


### CITY COUNCIL ACTION REQUEST

<b>Department(s):</b> Finance and Transportation	<b>CEQA:</b> Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	<b>Coordination:</b> City Attorney's Office and City Manager's Budget Office	<b>Dept. Approval:</b> /s/ Julia H. Cooper /s/ John Ristow
<b>Council District(s):</b> 3			<b>CMO Approval:</b>  11/21/22

**SUBJECT: AMENDMENT TO THE AGREEMENT WITH SKIDATA, INC. FOR A PARKING ACCESS AND REVENUE CONTROL SYSTEM FOR THE DEPARTMENT OF TRANSPORTATION**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to negotiate and execute the Fifth Amendment to the Agreement with SkiData, Inc. (formerly Sentry Control Systems, LLC) (Van Nuys, CA) for the purchase, implementation, and maintenance of a Parking Access and Revenue Control System, to extend the initial term for 12 months through December 31, 2023, with no change in maximum compensation, and negotiate and execute up to 10 one-year options to extend the agreement for ongoing support, maintenance, and related professional services through December 31, 2033 or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

**Desired Outcome:** Authorizing the City Manager to take this action allows sufficient time to complete project implementation and preserve annual rates for ongoing warranty and maintenance services.

**BASIS FOR RECOMMENDATION:**

In October 2018,<sup>1</sup> City Council authorized the City Manager to execute an agreement with Sentry Control Systems, LLC, now known as SkiData, Inc. (SkiData), for a Parking Access and Revenue Control System for the City's eight downtown parking garages based on the results of a competitive Request for Proposal process managed by the Finance Department on behalf of the Department of Transportation. The original agreement included an initial term end date of October 31, 2019 with 10 options to extend the term through October 31, 2029 for ongoing support, maintenance, and other related professional services. In October 2020, staff executed the First Amendment to the agreement to extend the initial term through October 31, 2021 due to delays caused by the COVID-19 pandemic; however, in doing so staff removed two of the 10 options to stay within City Council's prior authorization which only allowed for options through October 31, 2029. In February 2021,<sup>2</sup> City Council authorized the City Manager to execute the Second Amendment which added back the two options removed in the First Amendment, bringing the total options back to 10 one-year options through October 31, 2031. In October 2021,<sup>3</sup> City Council authorized the City Manager to execute the Third Amendment to the agreement to extend the initial term again, due to supply chain delays and SkiData staffing resource constraints through June 30, 2022 and allowed for 10 one-year options through June 30, 2032. In June 2022,<sup>4</sup> City Council authorized the City Manager to execute the Fourth Amendment to the agreement to (1) extend the initial term through December 31, 2022 due to supply chain delays, (2) allow for 10 one-year options through December 31, 2032, (3) adjust compensation, (4) increase contingency, and (5) memorialize in-scope work orders that exceeded what was previously allowed under the agreement.

<sup>1</sup> October 2018 City Council Memo: <https://sanjose.legistar.com/View.ashx?M=F&ID=6692071&GUID=78400407-3662-4503-9211-2249FE528D62>

<sup>2</sup> February 2021 City Council Memo: <https://sanjose.legistar.com/View.ashx?M=F&ID=9178610&GUID=3E153C60-8B9E-4390-8AB8-075586B56956>

<sup>3</sup> October 2021 City Council Memo: <https://sanjose.legistar.com/View.ashx?M=F&ID=9890065&GUID=7E97F593-3F2A-44B5-BB12-4BBF3CD58B7F>

<sup>4</sup> June 2022 City Council Memo: <https://sanjose.legistar.com/View.ashx?M=F&ID=10951827&GUID=F6F4ED53-B6AC-4527-8335-6B7C1103F25B>

The initial term of the current agreement will expire on December 31, 2022 without further action. Staff requests City Council approval to negotiate and execute a Fifth Amendment to the agreement to add another 12-month extension to the initial term through December 31, 2023 to allow time for SkiData and the City to complete several remaining tasks. These tasks include, but are not limited to, ensuring service functionality with credit card merchants and banks, which should have been identified and resolved by the vendor previously but was not, and resolving City network and communication issues affecting the parking guidance signs. These tasks must be completed prior to final testing and acceptance.

Approval of this recommendation will authorize staff to execute a Fifth Amendment to the agreement to extend the initial term through December 31, 2023 to complete implementation and exercise 10 one-year options through December 31, 2033 under the same material terms and conditions as the original agreement.

Climate Smart San José: This recommendation 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 action is consistent with the City's 2022-2023 Adopted Operating Budget, specifically the Service Delivery Framework for the City Service Area pertaining to Transportation and Aviation Services: 1) Provide viable transportation choices that promote a strong economy; 2) Travelers have a positive, reliable, and efficient experience; and 3) Preserve and improve transportation assets and facilities.

**COST AND FUNDING SOURCE:**

No changes are anticipated to the cost and funding source, which maintains the capital outlay encumbered from the General Purpose Parking Capital Fund (559). Ongoing warranty and maintenance-related costs are included in the Transportation Department's Non-Personal/ Equipment appropriation in the General Purpose Parking Operating Fund (533). Payments are not expected to begin until FY 2022-23 after implementation is complete. Ongoing costs will be appropriated as part of the annual budget process.

Fund #	Appn. #	Appn. Name	Current Total Appn.	Estimated Amount For Contract	2022-2023 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
533	0512	Department of Transportation Non-Personal/Equipment	\$7,793,897	N/A	830	6/21/2022, 30790

**FOR QUESTIONS CONTACT:** For program-related questions, please contact Heather Hoshii, Division Manager of Parking and Downtown Operations in the Department of Transportation, at [heather.hoshii@sanjoseca.gov](mailto:heather.hoshii@sanjoseca.gov). For procurement- or contract-related questions, please contact Luz Cofresi-Howe, Assistant Director of Finance, at [luz.cofresi-howe@sanjoseca.gov](mailto:luz.cofresi-howe@sanjoseca.gov).