

## Staff Summary Report

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**Council Meeting Date:** 12-06-2007

**Agenda Item Number:** \_\_\_\_\_

**SUBJECT:** Request to award a one-year, sole source contract to Allegiant Technology for the BMC Help Desk Software upgrade and purchase of Asset Management Module.

**DOCUMENT NAME:** 20071206fst06      **PURCHASES (1004-01)**

**SUPPORTING DOCS:** Yes

**COMMENTS:** (Sole Source #T08-099) Total cost of this contract shall not exceed \$160,000 during the contract period.

**PREPARED BY:** Ted Stallings, CPPB, Procurement Officer, 480-350-8617

**REVIEWED BY:** Michael Greene, CPM, Central Services Administrator, 480-350-8516

**LEGAL REVIEW AS  
TO CONTRACT FORM**

**ONLY:** Jenae Naumann, City Assistant City Attorney, 480-350-8402

**FISCAL NOTE:** Sufficient funds have been appropriated in 1982-6675.

**RECOMMENDATION:** Award the contract.

**ADDITIONAL INFO:** The BMC Remedy Help Desk Software upgrade and Asset Management Module purchase will be an enhancement to the current BMC Remedy application. Information Technology (IT) will be able to better track IT helpdesk calls, services calls and provide a more effective IT asset management tool. Staff recommends award of a sole source contract to Allegiant Technology.

# Memorandum

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TO: Ted Stallings  
Procurement Officer

FM: Gene Obis 10/1/2007  
Name of Department Head (Manager/Chief) Date  
ITD  
Name of Department

## SUBJECT: Sole Source Determination

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As Head of the City Department for which the needed item(s) will be purchased, I have made a determination that only one (1) reasonable and practicable source exists to supply the required material. As such, I am authorizing the City Procurement Office to work with my Department to negotiate an acceptable contract with:

Allegiant Technology  
Name of Supplier

Description of Item(s) to be purchased:

The Tempe IT department would like to upgrade its current BMC Remedy Help Desk Software and add the Asset Management Module. This software is only available through BMC's authorized channel partners. Allegiant Technology is the authorized partner in this area.

In upgrading this product, we will be able to streamline the existing processes to provide a more efficient service delivery to the customers of the IT department. This upgrade also meets industry standards for IT Service Delivery and incorporates Best Practices. Additionally, we will consolidate our IT Asset Management into this system allowing us to more effectively manage city wide IT assets.

This purchase includes the following items: BMC Remedy Service Desk and Asset Management Licenses (10 fixed, 20 floating), Pro-rated support and maintenance, Applicable sales tax, Deployment Services and Training.

Refer to Requisition No. \_\_\_\_\_, dated \_\_\_\_\_ which has been transmitted to the City Procurement Office to initiate this Sole Source purchase.

My (customer) department contact for this purchase is Ron Smith at Ext. 8464.

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My Sole Source determination is based upon extensive research conducted by my department as to possible suppliers for this need and a written justification is attached for City Procurement Office records.

As related to this purchase, there are no conflicts of interest, legal, ethical or preference issues which would compromise my (customer) department or this acquisition.

Department Head's Signature  Date 10/2/07

City Procurement Ordinance 97.55, Sec. 26A-12 identifies the basis for a sole source procurement as follows:

“A purchase may be made or contract awarded by the procurement office without competition when the using department director determines in writing, after conducting a good faith review of available sources, that there is only one reasonable and practicable source for the required material or service. The using department requesting the sole source procurement shall provide written evidence to support a sole source determination. The procurement officer will participate with the using department in the conduct of negotiations, as appropriate, to price, delivery and terms. The procurement officer may require the submission of cost or pricing data in connection with a purchase or award under this section. Sole source procurement shall be avoided, except when no reasonable alternative sources exist. A record of sole source procurements shall be maintained as a public record.”

