CITY OF SAN JOSE
CAPITAL OF SILICON VALLEY

COUNCIL AGENDA: 9/27/22
FILE: 22-1400
ITEM: 2.11

CITY COUNCIL ACTION REQUEST

Department(s):	**CEQA:**	**Coordination:**	**Dept. Approval:**
Airport Finance	Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	City Attorney's Office and City Manager's Budget Office	/s/ John Aitken /s/ Julia H. Cooper
Council District(s): 3			**CMO Approval:** **9/13/22**

SUBJECT: AMENDMENT TO THE AGREEMENT WITH SKIDATA, INC. FORA PARKING ACCESS AND REVENUE CONTROL SYSTEM FOR THE SAN JOSE NORMAN Y. MINETA INTERNATIONAL AIRPORT

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to negotiate and execute the Third Amendment to the Agreement for the purchase, implementation, and maintenance of a parking access and revenue control system with SKIData, Inc. (formerly Sentry Control Systems, LLC) (Van Nuys, CA) to extend the initial term for an additional nine months ending on June 30, 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 ending on June 30, 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 will allow sufficient time to complete project implementation and preserve annual rates for ongoing warranty and maintenance services.

BASIS FOR RECOMMENDATION:

In October 2018,[1] 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 San Jose Norman Y. Mineta International Airport parking garages and lots. This agreement leverages 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 February 28, 2021 with 10 options to extend the term through February 28, 2031 for ongoing support, maintenance, and other related professional services. In March 2021, staff executed the First Amendment to the agreement to extend the initial term through February 28, 2022 due to delays caused by the COVID-19 pandemic. In March 2022, staff executed the Second Amendment to the agreement to extend the initial term through September 30, 2022 due to supply chain delays and SKIData's inability to secure necessary permits due to lack of SKIData subcontractor staffing availability.

The current agreement will expire on September 30, 2022 without further action. Staff requests Council approval to execute a Third Amendment to the agreement to memorialize changes to the project scope and extend the initial term for an additional nine months through June 30, 2023 to allow sufficient time to complete implementation. Delays in project implementation have occurred due to (1) changes to the scope of the project, (2) ongoing supply chain delays, (3) SKIData's inability to secure the necessary permits, and (4) ongoing challenges for SKIData in retaining adequate subcontractor staffing. Project scope changes include alternative display signs, including associated mounting hardware, and removal of some previously scoped software that will not be implemented at this time. These costs will be offset within the current agreement maximum compensation.

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

Approval of this recommendation will authorize staff to execute a Third Amendment to the agreement to memorialize changes to the project scope, extend the initial term through June 30, 2023 to complete implementation, and exercise 10 one-year options through June 30, 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 Proposed 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 original capital outlay encumbered from the Airport Renewal and Replacement Fund (Fund 527) in FY 2018-19 ($7,000,000). Any ongoing operations and maintenance costs will be funded by the Airport Maintenance and Operation Fund (523).

FOR QUESTIONS CONTACT: For program-related questions, please contact Rosalyn Bond, Deputy Director of Airport Operations – Landside Operations, at RBond@sjc.org. For procurement- or contract-related questions, please contact Jennifer Cheng, Deputy Director of Finance, at jennifer.cheng@sanjoseca.gov.