


CITY COUNCIL ACTION REQUEST

Department(s): Finance	CEQA: Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.	Coordination: City Attorney's Office; City Manager's Budget Office; and Environmental Services Department	Dept. Approval: /s/ Rick Bruneau
Council District(s): Citywide			CMO Approval:  5/14/23

SUBJECT: ACTIONS RELATED TO THE PURCHASE ORDER WITH RESA POWER, LLC FOR TRANSFORMER TESTING AND REPAIR SERVICES

RECOMMENDATION:

Adopt a resolution authorizing the City Manager or her designee to exercise up to six one-year options to extend the term of the purchase order with Resa Power, LLC (Houston, TX) for transformer testing and repair services, with the last option ending on or about October 4, 2030, subject to the appropriation of funds.

BASIS FOR RECOMMENDATION:

The power distribution system at the San José-Santa Clara Regional Wastewater Facility has approximately 30 transformers that are filled with insulating oil. To prevent injuries to personnel and catastrophic damage to equipment, the insulating oil inside the transformers requires yearly testing for the presence of combustible gases. If excess combustible gases are detected, additional oil and electrical testing services are required to determine the source of the gases. Outside service providers are needed to deliver these essential services at the San José-Santa Clara Regional Wastewater Facility.

In August 2023, a competitive Request for Quotes was released by the Finance Department to procure these services. The Request for Quotes provisioned for a one-year initial term and an additional six one-year options for the City to extend the term. One responsive bid was submitted, and no protests were received. The sole bidder did not qualify for the City's local or small business preference. Staff awarded to Resa Power, LLC as the sole responsive and responsible bidder pursuant to the bidding procedures of the San José Municipal Code, Section 4.12.310.B(1). The option period for October 5, 2024 to October 4, 2025 is projected to be in the amount of \$60,000 and future options will be subject to appropriation. Approval of this recommendation ensures the City continues to receive these essential services with minimal impact to operations.

Commission Recommendation/Input: The Treatment Plant Advisory Committee will consider this item on May 23, 2024. A supplemental memorandum with the committee's recommendation will be included in the amended June 4, 2024 City Council meeting agenda.

COST AND FUNDING SOURCE:

Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Recommendation	2023-2024 Adopted Operating Budget Pg.	Last Budget Action (Date, Ord. No)
513	0762	Non-Personal/ Equipment	\$39,415,055	\$60,000	1054	10/17/23, 30966

FOR QUESTIONS CONTACT: Albie Udom, Deputy Director of Finance – Purchasing and Risk Management, at Albie.Udom@sanjoseca.gov.