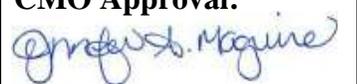


**CITY COUNCIL ACTION REQUEST**

<b>Department(s):</b> Finance	<b>CEQA:</b> Not a Project, File No. PP17-008, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment	<b>Coordination:</b> PW, Housing, CAO, CMO- Budget Office	<b>Dept. Approval:</b> /s/ Julia H. Cooper
<b>Council District(s):</b> Citywide			<b>CMO Approval:</b>  6/11/2020

**SUBJECT: ACTIONS RELATED TO COVID-19 PURCHASE ORDERS FOR CUSTODIAL AND SHOWER/LAUNDRY TRAILER RENTAL SERVICES FOR CITY HOMELESS SHELTERS**

**RECOMMENDATION:**

- (a) Ratify COVID-19 purchase orders issued to AAA Mobile Solutions, Inc. (Visalia, CA) for shower/laundry trailer rental services for a total not-to-exceed amount of \$900,000 and to S. J. General Building Maintenance, Inc. (San José, CA) for custodial services for a not-to-exceed amount of \$600,000, for a total cumulative compensation not-to-exceed amount of \$1,500,000 starting on or about March 20, 2020 and ending on or about June 20, 2020; and
- (b) Adopt a resolution authorizing the City Manager to execute change orders to extend the term of the purchase orders through September 30, 2020 as required, subject to the appropriation of funds.

**Desired Outcome:** To keep the homeless population healthy and help mitigate the spread of COVID-19 by providing laundry/shower trailers and custodial services to temporary homeless shelter sites.

**BASIS FOR RECOMMENDATION:**

As a COVID-19 emergency measure, on or about March 18, 2020, the Housing Department and the Department of Public Works assembled temporary homeless shelters at Parkside Hall, South Hall, and Kelley Park to assist the vulnerable homeless population at higher risk of illness from COVID-19 and help reduce the spread of COVID-19. The designated locations did not come equipped with laundry and shower facilities, so the City rented laundry and shower trailers to enable individuals to wash clothes and maintain personal hygiene. In addition, the City contracted custodial services to ensure the shelters are maintained, cleaned, sanitized and disinfected. These measures are necessary to keep the homeless population healthy and prevent the spread of the COVID-19 virus.

Due to the emergency and exigent circumstances at the time, the supply of portable laundry and shower trailer services was scarce. City staff sought quotes from multiple sources and contracted with AAA Mobile Solutions because they were the only company that could provide both laundry and shower trailers at the same time and its pricing was lower than the competition. To illustrate, United Site Service offered a laundry trailer with eight washers at \$65,000/month compared to AAA Mobile Solutions, which offered ten washers for \$49,163/month. In addition, the City contracted with S.J. General Building Maintenance for custodial services because ABM, the City’s current vendor, was inundated with work at citywide facilities caused by the COVID-19 pandemic and could not accommodate the deep cleaning and disinfecting services required at the temporary homeless shelter sites. S.J. General Building Maintenance pricing of \$20,000/month was higher than ABM’s calculated rate of \$17,000/month based on the current Public Works agreement rates. Staff contacted other vendors who stated they could not provide the services due to its own COVID-19 commitments. Considering the immediate need for these higher levels of services and the shortage of supply, staff moved forward with securing services with S.J. General Building Maintenance.

These purchases were made in accordance with the San José Municipal Code, Section 4.12.220 - Emergency purchases; Federal procurement standards pursuant to 2 C.F.R. § 200.320(f)(2)); and meets the Federal Emergency Management Agency (FEMA) guidelines of purchases made during an emergency/exigent period. City staff plan to seek FEMA reimbursement for these services and to transition to competitive procurement as soon as practical for any ongoing services. Staff is currently working on drafting scope of works for competitive procurement for required ongoing services. Approval of this recommendation would allow time for the completion of procurement process and any necessary transition between vendors.

Climate Smart San José: The recommendation in this memo 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 Council item is consistent with the City’s 2019-2020 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	2019-2020 Adopted Operating Budget Page*	Last Budget Action (Date, Ord. No)
401	209U	COVID-19 Emergency Response	\$45,000,000	\$1,500,000	N/A	05/12/2020, 30412

*\* The Coronavirus Relief Fund (401) was established on May 12, 2020, per City Council approval (refer to agenda item [3.4](#)). Additional recommendations for the use of CARES Act funds for initiatives undertaken for COVID-19 response are outlined in [Manager’s Budget Addendum #3, Coronavirus Relief Fund and General Fund Adjustments](#), including homeless sheltering and support.*

**FOR QUESTIONS CONTACT:** Jennifer Cheng, Deputy Director of Finance at 408-535-7059