreement did not include the contingency allocation in an amount not to exceed \$494,097 for future purchases. Therefore, on May 24, 2022 (Item No. 58), the Board approved Amendment No. 1 to the Agreement to modify the existing statement of work for ServiceNow software and services by adding an additional statement of work for professional services effective May 24, 2022, at a cost not-to-exceed \$22,950, increasing the total scope of work cost from \$1,905,903, to an amount not-to-exceed \$1,928,853. The Board also approved a Project Change Request as Amendment No. 2 to the Agreement to affirm that the term of the Agreement is June 22, 2021 through June 21, 2026; modify the existing statement of work for ServiceNow software and services, as amended in Amendment No. 1, by adding an optional statement of work for software licenses, training, and professional installation/configuration services; and providing an allocation in an amount not-to-exceed \$471,147 for any project change requests for future purchases for the existing statement of work, the additional statement of work, and/or the optional statement of work for the period May 24, 2022 through June 21, 2026, bringing the total Agreement cost from an amount not-to-exceed \$1,928,853, to an amount not-to-exceed \$2,400,000.

On March 22, 2023, the Chief Information Officer, through the delegated authority granted by the Board, approved Amendment No. 3 to revise the statement of work of the Agreement to provide additional project management and architect professional services in the amount of \$241,525, using the existing not-to-exceed contingency amount, resulting in no change to the total not-to-exceed amount of \$2,400,000 and no change to the duration of the Agreement.

ITD recommends approval of Amendment No. 4 to allow ITD to make additional purchases of ServiceNow licenses, training, and installation with Logicalis during the remainder of the Agreement term. The current purchase of licenses, in the amount of \$176,462, will cover the current need of County Departments, including Purchasing and Public Defender. The additional \$273,538 not-to-exceed amount is for contingency throughout the remainder of the Contract's term, which will cover the payment terms outlined in Amendment No. 5 and allow for the expansion of ServiceNow use in other County departments, as needed.

ITD also recommends approval of Amendment No. 5 to restructure the payment terms for professional installation/configuration services including the payment of \$118,708 upon execution of the Amendment and the payment of the remaining \$118,708 upon completion of services. This is to address the remaining project deliverables under the statement of work and to clarify and agree on a timeline for the engagement to complete the remaining services.

Since two different parts of the Agreement are being amended, ServiceNow requires two separate amendments rather than combining the additional ServiceNow software licenses, training, and professional installation/configuration services and the statement of work amendments into one amendment.

PROCUREMENT

N/A

REVIEW BY OTHERS

This item has been reviewed by County Counsel (Kaleigh Ragon, Deputy County Counsel, 387-5455) on March 10, 2025; Purchasing (Dylan Newton, Buyer III, 387-3377) on March 10, 2025;

Risk Management (Stephanie Mead, Staff Analyst II, 386-9044) on May 21, 2025; Finance (Ivan Ramirez, Administrative Analyst, 387-4020) on April 21, 2025; and County Finance and Administration (Paloma Hernandez-Barker, Deputy Executive Officer, 387-5423) on May 23, 2025.