

2.15 Second Amendment to the Agreement with PMWEB, Inc. for a Project Management Information System for the Airport.


Recommendation:

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

- (a) Negotiate and execute the Second Amendment to the Agreement for a Project Management Information System with PMWeb, Inc. (Wakefield, MA);
- (b) Extend the initial term through November 30, 2024, under the same material terms and conditions as the original agreement;
- (c) Increase initial term compensation by \$103,618 for a revised maximum compensation of \$403,788 for the initial term ending November 30, 2024; and
- (d) Negotiate and execute up to four one-year options to extend the Agreement for ongoing support, maintenance, and related professional services through November 30, 2028, or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

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

CITY COUNCIL ACTION REQUEST

Department(s): Finance Airport	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: /s/ Rick Bruneau /s/ Mukesh Patel
Council District(s): Citywide			CMO Approval:  5/7/24

SUBJECT: SECOND AMENDMENT TO THE AGREEMENT WITH PMWEB, INC. FOR A PROJECT MANAGEMENT INFORMATION SYSTEM FOR THE AIRPORT

RECOMMENDATION:

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

- Negotiate and execute the Second Amendment to the Agreement for a Project Management Information System with PMWeb, Inc. (Wakefield, MA);
- Extend the initial term through November 30, 2024, under the same material terms and conditions as the original agreement;
- Increase initial term compensation by \$103,618 for a revised maximum compensation of \$403,788 for the initial term ending November 30, 2024; and
- Negotiate and execute up to four one-year options to extend the Agreement for ongoing support, maintenance, and related professional services through November 30, 2028, or as may be adjusted to align with the software renewal term, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION:

In December 2021,¹ City Council authorized staff to enter into an agreement with PMWeb, Inc. for a project management and information system for the Airport Department, including related professional services such as implementation, training, maintenance, and support with an initial one-year term ending November 30, 2022, and four one-year options to extend the agreement through November 30, 2026. In November 2022, Airport Department staff informed Finance Department staff that the project implementation was complete. Based on that information, Finance Department staff executed the first option to extend the agreement for ongoing services through November 30, 2023. Subsequently, Airport Department staff informed Finance Department staff that, although some of the system functionalities had been deployed and were being used by the Airport Department, the full implementation of the program had not actually been completed. On September 26, 2023,² City Council authorized staff to rescind the first option and execute the First Amendment to the Agreement to extend the initial term through June 30, 2024, to complete the implementation.

In December 2023, Airport Department staff notified Finance Department staff that, although full system implementation was still in progress and expected to be completed by the extended deadline of June 30, 2024, the annual subscription fees for the already deployed and in-use functionalities were due beginning December 1, 2023. An additional amount of \$103,618 is required for the initial term to pay for the renewal of these annual subscriptions and an extension of the initial term to align with the software renewal term.

¹ December 2017 City Council Action Request: <https://sanjose.legistar.com/View.ashx?M=F&ID=10297503&GUID=6498736B-2E7E-4919-AB79-7519B8AFAFC6>

² September 2023 City Council Action Request: <https://sanjose.legistar.com/View.ashx?M=F&ID=12299202&GUID=953BDDDED-879A-472D-A6AA-CD4D549BCA2C>

These subscriptions include software, support and maintenance, and dedicated server costs that would support the on-going implementation of the program during the initial period.

Approval of this recommendation authorizes staff to negotiate and execute the Second Amendment to the Agreement to extend the initial term through November 30, 2024 and renew subscriptions for continued use of already deployed functionalities.

Commission Recommendation/Input: There is no commission recommendation or input associated with this action.

COST AND FUNDING SOURCE:

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2023-2024 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No.)
523	0802	Non-Personal/Equipment	\$54,811,767	\$103,618	966	06/20/2023, 30933

FOR QUESTIONS CONTACT: For program-related questions, please contact Fai Ali, Deputy Director, Planning and Development, Airport Department, at fali@sjc.org. For procurement and contract related questions, please contact Albie Udom, Deputy Director of Finance and Chief Procurement Officer, Purchasing and Risk Management Division, at albie.udom@sanjoseca.gov.