



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Jim Ortbal
Matt Cano

**SUBJECT: ACTIONS RELATED TO THE
8702 – 2018 SAN JOSE PAVEMENT
PROJECT**

DATE: May 29, 2018

Approved

Date

6/8/18

COUNCIL DISTRICT: 2, 6, 9 & 10

RECOMMENDATION

Adopt a resolution authorizing the Director of Public Works to:

- a) Award and execute the 8702 – 2018 San José Pavement Project, Federal Project No. STPL 5005 (152) construction contract to the lowest responsive bidder, in a total amount not to exceed \$6,500,000.
- b) If the Director awards a construction contract for the Project, establish a construction contingency of five percent (5%) of the amount of the construction contract, not to exceed \$325,000.
- c) Decide any timely bid protest(s), make the City's final determination as to the lowest responsive bidder that is responsible, or reject all bids and rebid the project.

OUTCOME

Approval of this resolution authorizing the Director of Public Works to award a construction contract for the 8702 – 2018 San José Pavement Project will enable the contract to be implemented with scheduled construction to begin in July 2018. Award of this construction contract will allow the resurfacing of 7.65 miles of arterial streets on the Major Street Network. Approval of a five percent (5%) contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

BACKGROUND

On May 6, 2014, the City Council awarded the 2013 Relinquishment Pavement Project utilizing Federal funds administered by the State of California (Caltrans). The project resulted in the

successful resurfacing of approximately 31 miles of arterial streets on the Major Streets Network. Due to lower than anticipated bids, project cost savings, and unutilized contingency funds, a balance of approximately \$3.7 million remained upon final project completion and close out. Subsequently, staff requested approval from Caltrans to reprogram this funding to resurface additional streets on the Major Street Network. This request was approved and staff has been working with Caltrans to meet all grant requirements and utilize the remaining balance of funds.

The Department of Transportation (DOT) annually schedules streets to be resurfaced to improve their structural integrity, ride quality, and appearance, and extend the useful life of the streets in order to defer more costly reconstruction. Resurfacing of streets generally includes the repair or replacement of damaged pavement, application of a new layer of asphalt, installation of new roadway striping and markings, and installation or retrofit of curb ramps where needed to comply with the Americans with Disabilities Act. The 2018 San José Pavement Project will combine the reprogrammed Federal funds with the VTA 2010 Measure B VRF funds to resurface approximately 7.65 miles of major streets.

ANALYSIS

The 2018 San José Pavement Project is one of five pavement maintenance projects occurring on the Major Streets Network during the 2018 construction season. A description of the 2018 pavement maintenance projects was provided in an information memo to the City Council distributed on January 23, 2018.

Information provided by the City's pavement management database is used to identify candidate streets for resurfacing. The final list of streets to be resurfaced was established using the following criteria:

- Funding availability and funding use restrictions
- Streets on the Major Streets Network
- Streets not affected by current or future street related projects
- Maintenance history and prescribed treatment schedules
- Streets associated with planned safety, bikeway or other "complete streets" projects
- Community and City Council office feedback regarding roadway conditions and priority street segments
- Relative location of street segments to create multiple, continuous segments, consistency within neighborhoods, and project efficiency
- Multi-year geographic equity across the City and street network

The list of streets to be resurfaced by this project is provided in the Attachment.

Authorization to proceed with construction (E76) from Caltrans has been obtained and staff intends to advertise the project on May 30. Bids will be opened in June with the award of the

contract to occur in late June or early July. Construction is anticipated to commence in July with project completion by November.

Due to the timing of Caltrans authorization and the desire to award construction contracts as early in the construction season as possible so that work is completed prior to cooler winter temperatures, staff is requesting that the City Council delegate authority to the Director of Public Works for the award of this contract. This delegation will include the authority for the Director of Public Works to hear and decide any bid protests, to make the City's final determination as to the lowest responsive and responsible bidder, or to reject all bids and re-bid the project.

