


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a Project, File No. Public Project Number PP17-003,	<b>Coordination:</b> Department of Public Works; City Attorney's Office; City Manager's Budget Office	<b>Dept. Approval:</b> /s/ Julia H. Cooper
<b>Council District(s):</b> Citywide	Agreements/Contracts (New or Amended) resulting in no physical changes to the environment		<b>CMO Approval:</b>  11/10/22

**SUBJECT: AMEND PURCHASE ORDER WITH OWEN EQUIPMENT SALES FOR SEWAGE CLEANING MACHINE RENTALS**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to amend purchase order OP 60479 with Owen Equipment Sales (Vancouver, WA) for sewage cleaning machine rentals to increase the total compensation by \$150,000, for a maximum compensation not-to-exceed \$500,000 for the period ending November 30, 2022.

**Desired Outcome:** To ensure the City has adequate sewage cleaning machine rentals to meet various project and service requirements Citywide.

**BASIS FOR RECOMMENDATION:**

The Fleet Management Division of the Department of Public Works (Fleet) oversees Citywide equipment and vehicle rentals. Due to ongoing supply chain issues and manufacturer delays, staff has experienced significant delays in new equipment purchases, vehicle deliveries, and part deliveries, thereby affecting City Fleet availability. Rental equipment is utilized to minimize operational impacts for City departments when equipment is out of service and to provide essential services as required. Sewage cleaning machine rentals are used for storm mitigation efforts and annual preparedness projects.

In May 2018, a competitive Request for Bids was released by the Finance Department to procure these services. Two responsive bids were submitted. Neither of the two bidders qualified for the local and/or small business enterprise preference. Staff awarded to Owen Equipment Sales as the lowest priced, responsive, and responsible bidder pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B under the City Manager's authority. The City subsequently issued purchase orders to Owen Equipment Sales under the City Manager's authority for the initial term and three option terms. Approval of this recommendation will ensure the City continues to receive these essential services with minimal impact to operations until a new solicitation is completed and awarded.

Climate Smart San José: The recommendation in this memorandum has no effect on Climate Smart San José energy, water, or mobility goals.

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

This City Council item is consistent with the City's 2022-2023 Proposed Budget City Service Areas Delivery Framework: "To effectively develop, manage, and safeguard the City's fiscal, physical, technological, and human resources to enable and enhance the delivery of City services and projects."

**COST AND FUNDING SOURCE:**

Services provided under this purchase order are managed by the Department of Public Works on behalf of various City departments. Project scope, cost, and funding sources will vary. The Department of Public Works will pay the vendor and charge departments directly for services provided.

**FOR QUESTIONS CONTACT:** Luz Cofresí-Howe, Assistant Director of Finance, at [Luz.Cofresi-Howe@sanjoseca.gov](mailto:Luz.Cofresi-Howe@sanjoseca.gov)