

## CITY COUNCIL AGENDA TOPIC

Resolution authorizing additional funds in the amount of \$139,014.32 plus applicable taxes to continue a 5-year Software as a Service agreement with Freshworks Inc., to continue to provide a cloud-based platform for IT Service Management and Customer Service Management, in an amount not to exceed \$757,107.87 plus all applicable taxes.

Sabra Schneider, Chief Information Officer  
Tiffany Quatmann, Enterprise Solutions Manager  
*Information Technology Department*

## EXECUTIVE SUMMARY

### **ACTION**

This Resolution authorizes adding additional funds to continue the purchasing agreement with Freshworks Inc. This agreement provides a cloud-based platform for IT Service Management and Customer Service Management. The additional costs cover the increase in licenses required.

This resolution authorizes the city to add funds for additional licenses to continue services through the remainder of the purchase agreement, for a total additional cost of \$139,014.32 plus all applicable taxes.

The total five-year expenditure of this Software as a Service agreement with Freshworks Inc. is \$757,107.87 plus all applicable taxes.

## RECOMMENDATION

Move to adopt Resolution No. 10626

## BACKGROUND/ANALYSIS

In January 2023, the city conducted a competitive process to replace an end of life Information Technology Service Management (ITSM) system with a modern and scalable service management platform that could be expanded to other services. Multiple proposals were received and Freshworks, Inc was selected and initially implemented in 2023.

Freshworks provides a service management platform allowing IT to effectively track and manage support tickets, incidents, assets, and changes.

Since the initial implementation three years ago, additional departments across the city have also adopted Freshworks as a service request and customer service tool. The expanded adoption resulted in a need for additional licenses.

## POLICY & FISCAL IMPACTS

### **Policy Impact**

Bellevue City Code 4.28 provides for the fair and equitable treatment of all persons involved in the purchasing process. Council approval is required to award the bid where the cost exceeds \$350,000.

**Fiscal Impact**

This action increases the cost of the Freshworks contract by \$139,014.32 to a total of \$757,107.87 plus taxes. The first three years of the agreement were funded as part of the 2023-2024 and 2025-2026 biennium budgets. Subsequent years of the agreement will be addressed through future budget processes. The estimated total cost for five years of service to include 10% true-up costs in years 4 and 5 will be approximately \$757,107.87, plus all applicable taxes.

**OPTIONS**

1. Adopt the Resolution authorizing additional funds in the amount of \$139,014.32 plus applicable taxes to continue a 5-year Software as a Service agreement with Freshworks Inc., to continue to provide a cloud-based platform for IT Service Management and Customer Service Management, in an amount not to exceed \$757,107.87 plus all applicable taxes.
2. Do not adopt the Resolution and provide alternative direction to staff.

**ATTACHMENTS**

- A. Freshworks Data Sheet  
Proposed Resolution No. 10626

**AVAILABLE IN COUNCIL LIBRARY**

2023 Freshworks Master Services Agreement