


CITY COUNCIL ACTION REQUEST			
DEPARTMENT(S) Finance	CEQA Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	COORDINATION City Attorney's Office; City Manager's Budget Office; Finance Department; and Planning, Building, and Code Enforcement Department.	Director Approval /s/ Maria Öberg
COUNCIL DISTRICT(S) Citywide			CMO Approval  6/3/2025
SUBJECT: Actions Related to the Agreement with Granicus LLC, for the Integrate Permitting System			
RECOMMENDATION			
<p>Adopt a resolution authorizing the City Manager or her designee to:</p> <ul style="list-style-type: none"> (a) Negotiate and execute a change order to the Agreement for Integrated Permitting System with Granicus LLC (Saint Paul, MN) to add \$469,696 for scope-related supplemental services and software licenses, for a total not-to-exceed compensation of \$4,953,581 for the initial term ending on July 31, 2026, subject to the appropriation of funds; and (b) Increase contingency by \$20,000 for a maximum contingency of \$583,000 to address unanticipated changes or services required to support project implementation during the initial term ending July 31, 2026, subject to the appropriation of funds. 			
BASIS FOR RECOMMENDATION			
<p>The Integrated Permitting System tracks permits for the Department of Planning, Building and Code Enforcement, Department of Public Works, and the Fire Department, including online application, plan submission, electronic plan review, permit issuance and inspections, dispatch, and staff access through mobile devices. In addition, the Integrated Permitting System allows customers to track application status, online fee payments, receipt of comments, scheduling, and view inspections online. On September 20, 2016, the City entered into an agreement¹ with CSDC Systems, Inc. for an Integrated Permitting System, including software cloud subscription services, third-party software, and maintenance and support. The agreement was for an initial term of seven years, ending in 2023. Between September 2018 and June 2019, the agreement was amended twice to adjust the project scope, compensation, and payment schedule, and add three years to the initial term, extending it to July 31, 2026. In May 2022, Granicus LLC purchased CSDC Systems, Inc. and assumed all rights, title, and interest under the agreement.</p> <p>Due to an unanticipated increase in the use of the Integrated Permitting System software, the compensation amount approved for the initial term has been exhausted. It is necessary to increase the compensation amount for the City to continue to use the Integrated Permitting System software. Staff is therefore asking for an increase of \$469,696 to the compensation amount for a total not-to-exceed amount of \$4,953,581. Increasing the total compensation for the initial term will enable City staff and customers to continue using this critical system.</p>			

¹ <https://records.sanjoseca.gov/Resolutions/RES77680.PDF>

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

COST AND FUNDING SOURCE

<p>The recommended action relating to this amendment of \$469,696, is funded by the Development Fee Program - Shared Resources Non-Personal/Equipment appropriation in the Building Development Fee Program Fund, Planning Development Fee Program Fund, and General Fund; the Public Works Development Fee Program - Non-Personal/Equipment appropriation in the Public Works Development Fee Program Fund; and the Fire Development Fee Program - Non-Personal/Equipment appropriation in the Fire Development Fee Program Fund. This amendment would cover the cost of current and future year licenses as required by the original agreement, subject to the appropriation of funds. There are sufficient funds currently encumbered to pay for the 2024-2025 licenses, and additional funds are allocated in the 2025-2026 Proposed Operating Budget in the amount of \$282,687 for 2025-2026 licenses. The 2025-2026 Proposed Operating Budget was released on May 1, 2025, and is scheduled to be reviewed on June 10, 2025, and adopted on June 17, 2025, by the City Council.</p>

<p>FOR QUESTIONS CONTACT: For procurement- and contract-related questions, please contact Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at albie.udom@sanjoseca.gov. For program-related questions, please contact Alex Powell, Program Manager, Planning, Building and Code Enforcement, at alex.powell@sanjoseca.gov.</p>
