


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Transportation and Finance	<b>CEQA:</b> Not a Project, File No. PP17-003, Agreements/	<b>Coordination:</b> CAO and CMO - Budget Office	<b>Dept. Approval:</b> /s/ John Ristow /s/ Julia H. Cooper
<b>Council District(s):</b> 3	Contracts (New or Amended) resulting in no physical changes to the environment		<b>CMO Approval:</b>  06/02/22

**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 Fourth 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 an additional six months through December 31, 2022, increase maximum compensation by \$2,353 for a revised not to exceed of \$6,328,699, 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, 2032 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 will allow 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 but in so doing had to remove 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.

Staff requests City Council approval to execute a Fourth Amendment to the agreement to retroactively reflect \$340,448 of work approved by the Department of Transportation and performed by the vendor, but was not included in the agreement; increase the allowable contract contingency from \$250,000 to \$440,448 to allow for the previous and future in-scope changes, remove The Globe garage and decrease compensation by \$197,574 due to implementation of a lower cost system already in use at various City surface lots, add items and increase compensation for the Market Street Garage by \$9,479; increase the contract maximum

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

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

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

compensation by \$2,353 to correct calculation errors made in the original agreement, and add another six-month extension to the initial term through December 31, 2022 due to ongoing supply chain delays, SkiData's inability to efficiently secure necessary permits, and lack of SkiData staffing availability to complete project implementation.

Approval of this recommendation will authorize staff to execute a Fourth Amendment to the agreement to extend the initial term through December 31, 2022 to complete implementation, remove The Globe garage, make adjustments to the Market Street Garage, memorialize in-scope work orders that exceeded what was previously allowed under the agreement, correct calculation errors in the original agreement, and exercise one-year options through December 31, 2032 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 2021-2022 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:**

Due to calculation errors in the original agreement and scope changes detailed above, this Fourth Amendment will increase the agreement total by \$2,353 from \$6,326,346 to \$6,328,699 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). However, 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.

**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 Jennifer Cheng, Deputy Director of Finance, at [jennifer.cheng@sanjoseca.gov](mailto:jennifer.cheng@sanjoseca.gov).