


CITY COUNCIL ACTION REQUEST			
Department(s): Transportation and 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 and City Manager's Budget Office	Dept. Approval: <div style="text-align: center;">/s/ John Ristow</div> <div style="text-align: center;">/s/ Julia H. Cooper</div>
Council District(s): 3			CMO Approval: <div style="text-align: center;">  10/14/2021 </div>
SUBJECT: THIRD AMENDMENT TO THE AGREEMENT WITH SKIDATA, INC. FOR THE PURCHASE, IMPLEMENTATION, AND MAINTENANCE OF A PARKING ACCESS AND REVENUE CONTROL SYSTEM FOR THE DEPARTMENT OF TRANSPORTATION			
RECOMMENDATION: <p>Adopt a resolution authorizing the City Manager to execute the Third Amendment to the Agreement with SkiData, Inc. (formerly Sentry Control Systems, LLC) ("SkiData") (Van Nuys, CA) for the Department of Transportation to extend the initial term of the Agreement for the Purchase, Implementation, and Maintenance of a Parking Access and Revenue Control System from October 31, 2021 to June 30, 2022, under the same terms and conditions, for a maximum compensation not to exceed \$6,326,346 during the initial term and execute up to 10 one-year options to extend the term of the Agreement for ongoing support, maintenance, and related professional services through June 30, 2032, subject to the appropriation of funds.</p> <p>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.</p>			
BASIS FOR RECOMMENDATION: <p>In August 2017, the Finance Department released a Request for Proposal (RFP) for a Parking Access and Revenue Control System at eight downtown parking garages on behalf of the Department of Transportation. In October 2018, the City Council authorized the City Manager to execute an agreement with awarded vendor Sentry Control Systems, LLC, which is now known as SkiData, Inc.¹ The Agreement was executed on November 5, 2018 and included an original initial term ending October 31, 2019 for implementation and ten options for ongoing warranty and maintenance through October 31, 2029.</p> <p>The COVID-19 pandemic subsequently resulted in adverse impacts to parking operations and staffing resources, causing significant delays in implementation. City staff and SkiData finalized the system design in early 2019 and installations progressed from June 2019 through the first half of 2020. Therefore, in October 2020, staff executed the First Amendment to the Agreement to extend the initial term through October 31, 2021 under the City Manager's contract authority. By doing so, two option terms were removed to stay within Council's prior authorization, which only allowed for option terms through October 31, 2029.</p>			

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

In February 2021, the City Council authorized the City Manager to execute the Second Amendment to the Agreement, which added back two options for a total of ten one-year options through October 31, 2031.² There was no change in compensation as a result of the Second Amendment.

In August 2021, City staff and SkiData determined additional time is needed to complete the implementation. Reasons for the second extension to the initial term include hardware supply chain delays and staffing resource constraints encountered by SkiData and several of their key subcontractors.

Approval of this recommendation will authorize staff to execute a Third Amendment to the Agreement to extend the initial term through June 30, 2022 and exercise one-year options through June 30, 2032 under the same material terms and conditions as the original Agreement. There is no change in compensation as a result of this Third Amendment.

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:

No changes are anticipated to the cost and funding source for the original capital outlay, which was encumbered from the General Purpose Parking Capital Fund (559) in FY 2018-19 (\$6,626,346). 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 anticipated to begin until FY 2022-23. Ongoing costs will be appropriated as part of the annual budget process.

FOR QUESTIONS CONTACT: For Parking Access and Revenue Control System program-related questions, please contact Heather Hoshii, Division Manager of Parking and Downtown Operations in the Department of Transportation, at heather.hoshii@sanjoseca.gov. For procurement or contract questions, please contact Jennifer Cheng, Deputy Director of Finance, at jennifer.cheng@sanjoseca.gov.

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