# Memorandum

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TO: Ted Stallings  
Procurement Officer

FROM: Gene Obis  
Information Technology Manager

DATE: October 1, 2007

## SUBJECT: Justification

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The Tempe IT department would like to upgrade its current BMC Remedy Help Desk Software and add the Asset Management Module. The City has owned this product since 1997 and has made a significant investment in the Remedy product. The Remedy product is used exclusively for taking and tracking all IT Helpdesk calls. This software is only available through BMC's authorized channel partners. Allegiant Technology is the authorized partner in this area.

In upgrading this product, we will be able to streamline the existing processes to provide a more efficient service delivery to the customers of the IT department. This upgrade also meets industry standards for IT Service Delivery and incorporates Best Practices. Additionally, we will consolidate our IT Asset Management into this system allowing us to more effectively manage city wide IT assets.

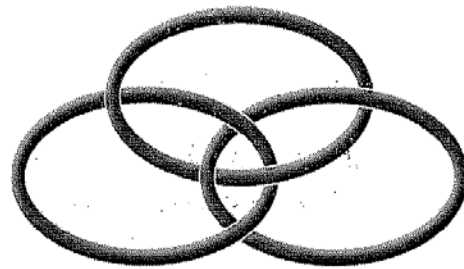
This purchase includes the following items: BMC Remedy Service Desk and Asset Management Licenses (10 fixed, 20 floating), Pro-rated support and maintenance, Applicable sales tax, Deployment Services and Training.

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The following table delineates the costs:

Software and Maintenance	Costs
Service Desk and Asset Management Software and Licenses (Includes 15% discount)	\$96,912.75
*Pro-rated Maintenance to 12/31/07	6,072.47
Sales Taxes	8187.33
Deployment Services	30,000.00
Training	8,620.00
Total	\$149,792.55

\*annual maintenance fees are billed separately



**Allegiant**  
TECHNOLOGY

**Allegiant Technology  
Professional Services Group  
City of Tempe**

**Remedy Service Desk, Asset Management, CMDB  
Implementation Proposal  
and  
Statement of Work**

**Glenn Gerston  
October 31, 2007**



## **Executive Overview**

This document has been prepared by Allegiant Technology Professional Services Group. It is an addendum to the previously provided price quotation for City of Tempe.

Allegiant Technology was founded in 1999. We are the only Arizona based BMC Remedy reseller partner. We have local Remedy resources. This increases convenience and service for City of Tempe, and decreases costs due to the absence of travel expenses.

Further, Allegiant Technology has maintained a business relationship with City of Tempe since our inception, and we have support the City through its entire BSM Software evaluation process. The City of Tempe is a current Remedy user and we vended those licenses and services originally, so we are very eager to maintain our existing business relationship.

The objective of this document is to provide a deliverables estimate to clarify the price quotation. City of Tempe wishes to implement an update to its IT service desk, or help desk, and add asset management functionality, adhering to the best practices inherent in the Information Technology Infrastructure Library (ITIL) foundation. City of Tempe wishes to implement a product whose “out of the box” functionality most closely matches the requirements of the city and the ITIL principals. That implementation will include Incident and Problem Management and Asset Management.

This Statement of Work is presented on a Best Effort Time and Materials Basis. Allegiant Technology will make every effort to exceed City of Tempe expectations; however tasks and timeframes are presented as an **ESTIMATE** only. No guarantees are made as to task completion or resultant functionality.

The implementation will include the following:

- Complete IT/Service Desk configuration requirements analysis and business process review and reengineering. Configuration requirements analysis will provide clear direction for the help desk configuration, and a well thought out process and design foundation.
- Process Reengineering recommendations to take advantage of ITIL best practices and Remedy “Out of the Box” best practices and functionality, as well as streamlined ticket entry/submission for maximum benefit from information available and data entered.
- Installation/Upgrade of Remedy ARS 7.0 and Service Desk, Asset Management 7.0 application or latest version.
- Service Desk configured to track and resolve Incidents and Problems per ITIL framework, adhering as closely as possible to the Remedy out of the box functionality, considering City of Tempe process requirements.
- Asset Management configured to take advantage of out-of-the-box functionality to display and track City of Tempe provided IT equipment as well as management





approval and asset lifecycle management or functions as discovered in asset configuration requirements analysis.

