



Office of the City Manager

CONSENT CALENDAR
March 19, 2024

To: Honorable Mayor and Members of the City Council
 From: Dee Williams-Ridley, City Manager
 Submitted by: Andrew Murray, Interim Director of Public Works
 Subject: Contract No. 115731-1 Amendment: SKIDATA, Inc. (formerly Sentry Control Systems) for Extending Parking Access and Revenue Control System Maintenance Services and Warranties

RECOMMENDATION

Adopt a Resolution authorizing the City Manager to amend Contract No. 115731-1 (Contract No. 10661B in FUNDS) with SKIDATA, Inc. (formerly Sentry Control Systems) to provide critical maintenance services and warranties for parking access and revenue control system equipment nearing the end of its useful life in the City's three parking garages -- Center Street, Oxford and Telegraph Channing -- extending the term by two years to June 30, 2026 and increasing the contract amount by \$919,815 for a total not-to-exceed of \$2,915,355.

FISCAL IMPACTS OF RECOMMENDATION

Funding for the contract amendment of the SKIDATA Parking Access and Revenue Control System (PARCS) is available in the FY 2024 Off-Street Parking Fund (627) budget and is subject to appropriation in the Fiscal Year (FY) 2025 and FY 2026 budgets.

Current contract amount	\$ 1,995,540
Amended contract amount (through FY26)	\$ 919,815
Total NTE	\$ 2,915,355

Below is a table of anticipated annual expenditures:

	FY25	FY26	SUBTOTAL
Operations - IT Management Service, Software	\$215,691.90	\$221,562.66	\$437,254.57
Service, Equipment Maintenance and Parts	\$56,817.48	\$56,817.48	\$113,634.97
Capital Improvements	\$368,924.77	n/a	\$368,924.77
	FY25-26 TOTAL		\$919,814.30

CURRENT SITUATION AND ITS EFFECTS

The City entered into its current contract with SKIDATA, Inc. (formerly Sentry Control Systems) on July 1, 2017, with Resolution No. 68,009-N.S. This contract provides preventative maintenance, parts, and software for the Parking Access and Revenue Control System (PARCS) and the parking guidance system (PGS) equipment at the City's three public parking garages. On October 27, 2020, with Resolution No. 69,594-N.S., Council authorized the current contract amendment to provide funding for warranty coverage of the Center Street Garage's new parking guidance system. This current contract, including the warranties on much of the equipment, is currently set to expire June 30, 2024. SKIDATA is the core technology that powers the access control and payment systems at the City's three garages.

To ensure professional operations and high-quality customer service at the Center Street, Oxford and Telegraph Channing garages, the City continuously maintains and invests in the systems that support our garages. Over the next two fiscal years, baseline service and operations for SKIDATA's systems will cost approximately \$225,000 a year. This includes software, IT support and maintenance.

The City needs to make capital improvements to the equipment that collects customer payments and controls access to the garages. This equipment has reached the end of its lifespan. In particular, the "Pay on Foot" (POF) kiosks, where customers pay for parking, need to be replaced. They are 13-years old (far exceeding their ten-year lifespan and warranty, which expires on June 30, 2024). This one-time capital expense totals approximately \$275,000. The new kiosks will have a lifespan of approximately ten years. The City also needs to upgrade the security systems at the garages' staff entrances; this will cost an estimated \$50,000. In the City's continuous effort to improve customer service, the new contract with SKIDATA will also invest \$32,000 in digital signage for the Center Street Garage that will tell customers how many parking spaces are available. Together, these capital costs total approximately \$370,000, including \$10,000 in taxes.

Not replacing old equipment and upgrading related systems puts garage operations, customer service and revenue at risk. Old equipment is more likely to breakdown, become inoperable and require expensive parts and maintenance. Service, maintenance and repair costs will be cheaper over the recommended extended agreement length. Since vendor parts and service costs increase over time, staff seek to 'lock in' current rates for maintenance services in the contract. SKIDATA's warranty extension 'locks in' pricing on all of the City's equipment through FY 2026.

Extending SKIDATA, Inc. Parking Access and Revenue Control System Maintenance Services and Warranties and making capital improvements are Strategic Plan Priority Projects, advancing our goal to provide state-of-the-art, well-maintained infrastructure, amenities, and facilities.

