



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Julia H. Cooper  
Jacky Morales-Ferrand

**SUBJECT:** SEE BELOW

**DATE:** June 16, 2022

Approved

Date

06/16/22

**SUBJECT: AMEND AND AWARD PURCHASE ORDERS FOR PORTABLE  
RESTROOM AND HANDWASHING STATION RENTAL SERVICES**

## RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

- a. Amend purchase order OP 58765 with United Site Services of California, Inc. (Westborough, MA) for temporary fencing rentals and repair services, portable restroom rental services, and portable handwashing station rental services to increase compensation by \$400,000 for a revised maximum compensation not-to-exceed \$1,355,000, and to retroactively extend the term from December 31, 2021, to June 30, 2022.
- b. Execute a purchase order with United Site Services of California, Inc. (Westborough, MA) for portable restroom and hand washing station rental services for an initial term starting on or about July 1, 2022, and ending on or about June 30, 2023, for an amount not to exceed \$2,400,000.
- c. Exercise up to four one-year options to extend the term of the purchase order with the last option year ending on or about June 30, 2027, subject to the appropriation of funds.

## OUTCOME

Authorizing the City Manager to take these actions will allow the City to keep the unhoused population healthy and meet other Citywide needs by providing portable restrooms and handwashing stations.

## **BACKGROUND**

On or about April 17, 2020, the Housing Department and the Department of Public Works provided portable restrooms and hand washing stations at various homeless encampments under an emergency purchase order issued by the Finance Department to assist the vulnerable unhoused population at higher risk of illness from COVID-19 and help reduce the spread of COVID-19. The designated locations were strategically chosen to support the homeless populations that relied on the restroom facilities that public libraries, community centers, and businesses previously provided before COVID-19. Because these sites closed or were closing their restrooms for public use during the pandemic and into the unforeseeable future, these measures were taken to ensure these services were still available to people who were living in encampments. The Housing Department developed the Services Outreach Assistance and Resources (SOAR) program to coordinate a range of services including portable restrooms, hand washing stations, trash services, street-based outreach and support services, and housing and shelter referrals for encampment residents. The SOAR Program initially supported 16 of the City's largest encampments.

On April 13, 2021<sup>1</sup>, the City Council authorized a purchase order with United Site Services of California, Inc. to continue services through December 31, 2021, in accordance with the San José Municipal Code, Section 4.12.220 for sole sourcing under a public emergency and Federal procurement standards pursuant to 2 C.F.R. § 200.320(f)(2)). However, as the City has continued these services beyond December 31, 2021, there is a need for a retroactive amendment to the existing purchase order to extend the term and add additional funds. City staff began working on a new solicitation for these services in August 2021; however, due to staffing shortages, the solicitation was not released until December 2021. The bid closed in February 2022. Staff elected to combine the extension of the existing purchase order and the award of the new purchase order into one action to consolidate items relating to the same services. Staff have been working on finalizing this memorandum from February 2022 to the present.

The City Council approval of the 2021-2022 Adopted Operating Budget allocated \$3.0 million from the American Rescue Plan Fund to expand the SOAR program by an additional 10 sites. The recommendations in this memorandum will be used to support the current and expanded SOAR sites.

## **ANALYSIS**

On January 4, 2022, the Finance Department released a competitive Request for Bid to procure portable restroom and handwashing station rental services. Two bids were received, and one bid was rejected for not providing required documentation. The local and small business enterprise preference did not apply due to federal funding requirements. No protests were received. Staff recommends award to United Site Services of California, Inc. as the sole responsive and

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<sup>1</sup> April 13, 2021, Resolution: <https://records.sanjoseca.gov/Resolutions/RES79961.pdf>

HONORABLE MAYOR AND CITY COUNCIL

June 16, 2022

**Subject: Amend and Award Purchase Orders for Portable Restroom and Handwashing Station Rental Services**

Page 3

responsible bidder pursuant to the bidding procedures of the City's Municipal Code, Section 4.12.310.B.

### **CONCLUSION**

Approval of these recommendations will allow the City to continue to provide portable restroom and hand washing services as part of the SOAR program without a stoppage in service.

### **EVALUATION AND FOLLOW-UP**

This memorandum will not require any follow-up from staff.

### **CLIMATE SMART SAN JOSE**

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

### **PUBLIC OUTREACH**

This memorandum will be posted on the City's website for the June 28, 2022, City Council meeting.

### **COORDINATION**

This memorandum has been coordinated with the Department of Public Works and the City Attorney's Office.

### **COMMISSION RECOMMENDATION/INPUT**

There is no commission recommendation or input associated with this action.

### **FISCAL/POLICY ALIGNMENT**

This recommended action is consistent with the "*Community Plan to End Homelessness*" endorsed by the City Council in August 2020. It advances Strategy 3 which is to improve quality of life for unsheltered individuals by increasing access to basic hygiene resources.

**COST SUMMARY/IMPLICATIONS**

The total authorized amount of the amended and awarded purchase orders totals \$2.8 million. Of this amount, \$400,000 will be encumbered and spent in 2021-2022 for the period of December 31, 2021 through June 30, 2022 and paid from the Emergency Housing – Sheltering and Enhanced Encampment Services appropriation in the American Rescue Plan Fund.

The encumbrance and expenditure of the \$2.4 million authorized in 2022-2023 will come from several funding sources, including the Measure E – 15% Homeless Support Programs appropriation in the General Fund (\$1.5 million); the Sheltering and Enhanced Encampment Services appropriation in the American Rescue Plan Fund (\$400,000); and various other individual departmental budgets that may leverage the purchase order for portable restrooms and handwashing stations for other uses not related to homelessness support (\$500,000).

While no additional evaluation and follow-up is required for these authorized purchase orders, it is important to note the Administration continues to evaluate the anticipated service levels, costs, and funding sources for the SOAR program. Based on this continued analysis, the Administration may recommend an alternative funding allocation and bring forward corresponding recommended budget adjustments for SOAR program support, as appropriate, later in 2022-2023.

**BUDGET REFERENCE**

The table below identifies the fund and the appropriation proposed to fund the actions recommended as part of this memorandum for 2021-2022. Costs for 2022-2023 will be incurred within multiple funding sources as described in the Cost Summary/Implications section above.

Fund #	Appn. #	Appn. Name	Total Appn.	Amt. for Recommendation	2021-2022 Adopted Operating Budget Page	Last Budget Action (Date, Ord. No)
402	2170	Emergency Housing – Sheltering and Enhanced Encampment Services	\$3,000,000	\$400,000	931	6/22/21 30621

HONORABLE MAYOR AND CITY COUNCIL

June 16, 2022

**Subject: Amend and Award Purchase Orders for Portable Restroom and Handwashing Station Rental Services**

Page 5

**CEQA**

Not a Project, File No. PP17-008, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/

JULIA H. COOPER  
Director of Finance

/s/

JACKY MORALES-FERRAND  
Director, Housing Department

For question about the SOAR program, please contact Ragan Henninger, Deputy Director of Housing, at [ragan.henninger@sanjoseca.gov](mailto:ragan.henninger@sanjoseca.gov). For contract or procurement related questions, please contact Jennifer Cheng, Deputy Director of Finance, at [jennifer.cheng@sanjoseca.gov](mailto:jennifer.cheng@sanjoseca.gov).