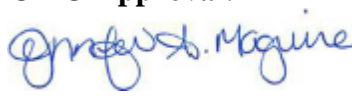


CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a project, File No PP17-008, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	Coordination: Department of Public Works, City Attorney and City Manager's Budget Office	Dept. Approval: /s/ Julia H. Cooper
Council District(s): Citywide			CMO Approval: 

SUBJECT: AMENDMENT TO THE COVID-19 PURCHASE ORDER OP 59829 FOR TEMPORARY EQUIPMENT RENTAL AND REPAIR SERVICES FOR HOMELESS SHELTERS

RECOMMENDATION:

Adopt a resolution authorizing the City Manager to:

1. Amend purchase order OP 59829 with Herc Rental, Inc. (San José, CA) for temporary equipment rental and repair services for homeless shelters to increase compensation by \$300,000, for a revised maximum compensation not-to-exceed \$620,000 from December 15, 2020 to December 14, 2021.
2. Execute up to four additional one-year options to extend the term of the purchase order with the last option year ending on or about December 14, 2025, subject to the annual appropriation of funds.

Desired Outcome: To ensure the homeless population has access to electricity and regulated temperatures.

BASIS FOR RECOMMENDATION:

The Fleet Management Division of the Department of Public Works oversees citywide equipment rentals and was tasked to rent equipment for homeless shelters before the COVID-19 emergency. The equipment rented included generators and heating and cooling units, and the sites were selected to strategically support the homeless populations that relied on public facilities (e.g., public libraries and community centers). The generators provide back-up emergency power and the heating and cooling units regulate the ambient temperature inside the facilities. Though these facilities were closed and unavailable for public use during the pandemic, measures were taken to ensure these resources were still available to the homeless population as shelters.

In October 2020, a competitive Request for Bid (RFB) was facilitated by the Finance Department to procure these services, following Federal procurement rules. The City received two (2) bids. Under the City Manager's contract authority, an Open Purchase Order (OP) was awarded to Herc Rental, Inc. as the lowest responsive and responsible bidder. The open purchase order will expire on December 14, 2021. As of June 1, 2021, the remaining balance of the original not to-exceed-amount of \$320,000 is \$2,342. The approval of this recommendation will increase the compensation to this open purchase order for the initial term and enable staff to extend the term of these essential services with minimal impact to operations with up to four options through December 14, 2025.

Climate Smart San Jose: No proposed changes to service delivery, programs or staffing that has significant community/resource impacts, including any negative impact on Climate Smart San Jose energy, water, and mobility goals.

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

This Council item is consistent with the City’s 2020-2021 Adopted Operating Budget City Areas Delivery Framework: “Provide prevention and emergency response services for crime, fire, medical, hazardous, and disaster related situations.”

COST AND FUNDING SOURCE:

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2020-2021 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No)
401	210S	Homeless Sheltering & Support	\$26,700,000	\$150,00	X – 35	05/04/2021, 30564
448	210E	CARES Emergency Shelter Grants	\$2,683,479	\$150,000	X – 76	06/23/2020, 30437

FOR QUESTIONS CONTACT: Jennifer Cheng, Deputy Director of Finance at Jennifer.Cheng@sanjoseca.gov.