BACKGROUND

In March 2012, based on a recommendation from the City Auditor to fully automate the garage revenue system, the City purchased SKIDATA PARCS equipment for its three public parking garages: Center Street, Oxford and Telegraph Channing. Sentry Control Systems (now SKIDATA, Inc.) installed and currently maintains the revenue system, and provides periodic Payment Card Industry (PCI) compliance upgrades. SKIDATA has provided reliable access control and payment systems for the City's garages, meeting public expectations for customer service and ensuring a revenue stream that helps meet the City's bond obligation for the Center Street Garage, maintaining the credit rating of the City of Berkeley.

ENVIRONMENTAL SUSTAINABILITY AND CLIMATE IMPACTS

The City's three parking garages are part of the City's goBerkeley demand-responsive parking program and play an important role in improving parking turnover, which reduces the amount of time people drive to look for parking, thus reducing greenhouse gas emissions in the Downtown Berkeley and Southside/Telegraph areas.

RATIONALE FOR RECOMMENDATION

Key pieces of the City's garage access control and revenue systems are in need of replacement. Extending the contract term and increasing the contract amount will allow the City to cover needed costs in Fiscal Years 2025 and 2026 and to lock in lower service and maintenance costs and a new warranty, saving money over time. These costs will be paid for out of the self-supporting parking fund and do not have an impact on the City's General Fund.

Much of the SKIDATA equipment the City installed in the three public parking garages has exceeded its ten-year lifespan. Maintenance and repair will become much more costly as this old equipment is less reliable and replacement parts are harder to obtain. This will erode the quality of customer service and puts garage revenue, the Center Street Garage bond and the City's credit rating at risk.

Well-running equipment allows the City to collect this revenue without service interruptions. This is critical for making bond payments on the Center Street Garage and maintaining the City's bond rating. Additional revenue also supports the City's current and future fiscal health.

ALTERNATIVE ACTIONS CONSIDERED

If this contract amendment is not approved, funding will be unavailable for critical maintenance and upgrades of the City's garage access control and payment equipment. The effects of malfunctioning or inoperable equipment are far reaching. If equipment fails, the City may need to revert to processing payment transactions manually at parking facilities, resulting in higher contractor costs. Alternatively, the City would need to shut down any malfunctioning off-street parking facility entirely, resulting in loss of revenue that would risk the fiscal health of programs and bond payments

reliant on this source of funding. It would also put the City of Berkeley's credit rating at risk.

CONTACT PERSON

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Attachments:

1: Resolution

RESOLUTION NO. ##,###-N.S.

CONTRACT NO. 115731-1 AMENDMENT: SKIDATA, INC. (FORMERLY SENTRY CONTROL SYSTEMS) FOR MAINTENANCE AND WARRANTIES AND EXTENSION OF CONTRACT TERM

WHEREAS, the City owns and operates three public parking facilities with automated entry/exit and payment capabilities; and

WHEREAS, the City is currently under contract with SKIDATA, Inc. (formerly Sentry Control Systems) to install and maintain the Parking Access and Revenue Control System (PARCS) at the three facilities; and

WHEREAS, FUND\$ Contract No.10661 was executed July 1, 2017 as authorized by Resolution No. 68,009-N.S., was subsequently amended on September 14, 2017 with the same Council authorization, to include maintenance and extended warranties, and will expire June 30, 2024; and

WHEREAS, the contract was amended on October 27, 2020, with Resolution No. 69,594-N.S., to provide warranty coverage for the Center Street Garage's new parking guidance system, but was scaled back in scope due to COVID-19 cost considerations; and

WHEREAS, PARCS equipment in the City's three public parking facilities is now thirteen years old and in need of routine parts replacement; and

WHEREAS, extending the contract term an additional two years until June 30, 2026 will lock in lower cost warranty rates for all of the City's PARCS equipment and allow staff adequate time to conduct an RFP process for replacement equipment; and

WHEREAS, funding for extending maintenance and warranties for existing equipment through FY 2026 is subject to appropriation in each fiscal year of the contract term in the Off-Street Parking Fund (Fund 627).

NOW THEREFORE, BE IT RESOLVED by the Council of the City of Berkeley that the City Manager is authorized to execute an amendment to Contract No. 115731-1 with SKIDATA, Inc. (formerly Sentry Control Systems) to provide maintenance services and warranties for parking access and revenue control system equipment, increasing the contract amount by \$919,815 for a total not-to-exceed amount of \$2,915,355, and extending the contract term by two years to June 30, 2026.

