



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Maria Öberg

**SUBJECT:** See Below

**DATE:** June 1, 2026

Approved

Date:

6/9/26

**COUNCIL DISTRICT:** Citywide

**SUBJECT: Actions Related to the Purchase Order with Netsync Network Solutions, Inc. for Cisco Smart Net Support Services**

## **RECOMMENDATION**

Adopt a resolution authorizing the City Manager or her designee to:

- (a) Execute a purchase order with Netsync Network Solutions, Inc. (Houston, TX) for Cisco Smart Net support services beginning on or about July 1, 2026, and ending on or about June 30, 2027, for a not-to-exceed amount of \$658,579, subject to the appropriation of funds;
- (b) Approve a contingency of \$120,000 to address unanticipated changes or required services, subject to the appropriation of funds; and
- (c) Exercise up to eight one-year options to extend the term of the purchase order, with the last option ending on or about June 30, 2035, subject to the appropriation of funds.

## **SUMMARY AND OUTCOME**

This recommendation authorizes the City Manager or her designee to execute a purchase order for Cisco Smart Net support services with Netsync Network Solutions, Inc. to purchase and manage Cisco Smart Net support contracts for the information technology network at the San José Mineta International Airport (Airport).

Cisco Smart Net support services will help to ensure the Cisco network at the Airport remains functional. These services are used to support, maintain, and enhance the Airport's Integrated Network, a comprehensive Cisco network infrastructure that is

essential to the Airport's mission of providing safe, secure, reliable, and efficient service to the traveling public. The Airport's Integrated Network enables critical functions, including passenger processing, security operations, and real-time coordination among Airport stakeholders, ensuring continuity of operations and compliance with regulatory requirements. To sustain these capabilities, the Airport requires continuous vendor support for hardware replacement, software updates, security patches, and technical assistance, currently provided through Cisco Smart Net services.

## **BACKGROUND**

The Airport operates a comprehensive Cisco network infrastructure that supports critical functions, including passenger processing, security systems, airline operations, and administrative services. These systems require continuous vendor support for hardware replacement, software updates, security patches, and technical assistance, which are currently provided through Cisco Smart Net services.

The Airport's existing Smart Net support model is based on annual renewals tied to individual devices and licenses. While this approach has maintained operational continuity, it has become increasingly complex and administratively burdensome due to the size and diversity of the Airport's network environment. Additionally, this model does not align with Cisco's evolving support and licensing framework, which is transitioning toward enterprise-wide agreements.

To improve efficiency and align with industry best practices, the Airport is pursuing consolidated Cisco Smart Net enterprise services. These enterprise-level services will consolidate support and licensing into a single, co-termed agreement, providing standardized coverage across the Airport's Cisco environment. This approach is expected to streamline contract management, improve visibility into assets and entitlements, and support more effective long-term planning.

## **ANALYSIS**

In March 2026, a competitive Request for Bids was facilitated by the Finance Department to procure these services. The Request for Bids provisioned for a one-year initial term and additional eight one-year options for the City to extend the term. Two responsive bids were submitted.

**Local and Small Business Enterprise Preference:** In accordance with the San José Municipal Code, Section 4.12.320B, bidders who request and qualify for the local business preference will be given a 2.5% credit of the cost bid and bidders who request and qualify for the small business preference will be given an additional 2.5% credit of

the cost bid. Neither bidder qualified for the local or small business enterprise preference.

**Protest:** The City's Request for Bids process included a 10-day protest period that began when the City issued the Notice of Intended Award on May 7, 2026. No protests were received.

**Award:** Staff recommends award to Netsync Network Solutions, Inc., as the lowest-priced, responsive, and responsible bidder pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B(1).

Approval of this recommendation will ensure the City receives these essential services for ongoing operations at the Airport.

### **EVALUATION AND FOLLOW-UP**

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

### **FISCAL IMPACTS**

The recommended purchase order will be funded by the Airport Non-Personal/Equipment appropriation in the Airport Maintenance and Operation Fund in Fiscal Year 2026-2027. Future extensions of the purchase order will be subject to the appropriation of funds.

### **BUDGET REFERENCE**

The table below identifies the fund and appropriation to fund the agreements recommended as part of this memorandum.

Fund #	Appn. #	Appropriation Name	Total Appropriation	Amount for Contract	2026-2027 Proposed Operating Budget Page*	Last Budget Action (Date, Ord. No.)
523	0802	Airport Non-Personal/Equipment-	\$58,680,539	\$658,579	854	N/A

\* The 2026-2027 Proposed Operating Budget was released on May 2, 2026 and is scheduled to be reviewed on June 9, 2026 and adopted on June 16, 2026 by the City Council.

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### **COORDINATION**

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

### **PUBLIC OUTREACH**

This memorandum will be posted on the City Council Agenda website for the June 23, 2026 City Council meeting.

### **BOARD, COMMISSION, COMMITTEE RECOMMENDATION AND INPUT**

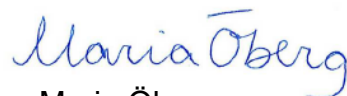
No board, commission, or committee recommendation or input is associated with this action.

### **CEQA**

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

### **PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.



Maria Öberg  
Director of Finance

For questions, please contact Fletcher Barnes, Interim Deputy Director of Purchasing, Finance Department, at [Fletcher.Barnes@sanjoseca.gov](mailto:Fletcher.Barnes@sanjoseca.gov).