The specifications for the project will include the following process regarding bid protests:

1. Bid results, and a Notification of Intention to Award Contract to Apparent Low Bidder by the Director of Public Works, will be posted on BidSync.
2. All bidders will have five working days to file a formal written bid protest.
3. The Director of Public Works will then hear and decide any timely bid protests, including any issues of bidder responsiveness or responsibility and will award the contract after to the lowest responsive bidder.

The City's contingency policy in Council Policy No. 1-18, entitled "Operating Budget and Capital Improvement Program Policy," sets forth a standard contingency of 5% of the contract amount for street projects. Consistent with the policy, staff is requesting a 5% contingency for this project.

EVALUATION AND FOLLOW-UP

The Department of Transportation provides an ongoing evaluation of the City's pavement conditions and provides periodic reports on this topic to the Transportation and Environment Committee and the City Council. No further City Council action is necessary.

PUBLIC OUTREACH

The project will be listed on BidSync (www.bidsync.com) and advertised in the San José Post Record. The complete bid package and project information for Department of Transportation construction projects will be available on BidSync for interested contractors, contractor organizations and builders' exchanges. In addition, when the project commences, the contractor, as stated in the specifications, will provide advance notification regarding working hours, duration of project, and any appropriate schedule and lane closures to affected businesses and residents. To inform traveling motorists of upcoming construction activities and potential traffic delays, changeable message signs may be used on selected streets stating the schedule dates and

time for work to occur on the street. This memorandum will be posted on the City's Council Agenda website for the June 19, 2018, City Council Meeting.

COORDINATION

This memorandum was coordinated with the City Attorney's Office, the Planning, Building and Code Enforcement Department, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

COST SUMMARY/IMPLICATIONS

1. ESTIMATED COST OF PROJECT

| | |
|--------------------------------------|---------------------|
| Project Delivery | \$ 650,000 |
| Construction | \$ 6,500,000 |
| Contingency | <u>\$ 325,000</u> |
| TOTAL ESTIMATED PROJECT COSTS | \$ 7,475,000 |

2. SOURCE OF FUNDING: Funding for this project is included in the 2018-2019 Proposed Capital Budget in the Construction Excise Tax Fund (Fund 465) for Pavement Maintenance - State Route Relinquishment and Pavement Maintenance – VRF 2010 Measure B. Funding for Pavement Maintenance – State Route Relinquishment is proposed to be re-budgeted from 2017-2018 to 2018-2019, coinciding with the award this contract in July 2018.

3. OPERATING COSTS: This project will have no net operating and maintenance costs to the General Fund.

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BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the project recommended as part of this memorandum.

| Fund # | Appn. # | Appn. Name | Total Appn. | Amt. For Contract | 2018-2019 Proposed Capital Budget Page | Last Budget Action (Date, Ord. No.) |
|--------|---------|---|-------------|-------------------|--|-------------------------------------|
| 465 | 7441 | Pavement Maintenance - State Route Relinquishment | \$3,718,000 | \$3,718,000 | V-719 | 06/20/2017, 29962 |
| 465 | 7440 | Pavement Maintenance - VTA Measure B VRF | \$6,170,084 | \$2,782,000 | V-766 | 02/13/2018, 30070 |

CEQA

Exempt, File No. PP14-069.

/s/
JIM ORTBAL
Director of Transportation

/s/
MATT CANO
Director of Public Works

For questions, please contact Rick Scott, Department of Transportation Division Manager, at (408) 794-1925.

Attachment

ATTACHMENT

List of Streets

| STREET NAME | BEG LOCATION | END LOCATION | CD |
|--------------------|---------------------|---------------------|-----------|
| BLOSSOM HILL RD | MERIDIAN AVE | ALMADEN EXPWY | 9,10 |
| SAN CARLOS ST | LEIGH AVE | LINCOLN AVE | 6 |
| SANTA TERESA BLVD | COTTLE RD | DUNN AVE | 2 |