



COUNCIL AGENDA: 12/12/17
FILE: 17-417
ITEM: 3.5

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: November 20, 2017

Approved D. DSYL

Date 11/30/17

**SUBJECT: FIFTH AMENDMENT TO THE PUBLIC ADDRESS SYSTEM
AGREEMENT WITH SIGNATURE TECHNOLOGIES, INC. (DBA COM-
NET SOFTWARE)**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

- (a) Execute the Fifth Amendment to the Public Address System Agreement with Signature Technologies, Inc. (dba Com-Net Software) to expand the existing public address system into Gate 7a in Terminal A+ at the Norman Y. Mineta San José International Airport (Airport), and to increase the total compensation by an amount not to exceed \$42,672 for a revised maximum compensation of \$4,300,749, including all hardware, software, professional services, maintenance, support, and sales tax; and
- (b) Execute change order(s) to further expand the system, by an amount not to exceed \$30,000 for a revised maximum compensation of \$4,330,749 subject to the appropriations of funds.

OUTCOME

Expand the existing Public Address System ("PAS" or "System") to provide paging functionality at the new passenger hold room area at the newly constructed Gate 7a in Terminal A+. Expansion of the System into this area will improve customer service and allow the airlines to effectively page their passengers in all Terminal A public areas. It will also provide ambient music, airport wide pages, and public address messages originating from anywhere at the Airport.

BACKGROUND

On March 4, 2008¹, the City Council authorized the Director of Finance to execute an agreement with Signature Technologies, Inc. dba Com-Net Software (Com-Net) to purchase a PAS for the Airport. Com-Net was selected under a publicly noticed, competitive Request for Proposal process pursuant to the City's procurement requirements. The Agreement provided for the purchase, design, configuration, installation, and support of a fully integrated system in the new Terminal B (including the North Concourse) and portions of Terminal A. Since the Agreement was executed, there have been four amendments (^{2 3 4}) to expand paging coverage and associated maintenance and support, and upgrade various system components.

The \$4.4 million value of the Agreement is inclusive of the initial purchase and implementation of the System which was accepted in phases starting in 2010 and ending in 2012. The ongoing maintenance and support agreement with an annual cost of approximately \$119,700 per year is still in effect.

Staff recommends expansion of the existing System into the Terminal A+ Commuter Hold Rooms in order to have a common and fully integrated PAS across at all public areas of the Airport.

ANALYSIS

The System consists of hardware, kiosk equipment (paging stations), proprietary software that interfaces with the Airport's mission critical Integrated Multi-User Flight Information Display System ("MUFIDS"), and Americans with Disabilities Act ("ADA") requirements for visual paging. Due to the specialized and proprietary nature of the software, this System can only be supported by Com-Net, the System's manufacturer.

Summary of Amendment: The proposed Fifth Amendment includes the purchase of System components including hardware, software, and installation to expand the System. The Amendment includes fixed pricing for professional services, software licenses, hardware components, and related professional services for integration, a detailed statement of work defining all deliverables, a compensation schedule with payments tied to the City's acceptance of key project milestones for this phase.

EVALUATION AND FOLLOW-UP

No additional City Council follow-up action is expected at this time.

¹ Link to 2008 memo: http://www3.sanjoseca.gov/clerk/Agenda/030408/030408_06.03.pdf

² Link to 2009 memo: http://www3.sanjoseca.gov/clerk/Agenda/20090929/20090929_0206.pdf

³ Link to 2011 memo: http://www3.sanjoseca.gov/clerk/Agenda/20110621/20110621_0305.pdf

⁴ Link to 2014 memo: <http://sanjoseca.gov/DocumentCenter/View/31238>

PUBLIC OUTREACH

This item will be posted on the City's website for the December 12, 2017 City Council Agenda.

COORDINATION

The memorandum has been coordinated with the Airport Department, Information Technology Department, City Manager's Budget Office, and the City Attorney's Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This action is consistent with the City's 2017-2018 Adopted Operating Budget City Service Areas (CSA) Delivery Framework for Performance-Driven Government for Operational Services: 1) Front Line Service Delivery, 2) Make Improvements, and 3) Effective Use of Technology.

COST SUMMARY/IMPLICATIONS

The following outlines the elements of the contract.

	<u>Current Agreement</u>	<u>Fifth Amendment</u>
1. AMOUNT OF RECOMMENDATION (incremental Phase 1 expansion)		\$40,456
- The incremental support/maintenance for (\$1,108 x 2 years)		\$2,216
2. COST ELEMENTS OF AGREEMENT/CONTRACT:		
- Original Agreement, (N.Concourse, Terminals A&B, Kiosks, 4-years support)	\$1,962,925	
- Amendment #1, Incremental (new Terminal A+, Baggage Claim Area)	1,035,204	
- Amendment #2, Incremental (expand to FIS)	150,970	
- Amendment #3, Incremental (add 5 additional options for annual support)	597,234	
- Amendment #4, Incremental (upgrade to replace obsolete components)	511,744	
	<u>TOTAL \$4,258,077</u>	<u>\$42,672</u>
3. SOURCE OF FUNDING: Fund (523), Airport Maintenance and Operation		
4. FISCAL IMPACT: The current annual support and maintenance is \$119,700. After the expansion in this Amendment #5, the incremental impact per year is \$1,108 for a revised annual maintenance of \$120,808.		

HONORABLE MAYOR AND CITY COUNCIL

November 20, 2017

Subject: Fifth Amendment to the Public Address System Agreement with Signature Technologies, Inc.

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BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract and contingency costs recommended as part of this memorandum.

Fund#	Appn #	Appn. Name	Current Total Appn.	Amt. for Contract	2017-2018 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
523	0802	Airport Non- Personal/ Equipment	\$39,406,843	\$42,672	951	10/17/2017, Ord. No. 30014

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/

JULIA H. COOPER
Director of Finance

For questions please contact Mark Giovannetti, Finance Deputy Director at (408) 535-7052.