

**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no Physical changes to the environment.	<b>Coordination:</b> City Attorney’s Office; City Manager’s Budget Office; Department of Public Works	<b>Dept. Approval:</b> /s/ Rick Bruneau
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>  5/31/23

**SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDERS WITH COAST COUNTIES TRUCK & EQUIPMENT COMPANY AND FJM TRUCK AND TRAILER CENTER, LLC FOR HEAVY EQUIPMENT AND MAINTENANCE SERVICES**

**RECOMMENDATION:**

Adopt a resolution authorizing the City Manager to:

1. Amend purchase orders with Coast Counties Truck & Equipment Company (San José, CA) and FJM Truck and Trailer Center, LLC (San José, CA) for heavy equipment and maintenance services to increase the total compensation by \$500,000, for a maximum compensation not-to-exceed \$850,000 for the periods ending February 22, 2024 and April 3, 2024, respectively; and
2. Exercise up to four one-year options to extend the terms of the purchase orders with the last options ending on or about February 22, 2028 and April 3, 2028, respectively, subject to the appropriation of funds.

**Desired Outcome:** Authorizing the City Manager to take this action provides the City with heavy equipment and maintenance services for various City Fleet assets.

**BASIS FOR RECOMMENDATION:**

The Fleet Management Division, Department of Public Works (Fleet) is responsible for overseeing the Citywide maintenance and repair of equipment and vehicles. Fleet utilizes outside service providers to provide specialized repair and maintenance services for various City department equipment and vehicle assets. Utilizing these outside service providers allows the City to minimize department operational impacts and mitigate equipment downtime. Fleet strategically coordinates large, time-consuming maintenance jobs to utilize limited staffing resources effectively and avoid delays in service delivery. These heavy equipment and maintenance services are essential for safety and to preserve City Fleet assets.

In January 2023, a competitive Request for Bids was released by the Finance Department to procure these services. Two responsive bids were submitted, and no protests were received. Neither bidder applied for the local or small business preference. Staff awarded to Coast Counties Truck & Equipment Company and FJM Truck and Trailer Center, LLC as the lowest priced, responsive, and responsible bidders pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310B2 under City Manager authority. Approval of this recommendation will enable staff to provide essential services with minimal impact to operations.

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 Recommendation	2022-2023 Operating Budget Page	Last Budget Action (Date, Ord. No)
552	0083	Inventory Purchases	\$10,163,000	\$500,000	795	02/14/2023, 30883

**FOR QUESTIONS CONTACT:** Albie Udom, Deputy Director of Finance at [albie.udom@sanjoseca.gov](mailto:albie.udom@sanjoseca.gov).