- Go Live production support

Allegiant Technology Professional Services Group welcomes feedback and requests for additional information regarding this document and resulting project plan.

### **Assumptions**

- Database, Browser, Operating System, clients, etc. upgraded where necessary to latest or supported versions per BMC compatibility matrix.
- Allegiant Technology will provide one or more consultants to perform all design and development tasks to meet the customer's desired timeline.
- Allegiant Technology will provide one person to act as our project manager for the duration of the project.
- Allegiant Technology reserves the right to subcontract certain tasks that fall beyond our expertise or to meet the customer's desired timeline.
- The resultant Remedy ARS based service desk and asset management applications will reside on a single production server.
- Allegiant Technology consultants will have access to the Remedy ARS server while on location and via remote access.
- Allegiant Technology consultant(s) will have access to the following personnel to support the development process:
  - UNIX or Windows server administrator
  - Database Administrator
  - Network Administrator

### **City of Tempe Requirements**

In order to provide an environment that allows for seamless knowledge transfer, City of Tempe personnel will be available to perform tasks such as:

- Participate in design and process engineering meetings, as needed.
- Prepare for implementation engagement and define configuration parameters for CMDB.
- Designated personnel, if they have not already, will attend the appropriate Remedy training, prior to implementation.
- Provide feedback on form design.
- Implement system management procedures to install server and clients, back up and clean up database logs, manage files, distribute reports, trim log files, etc.
- Provide prompt resolution of network, applications, or database problems that may arise.
- Work closely with Allegiant Technology consultants and project manager to ensure early self-sufficiency and maintenance ability of the finished system.

City of Tempe will designate an internal project manager to:

- obtain required resources
- obtain commitment of personnel to project tasks according to the project schedule

**Schedule:**

To be determined once all approvals are in place.

**Primary Contacts:**

City of Tempe  
Allegiant Technology  
8149 N. 87<sup>th</sup> Place  
Scottsdale, Arizona 85258  
[glenn@allegiant-tech.com](mailto:glenn@allegiant-tech.com)  
FAX: 480-905-3702

Dale Lane 480-350-8245  
Glenn Gerston 480-905-3705

**Quotation:**

This purchase, as a synopsis of the previously provided quote, includes the following items: BMC Remedy Service Desk and Asset Management Licenses (10 fixed, 20 floating), Pro-rated support and maintenance, Applicable sales tax, Deployment Services and Training.

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The following table delineates the costs:

<b>Software and Maintenance</b>	<b>Costs</b>
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Deployment Services	30,000.00
Training	8,620.00
Total	\$149,792.55

Planned Deployment Services consist of 20 Days at \$1500 per day, \$30,000 total.  
Time and Materials **ESTIMATE** only.  
Customer is responsible for associated travel expenses if necessary.

Allegiant Technology shall not be liable for failure to perform any of its obligations set forth in this document, where Allegiant Technology is unable to perform due to the actions or inactions of a third party over whom Allegiant Technology has no control or due to the actions or inactions of the Customer including, but not limited to, Customer's failure to provide necessary information or adequate working conditions, including equipment, space, personnel, or technical support.

Required Signatures for acceptance of the above terms:

City of Tempe

Title

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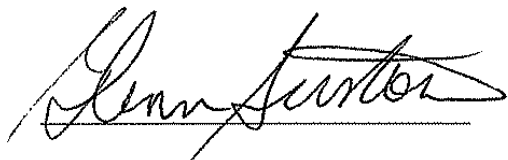
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Date

\_\_\_\_\_

Allegiant Technology:

Title:

\_\_\_\_\_

*President*\_\_\_\_\_

Date

*10/31/07*\_\_\_\_\_

