



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Julia H. Cooper

SUBJECT: SEE BELOW

DATE: August 13, 2021

Approved

Date

8/19/21

**SUBJECT: ACTIONS RELATED TO PURCHASE ORDERS FOR CONCRETE
REMOVAL AND REPLACEMENT SERVICES**

RECOMMENDATION

Adopt a resolution authorizing the City Manager to:

- a) Execute purchase orders with Duran Construction Group (San José, CA), Golden Bay Construction, Inc. (Hayward, CA), and JJR Construction, Inc. (San Mateo, CA), for the purchase of concrete removal and replacement services for an initial twelve-month period starting on or about September 1, 2021 and ending on or about August 31, 2022, for a cumulative compensation not-to-exceed amount of \$4,450,000;
- b) Approve a contingency of \$445,000 for unanticipated demand for removal and replacement of concrete, subject to the appropriation of funds; and
- c) Exercise up to four (4) additional one-year options to extend the initial term of the purchase orders with the last option year ending on or about August 31, 2026, subject to the annual appropriation of funds.

OUTCOME

To ensure that the City's sidewalks, pathways, and other concrete surfaces within the public right of way are maintained properly and functioning in optimal condition.

BACKGROUND

The City of San José oversees the maintenance of concrete sidewalks, curbs, gutters, driveway approaches, park strips, concrete pads and other concrete surfaces on City's streetscapes within the public right of way at over 200 locations to ensure public safety. Damaged or raised surfaces must be repaired in a timely manner to reduce the risk of injury to the public and the City's

liability exposure from such injuries. Due to the high volume of work, City departments use multiple contractors to ensure that contractors will have availability to complete jobs in a timely manner.

ANALYSIS

In April 2021, a competitive Request for Bid (RFB) was released by the Finance Department to procure these services for the Department of Transportation (DOT), Parks, Recreation and Neighborhood Services Department (PRNS), Department of Public Works (PW), and the Environmental Services Department (ESD). The RFB included eight (8) separate bid packages and allowed for multiple awards per package. Five (5) of the packages were designated for DOT which divided the requirements based on different areas/zones within the City, and each of the remaining three (3) packages were designated for PW, PRNS, and ESD. One Scope of Services was used to detail the City’s requirements for all departments.

A total of 33 vendors viewed the RFB. Four (4) responsive bids were received and each bidder bid on all eight (8) packages:

- Bearden Construction, Inc. (dba CB Concrete)
- Duran Construction Group
- Golden Bay Construction, Inc.
- JJR Construction, Inc.

The bid results are as follows, with the bold, highlighted cells designating the awarded vendors by bid package. The bid package for ESD was omitted from consideration due to error in the cost proposal form and will be re-bid separately.

Bid Results*				
Department	BEARDEN CONSTRUCTION (dba CB CONCRETE) adjusted for LBE/SBE Preference	DURAN CONSTRUCTION adjusted for LBE/SBE Preference	GOLDEN BAY CONSTRUCTION adjusted for LBE Preference	JJR CONSTRUCTION
DOT A	\$183,825	\$122,341	\$135,939	\$141,000
DOT B	\$427,951	\$298,984	\$355,451	\$350,800
DOT C	\$739,361	\$499,710	\$595,857	\$581,700
DOT D	\$863,431	\$599,954	\$748,371	\$694,000
DOT E	\$434,506	\$299,896	\$357,752	\$352,750
PW	\$816,050	\$534,774	\$737,295	\$758,500
PRNS	\$734,160	\$557,833	\$598,604	\$662,250

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**The values represent the total base bid submitted by the proposer for cost comparison purposes. Each department will engage with the selected contractor for services on an as-needed basis and will pay for work as completed. Pricing is based on type and size of job, measured in either square feet or linear feet.*

Local and Small Business Enterprise Preference: In accordance with San José Municipal Code Section 4.12.320.B, vendors who requested and received the local business preference were given a two and one-half percent (2.5%) credit and, of those, a two and one-half percent (2.5%) credit if it is also a small business. Two bidders, Bearden Construction, Inc. and Duran Construction Group, requested and were granted the City local and small business (LBE/SBE) preference. Golden Bay Construction, Inc. requested and was granted the City local business (LBE) preference. The LBE/SBE preference did not impact the award.

Review Process: The Finance Department reviewed each package to verify pricing, LBE/SBE requests, and also verified on the California State Licensing Board (CSLB) website that each bidder held a valid C-8 Contractor's License, which was a minimum qualification for the solicitation.

Protest: The City's RFB process included a ten-day protest period that began when the City issued the Notice of Intended Award for each solicitation. No protests were received.

Award Recommendation: Staff recommends awards to the vendors identified in the table above as the lowest-priced responsive and responsible bidders per the minimum requirements set forth in the RFB and pursuant to the formal bidding process of the San José Municipal Code, Section 4.12.310(B)(2).:

Office of Equality Assurance: City of San Jose Prevailing Wage is applicable under these purchase orders.

CONCLUSION

Approval of these recommendations will ensure City sidewalks, pathways, and other concrete surfaces are maintained, kept in optimal condition, and are safe to use.

