



# City of Austin

## Recommendation for Action

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**File #:** 25-1511, **Agenda Item #:** 26.

8/28/2025

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### **Posting Language**

Authorize a contract for ServiceNow digital workflow software platform licensing and professional services for Communications and Technology Management with Precision Task Group Inc., for an initial term of one year with up to four 1-year extension options in an amount not to exceed \$33,000,000. Funding: \$3,000,000 is available in the Operating Budget of Communications and Technology Management. Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Lead Department**

Financial Services Department.

### **Client Department(s)**

Communications and Technology Management.

### **Fiscal Note**

Funding in the amount of \$3,000,000 is available in the Fiscal Year 2024-2025 Operating Budget of Communications and Technology Management.

Funding for the remaining contract term is contingent upon available funding in future budgets.

### **Purchasing Language:**

Multiple contractors within this cooperative purchasing program were reviewed for these goods and services. The Financial Services Department has determined this contractor best meets the needs of Communications and Technology Management to provide these goods and services required for the City.

### **MBE/WBE:**

Cooperative Agreement contracts are exempt from the City Code Chapter 2-9B (Minority-Owned and Women-Owned Business Enterprise Procurement Program); therefore, no subcontracting goals were established.

### **For More Information:**

Direct questions regarding this Recommendation for Council Action to the Financial Services Department - Central Procurement at [FSDCentralProcurementRCAs@austintexas.gov](mailto:FSDCentralProcurementRCAs@austintexas.gov) or 512-974-2500.

### **Additional Backup Information:**

This contract will provide ServiceNow digital workflow software platform licensing and professional services for the City.

ServiceNow is used by City departments to provide information technology (IT) services, asset management, risk management, workflow automation, and includes new modules to complete strategic IT planning and project management. The contract also includes operational and project support for the product to implement new features, write scripts, and complete platform upgrades.

The ServiceNow platform contributes to more efficient IT processes, reducing downtime for City staff when

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they experience IT issues and speeding up delivery of IT services. IT asset tracking of both hardware and software assets reduces IT costs by eliminating unnecessary purchases and preventing lost assets. Additionally, the platform helps IT teams coordinate during outages to speed up restoration of City services and reduce disruption to City of Austin residents and customers.

Continuing the services with Precision Task Group Inc. is in the City's best interest as the contractor is currently working on multiple projects for the City and is involved in the planning stages for upcoming projects. Replacing these contractor resources would impact these projects' timelines and City departments. The City would need to provide training about the current unique ServiceNow setup, processes, and development standards to a new contractor's resources.

The Texas Department of Information Resources is a cooperative purchasing association recognized under Texas procurement statutes. Cooperative associations, themselves or using a lead government, competitively solicit and award contracts that are eligible for use by other qualified state and local governments. Due to their substantial volumes, larger than any one government could achieve independently, cooperative contracts routinely include superior terms, conditions, and pricing. Use of cooperative contracts also results in lower administrative costs and time savings.

A delay in contract approval could impact the ability for Communication and Technology Management to respond to department needs in a timely manner.

**Contract Details:**

<b>Contract Term</b>	<b>Length of Term</b>	<b>Contract Authorization</b>
Initial Term	1 year	\$5,300,000
Optional Extension 1	1 year	\$6,000,000
Optional Extension 2	1 year	\$6,600,000
Optional Extension 3	1 year	\$7,200,000
Optional Extension 4	1 year	\$7,900,000
<b>Total</b>	<b>5 years</b>	<b>\$33,000,000</b>

**Note:** Contract Authorization amounts are based on the City's estimated annual usage.