


CITY COUNCIL ACTION REQUEST

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| Department(s) 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; City Manager's Budget Office; Environmental Services Department | Dept. Approval /s/ Drew Corbett |
| Council District(s) Citywide | | | CMO Approval  12/5/24 |

SUBJECT: Actions Related to the Purchase Order with Carbon Activated Corporation for Hydrogen Sulfide Media Removal and Disposal Services

RECOMMENDATION

Adopt a resolution authorizing the City Manager or her designee to exercise up to two additional one-year options to extend the term of the purchase order with Carbon Activated Corporation (Compton, CA) for hydrogen sulfide media removal and disposal services with the last option ending on or about October 23, 2027, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION

The Environmental Services Department is responsible for operating and maintaining the cogeneration engines located at the San José-Santa Clara Regional Wastewater Facility. The cogeneration engines require biogas to be cleaned to a specific standard, which requires a gas cleaning skid. Biogas is a flammable gas made of a mixture of various chemical compounds, including methane and carbon dioxide. The gas cleaning skid utilizes two different types of gas cleaning media. To maintain the gas cleaning skid, the media needs to be replaced when test results indicate breakthrough. To replace the media, services are needed for the hydrogen sulfide removal and disposal portion of the job. The remainder of the process is handled by City staff.

In September 2022, a competitive Request for Quotes was released by the Finance Department to procure these services. The Request for Quotes provisioned for a one-year initial term and an additional four one-year options for the City to extend the term. Two responsive bids were submitted and no protests were received. Neither bidder qualified for the City's local or small business preference. The initial award to Carbon Activated Corporation pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310.B(1) was made under the City Manager's authority. The initial term was from October 24, 2022 to October 23, 2023. Option terms 1 (October 24, 2023 to October 23, 2024) and 2 (October 24, 2024 to October 23, 2025) have been executed. This request is for authority to execute the last two options (four in total) as additional options would exceed the \$350,000 City Manager authority limit. The cost for the option period from October 24, 2025 to October 23, 2026 is estimated not to exceed \$100,000, and future options will be subject to appropriation. Approval of this recommendation ensures the City continues to receive these essential services with minimal impact to operations.

COMMISSION RECOMMENDATION AND INPUT

The Treatment Plant Advisory Committee will consider this item on December 12, 2024. A supplemental memorandum with the committee's recommendation will be included in the amended December 17, 2024 City Council meeting agenda.

COST AND FUNDING SOURCE

The recommended action relating to this purchase order of \$100,000 is funded by the ESD Non-Personal/Equipment appropriation in the San José-Santa Clara Treatment Plant Operating Fund.

FOR QUESTIONS CONTACT: Albie Udom, Deputy Director of Finance - Purchasing and Risk Management, at Albie.Udom@sanjoseca.gov.