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 Council Agenda website for the August 31, 2021 Council Meeting.

COORDINATION

This memorandum has been coordinated with the Departments of Transportation, Public Works, Parks, Recreation and Neighborhood Services, the City Attorney’s Office and the City Manager’s Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

These Council items are consistent with the City’s 2021-2022 Adopted Operating Budget City Service Area Delivery Framework: “To provide the community with safe, secure, and efficient surface and air transportation systems that support San José’s livability and economic vitality.”

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$4,895,000

2. COST ELEMENTS:

Concrete Removal and Installation Services	\$4,450,000
Contingency Amount	445,000
TOTAL	\$4,895,000

3. SOURCE OF FUNDING: General Fund (001), Maintenance District No. 1 (Los Paseos) Fund (352), Maintenance Assessment District No. 15 (Silver Creek Valley) Fund (368), Community Facilities District No. 2 (Aborn/Murillo) and No. 3 (Silverland-Capriana) Fund (369), Community Facilities No. 15 (Berryessa-Sierra) Fund (370), Community Facilities District No. 1 (Capital Auto Mall) Fund (371), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #1 (377), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #2 (378), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #3 (380), Construction

Tax and Property Conveyance Tax Fund : Parks Purposes Council District #4 (381), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #5 (382), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #6 (384), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #7 (385), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #8 (386), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #9 (388), Construction Tax and Property Conveyance Tax Fund : Parks Purposes Council District #10 (389), Construction and Conveyance Tax Fund: City-wide Parks Purposes (391), Lake Cunningham Fund (462), Construction Tax and Property Conveyance Tax Fund : Subdivision Park Trust Fund (375), Construction Tax and Property Conveyance Tax Fund : Parks Purposes City-Wide (391).

4. FISCAL IMPACT: The ongoing concrete services will be fully funded from funds noted above.

BUDGET REFERENCE

The table and narrative below identify the funds and appropriations to fund the purchase orders recommended as part of this memo.

Cost and Funding Source						
Fund #	Appn #	Appn. Name	Total Appn.	Amt. for Recommendation	2021-2022 Proposed Budget Page*	Last Budget Action (Date, Ord. No.)
001	0572	PW Non-Personal / Equipment	\$15,439,059	\$715,000	VIII-335	06/22/2021, 30621
001	210Y	Sidewalk and Tree Hardship	\$413,000	\$329,000	IX-19	06/22/2021, 30621
001	3121	Sidewalk Repairs	\$1,957,000	\$1,900,000	IX-19	06/22/2021, 30621
001	0512	DOT Non-Personal / Equipment	\$17,952,022	\$411,000	VIII-369	06/22/2021, 30621
352	0512	DOT Non-Personal / Equipment	\$228,700	\$38,500	X-62	06/22/2021, 30621
368	0512	DOT Non-Personal / Equipment	\$877,600	\$33,000	X-69	06/22/2021, 30621
369	0512	DOT Non-Personal / Equipment	\$1,494,500	\$ 55,000	X-21	06/22/2021, 30621
370	0512	DOT Non-Personal / Equipment	\$255,000	\$16,500	X-27	06/22/2021, 30621
371	0512	DOT Non-Personal / Equipment	\$219,050	\$22,000	X-20	06/22/2021, 30621

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377	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-218	06/22/2021, 30621
378	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-230	06/22/2021, 30621
380	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-238	06/22/2021, 30621
381	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-244	06/22/2021, 30621
382	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-250	06/22/2021, 30621
384	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-260	06/22/2021, 30621
385	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-267	06/22/2021, 30621
386	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-278	06/22/2021, 30621
388	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-284	06/22/2021, 30621
389	5541	Strategic Capital Replacement and Maintenance Needs	\$150,000	\$75,000	Capital V-292	06/22/2021, 30621
391	5541	Strategic Capital Replacement and Maintenance Needs	\$250,000	\$150,000	Capital V-327	06/22/2021, 30621
462	414B	Lake Cunningham Regional Park Infrastructure	\$194,000	\$150,000	Capital V-374	06/22/2021, 30621

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377	413N	Gullo Park Improvements	\$30,000	\$25,000	Capital V-218	06/22/2021, 30621
001	415Q	Re-Use Facilities Capital Improvements	\$100,000	\$100,000	Capital V-213	06/22/2021, 30621
375	418I	Ryland Pool Improvements	\$100,000	\$100,000	Capital V-382	06/22/2021, 30621
391	5541	Strategic Capital Replacement and Maintenance Needs	\$250,000	\$100,000	Capital V-327	06/22/2021, 30621
Total				\$4,895,000		

*The Proposed Operating and Capital Budgets were adopted by City Council on June 22, 2021.

CEQA

Not a Project, File No. PP17-003, Agreements/Contracts (New or Amended) resulting in no physical changes to the environment.

/s/
JULIA H. COOPER
Director of Finance

For questions, please contact Jennifer Cheng, Deputy Director, at jennifer.cheng@sanjoseca.gov.