



COUNCIL AGENDA: 6/25/19
FILE: 19-526
ITEM: 2.17

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: June 3, 2019

Approved

Date

6-13-19

**SUBJECT: AMENDMENT TO THE AGREEMENT WITH SIGNATURE
TECHNOLOGIES, INC. FOR SOFTWARE PUBLIC ADDRESS SYSTEM
SOFTWARE**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to execute the Sixth Amendment to the Agreement for the Purchase and Installation of a Public Address System with Signature Technologies, Inc. dba Com-Net Software to extend maintenance and support services for up to three additional one-year options through July 14, 2022 and increase compensation in the amount of \$121,927 for July 15, 2019 through July 14, 2020, for a not-to-exceed maximum compensation of \$4,425,722 through July 14, 2020, subject to the appropriation of funds.

OUTCOME

Provide ongoing support and maintenance to ensure optimal operation of the public address system (System) utilized throughout the Norman Y. Mineta San José International Airport (Airport) to page passengers and issue public announcements.

BACKGROUND

Signature Technologies, Inc. dba Com-Net Software (Com-Net) was selected through a Request for Proposal process conducted in 2007 to provide and implement a public address system at the Airport. In March 2008,¹ the San José City Council authorized the Director of Finance to execute a seven-year agreement with Com-Net, inclusive of four one-year options to extend the term through July 14, 2014. Since that time, Council has approved four additional Council actions related to expanding and updating the System as new terminals and gates get added and

¹ March 2008 Memo: http://www3.sanjoseca.gov/clerk/Agenda/030408/030408_06.03.pdf

extending the term of Agreement² by adding additional options. The last option on the Agreement ends July 14, 2019.

ANALYSIS

The public address system is an integral part of the passenger experience at the Airport and provides timely and vital information to the traveling public. The System is made up of a complex set of technologies that have been enhanced and tuned over the past 10 years but is now nearing end of life and must be replaced.

Staff plans to issue a Request for Proposal for a replacement System within the next 12 months. There are a number of newer technological alternatives now available. However, the current System must be maintained and operational until a new System is in place. Deployment of a new System is expected to take up to 12 months. Approval of the recommendations in this memo would allow ongoing maintenance and support of the existing System until a new solution has been procured and implemented.

EVALUATION AND FOLLOW-UP

This memorandum will not require any follow-up from staff.

PUBLIC OUTREACH

This item will be posted on the City's website for the June 25, 2019 City Council meeting.

COORDINATION

This memorandum has been coordinated with the Department of Aviation, the City Attorney's Office, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION

This item does not have input from a board or commission.

² 2009 – 2017 Memos:

http://www3.sanjoseca.gov/clerk/Agenda/20090929/20090929_0206.pdf

http://www3.sanjoseca.gov/clerk/Agenda/20110621/20110621_0305.pdf

<http://sanjoseca.gov/DocumentCenter/View/31238>

<https://sanjose.legistar.com/View.ashx?M=F&ID=5670590&GUID=31A58F2D-3A88-4196-97C6-02593619C58F>

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FISCAL/POLICY ALIGNMENT

This action is consistent with the City's 2018-2019 Adopted Operating Budget for Key City Service Area Priorities (CSA) for Transportation and Aviation Services: Provides Safe and Secure Transportation Systems; Travelers Have a Positive, Reliable, and Efficient Experience; and Preserve and Improve Transportation Assets and Facilities.

COST SUMMARY/IMPLICATIONS

The following outlines the elements of the contract.

	<u>Current Agreement*</u>	<u>Sixth Amendment</u>
1. AMOUNT OF RECOMMENDATION		\$121,927
2. COST ELEMENTS		
- Original Agreement	\$1,962,925	
- Amendment 1 (includes Change Orders 1-2)	1,035,204	
- Amendment 2 (includes Change Orders 3-8)	150,969	
- Amendment 3	597,234	
- Amendment 4	511,744	
- Amendment 5	42,672	
- Change Order 9	3,047	
- New Option (7/15/2019 – 7/14/2020)		121,927
TOTAL	\$4,303,795	\$121,927

*Inclusive of Options executed through 7/14/2019.

3. SOURCE OF FUNDING: 523 – Airport Maintenance and Operation Fund

4. FISCAL IMPACT: The annual operating and maintenance costs for the Public Address System are included in the 2019-2020 Proposed Operating Budget.

BUDGET REFERENCE

The table below identifies the funds and appropriations proposed to fund the contract recommended as part of this memorandum.

HONORABLE MAYOR AND CITY COUNCIL

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System Software**

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Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Contract*	2019-2020 Proposed Operating Budget Page**	Last Budget Action (Date, Ord. No.)
523	0802	Airport Non-Personal/Equipment	\$45,690,740	\$121,927	X-3	

*Amt. for Contract reflects the Option beginning 7/15/2019 and ending 7/14/2020. Funding for options beyond 7/14/2020 is subject to the annual budgeting process.

**The 2019-2020 Proposed Operating Budget is scheduled for City Council approval on June 11, 2019 and adoption on June 18, 2018.

CEQA

Not a project, Public Project Number 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 Jennifer Cheng, Deputy Director of Finance, at (408) 535-7059.