


**CITY COUNCIL ACTION REQUEST**

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| <b>Department(s):</b><br>Finance        | <b>CEQA:</b><br>Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment | <b>Coordination:</b><br>PRNS, CAO, and CMO – Budget | <b>Dept. Approval:</b><br>/s/ Julia H. Cooper   |
| <b>Council District(s):</b><br>Citywide |   |   | <b>CMO Approval:</b><br><br>03/17/22 |

**SUBJECT: FIRST AMENDMENT TO THE AGREEMENT WITH THE ACTIVE NETWORK, LLC FOR THE PURCHASE OF A FULLY HOSTED REGISTRATION AND PARKS SYSTEM**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to negotiate and execute the First Amendment to the Agreement for the purchase of a Fully Hosted Registration and Parks System with The Active Network, LLC (Atlanta, GA) to add up to three one-year options to extend the agreement through April 30, 2025 for ongoing hosting, technical support, maintenance, and payment processing services with a maximum compensation of \$140,000 for the option beginning May 1, 2022 and ending April 30, 2023, subject to the annual appropriation of funds.

**Desired Outcome:** Authorizing the City Manager to take this action will sustain access to parks services for the public and continue revenue collection.

**BASIS FOR RECOMMENDATION:**

In May 2012,<sup>1</sup> City Council authorized the City Manager to execute an agreement with The Active Network, LLC based on the results of a competitive Request for Proposal (RFP) process. The Parks, Recreation and Neighborhood Services Department (PRNS) uses The Active Network registration and parks system software to manage its online recreational registrations, facility reservations, a variety of membership sales, point of sale transactions, and administrative controls. The system is currently used by over 400 City staff, has 350,000 registered customers, and is used to collect approximately \$15,000,000 annually in fees. To date, five options have been executed under Council authority, with the last option set to expire on April 30, 2022.

A request has been submitted to the Finance Department to conduct a new RFP that will combine software capability for both the registration and parks system currently provided by The Active Network, LLC as well as the family camp registration system currently provided by Art Street Interactive, Inc. Combining these functionalities into one integrated system is expected to improve the end user experience and streamline contract management while also increasing the complexity of the procurement. The request is currently pending Finance staff capacity to develop and conduct the procurement and is estimated to be available in March 2022

Approval of this recommendation will allow staff to exercise additional options to extend the existing agreement as required to ensure continued use of this system and provision of these services to the public until the procurement can be completed and the new system, if applicable, can be implemented which is estimated to take up to 12 months. A procurement of this complexity generally takes six to nine months to complete, assuming the selected vendor accepts the City's standard terms and conditions. If the procurement or implementation timeline are complete within these estimated timelines, the City can elect not to exercise any remaining options, as appropriate.

<sup>1</sup> May 2012, Resolution No. 76207: <https://records.sanjoseca.gov/Resolutions/RES76207.PDF>

Climate Smart San José: The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

This Council item is consistent with the City's 2021-2022 Adopted Operating Budget City Areas Delivery Framework: "To serve, foster, and strengthen the community by providing access to lifelong learning, opportunities to enjoy life, and preserving healthy neighborhoods."

**COST AND FUNDING SOURCE:**

| <b>Fund #</b> | <b>Appn #</b> | <b>Appn. Name</b>                          | <b>Total Appn</b> | <b>Amt. for Contract</b> | <b>2021-2022 Adopted Operating Budget Page</b> | <b>Last Budget Action (Date, Ord. No.)</b> |
|---------------|---------------|--|-------------------|--------------------------|--|--|
| 001           | 0642          | Non-Personal Services / RCS Administration | \$22,449,339      | \$105,000                | 696  | 02/08/2022 30717                           |
| 001           | 2275          | Fee Activities / RCS Administration        | \$10,709,736      | \$35,000                 | 696  | 02/08/2022 30717                           |

**FOR QUESTIONS CONTACT:** For program-related questions, please contact Maria De Leon, Deputy Director of the Parks, Recreation and Neighborhood Services Department, Recreation Division, at [Maria.DeLeon@sanjoseca.gov](mailto:Maria.DeLeon@sanjoseca.gov). For procurement- and contract-related questions, please contact Jennifer Cheng, Deputy Director of Finance, at [jennifer.cheng@sanjoseca.gov](mailto:jennifer.cheng@sanjoseca.gov).