



- **Board of Directors**
Engineering, Operations, and Technology Committee

4/14/2026 Board Meeting

7-1

Subject

Authorize an agreement with Computer Aid Inc. in an amount not to exceed \$397,628 for the Enterprise IT Software Asset Management module implementation services; the General Manager has determined that the proposed action is exempt or otherwise not subject to CEQA

Executive Summary

The Enterprise IT Software Asset Management (ITSAM) project will facilitate audit compliance by implementing an Enterprise ITSAM tool. The Enterprise ITSAM tool will include various categories for tracking software assets, including software, firmware, mobile applications, and cloud applications, which will help to organize and track assets, licenses, and support contract renewals efficiently across Metropolitan. This tool will be implemented on the existing ServiceNow platform.

Proposed Action(s)/Recommendation(s) and Options

Staff Recommendation: Option #1

Option #1

Authorize an agreement with Computer Aid Inc. in an amount not to exceed \$397,628 for the Enterprise IT Software Asset Management module implementation services.

Fiscal Impact: Expenditures of \$950,000 in capital funds for FY2024-2026

Business Analysis: The current Microsoft Access database used to track licenses lacks sufficient information to meet licensing compliance requirements, as indicated by Metropolitan's General Auditor. This tool is essential for meeting compliance standards in a rapidly evolving and complex technology landscape.

Option #2

Do not proceed with the project at this time.

Fiscal Impact: No capital expenditures

Business Analysis: Continue to operate as is, without enough visibility to all Metropolitan's software assets and licensing information. We are unable to meet the Audit compliance requirements.

Alternatives Considered

The existing Access Database Asset Tracking is outdated, inefficient, and unable to meet compliance requirements. A software asset management tool is needed to provide a centralized, accurate, and auditable inventory of all software assets across the organization. Without a comprehensive system, Metropolitan faces increased risk related to software license noncompliance, inefficient use of purchased licenses, limited visibility into software deployments, and challenges in maintaining an approved software catalog. Implementing a software asset management tool enables improved governance and internal controls by standardizing the process of requesting, approving, deploying, and retiring software.

Applicable Policy

Metropolitan Water District Administrative Code Section 5108: Appropriations

Metropolitan Water District Administrative Code Section 8121: General Authority of the General Manager to Enter Contracts

Metropolitan Water District Administrative Code Section 11104: Delegation of Responsibilities

Related Board Action(s)/Future Action(s)

None

California Environmental Quality Act (CEQA)

CEQA determination for Option #1:

The proposed action is exempt from CEQA because there is no potential for the activity in question to have a significant effect on the environment. (State CEQA Guidelines Section 15061(b)(3)).

CEQA determination for Option #2:

None required

Details and Background

Background

The Information Technology Group's Business Management Team currently uses an in-house developed tool, Access Database, to track desktop software licensing. The current tool is limited to only desktop software and does not track enterprise licensing across IT, operations, or engineering systems. As a result, IT lacks visibility into all the necessary information required to properly manage licenses and their budget.

On September 30, 2025, the internal audit, Cybersecurity Audit: Inventory & Control of IT Software Assets (Project Number 23-35), was completed. The findings were consistent with previously identified vulnerabilities related to the lack of a centralized mechanism to track all software types and maintain an approved software list, reinforcing the rationale for implementing a software asset management tool.

The new tool will consolidate data into a single source of truth, providing better management of Metropolitan's enterprise software licensing ownership. It will automate requests and renewals, enabling more informed decision-making regarding licensing costs and subscriptions.

IT tracks hardware and software assets that span hundreds of servers, cloud subscriptions, and over 5,000 end-user client hardware & mobile devices. Metropolitan's IT Infrastructure and enterprise systems integrate with complex, critical applications, including Oracle Financials, Procurement, Oracle Asset Tracking System, Tanium, Workspace ONE, and many more. It is essential to maintain and manage these assets while meeting cybersecurity requirements and audit compliance.

Metropolitan seeks to implement a modernized, ServiceNow-based Software Asset Management platform to replace fragmented, manual software-tracking practices and align IT asset governance with procurement and cybersecurity operations. The solution would enable software lifecycle visibility, license optimization, entitlement tracking, vendor compliance, and risk mitigation while integrating into the existing ServiceNow platform. The objective of this project is to deliver a high-performing, low-risk asset-tracking implementation that prioritizes usability, auditability, cybersecurity, and long-term scalability.

Professional and Technical Services (Computer Aid Inc.) – New Agreement

RFP-1408 was issued on September 5, 2025. Metropolitan received a total of 14 proposals from the competitive procurement process. The small and/or disabled-veteran business enterprise goal designated for this solicitation was 25 percent. Proposals were reviewed to determine compliance with the instructions as set forth in the solicitation

and evaluated by a committee based on the following criteria: firm qualifications, record of past performance, key personnel and staffing, technical approach and methodology, cost proposal, and business outreach program. Computer Aid Inc. scored the highest among all respondents and is recommended for the award of a contract in the total amount not to exceed \$397,628.

Summary

This action authorizes an agreement with Computer Aid Inc. for the implementation of an Enterprise IT Asset Management module on our current IT ServiceNow platform. The total project budget of \$950,000 includes funds of \$397,628 for the Computer Aid Inc. contract for professional services, \$105,000 for materials and supplies, \$350,000 for labor, and \$97,372 in contingency.

This project has been evaluated and recommended by Metropolitan’s Capital Investment Plan, and funds are available within the fiscal year 2025/26 capital expenditure plan. See **Attachment 1** for the Financial Statement.

Project Milestones

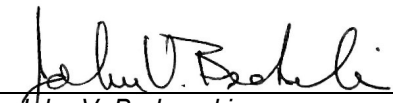
Procurement – September 2025-Jan 2026

Project Kick-off – March 2026

Design and Implementation – Mar-Aug 2026

Testing and deployment – Sep-Dec 2026

	4/6/2026
_____ Charles Eckstrom Information Technology, Group Manager	Date

	4/6/2026
_____ John V. Bednarski Assistant General Manager	Date

Attachment 1 – Financial Statement

Ref# it12711293

Allocated Funds for Enterprise IT Software Asset Management Module

	Current Board Action (April 2026)
Labor	
Studies & Investigations	\$ -
Final Design	-
Owner Costs (Program mgmt.)	350,000
Submittals Review & Record Drwgs	-
Construction Inspection & Support	-
Metropolitan Force Construction	-
Materials & Supplies	105,000
Incidental Expenses	-
Professional/Technical Services	397,628
Equipment Use	-
Contracts	-
Remaining Budget	97,372
Total	\$ 950,000