



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow

**SUBJECT: 2022-2024 LOCAL STREETS
RESURFACING (MULTI-YEAR)
PROJECT**

DATE: January 24, 2022

Approved

Date

01/27/22

COUNCIL DISTRICT: 3, 4, 7 & 8

RECOMMENDATION

- (a) Approve award of a construction contract for the 2022-2024 Local Streets Resurfacing (Multi-Year) Project, to the low bidder, MCK Services, Inc. in a total amount of \$9,794,415.45 during the initial term, establish a construction contingency of 10% in a total amount of \$979,000.
- (b) Adopt a resolution authorizing the Director of Transportation to do the following:
 - (1) Exercise up to two one-year option periods, for a total amount not to exceed \$10,000,000 for each option year, contingent on the appropriation of funds; and
 - (2) Establish a construction contingency for any option year of up to 10% of the contract amount, not to exceed \$1,000,000 for each option year, contingent on the appropriation of funds.

OUTCOME

Approval of this construction contract will resurface approximately 25 miles of streets on the Local and Neighborhood Street Network during its initial one-year term. It is also estimated that an additional 25 miles would be resurfaced on the Local and Neighborhood Street Network in each of the subsequent one-year option periods. Approval of contingencies will provide funding for unanticipated work necessary for the proper construction and completion of each project.

BACKGROUND

In 2020, City Council approved the first multi-year (3 years) pavement contract for Local Street resurfacing work to MCK Services, Inc. The multi-year project has given the City the ability to secure favorable prices in subsequent option periods and to commence paving operations earlier in the year by saving time from the typical procurement process. Pavement activities in the final

year of the prior contract is scheduled to begin construction this spring and will be the first pavement project of the 2022 construction season. Given the benefits of the prior multi-year contract, this memorandum is proposing that a second multi-year project for Local Streets resurfacing be awarded.

The Department of Transportation (DOT) will maintain approximately 190 miles of streets on the Local and Neighborhood Street Network in the 2022 construction season. Of these 190 miles, DOT is planning to resurface approximately 126 miles of streets in poor to failed condition, supported by the fourth annual allocation of \$37.5 million in Measure T funds.

Pavement maintenance is typically performed in two separate phases: preparation and a final surface application. The preparation phase consists of the installation and upgrade of Americans with Disability Act (ADA) curb ramps. The ADA work was conducted through minor contracts that provide more opportunities for local/small businesses. The final surface application phase will consist of “resurfacing” which is the subject of this memorandum and includes the removal of several inches of damaged or degraded roadway and its replacement with a new layer of asphalt, as well as installation of new roadway striping and markings. To decrease the overall timeframe for completing all citywide pavement work, resurfacing work will be divided into six separate projects of which this project is the second.

The City’s Local and Neighborhood Street Network is organized into 135 geographically contiguous “Pavement Maintenance Zones” (PMZs). The PMZs were established several decades ago to support efficient planning and delivery of paving projects, maximize the amount of paving work completed at one time within a neighborhood area, and provide geographic equity of pavement maintenance across the City. Information provided by the City’s pavement management database is used to identify candidate PMZs for preventive maintenance and sealing. The final list of PMZs to receive treatments was established using the following criteria:

- Funding availability and funding use restrictions
- Total miles of streets in reconstruction and rehabilitation category
- Streets not affected by current or future street related projects
- Maintenance history and prescribed treatment schedules
- Relative location of street segments to create multiple, continuous segments, consistency within neighborhoods, and project efficiency
- Multi-year geographic spread across the City and street network
- Number of public traffic attraction facilities such as schools, hospitals, libraries, community centers, etc.
- Community and City Council office feedback regarding roadway conditions and priority street segments

In 2021, DOT added an additional criterion: equity. DOT staff cross-referenced the selected zones with census tracts designated by the Metropolitan Transportation Commission (MTC) as “Equity Priority Communities” (EPC), formerly known as “Communities of Concern” to better track equity in service delivery. Results confirmed that 287 out of 356 miles (roughly 80%) of

local and neighborhood streets designated in EPC areas will be maintained by the end of the current three-year plan (2024). DOT anticipates completing pavement maintenance for nearly 65% of the local street network in this same timeframe.

Since 2019, DOT has maintained a total of 158 EPC miles and will be maintaining an additional 66 EPC miles in 2022, which is roughly 35% of the 190 miles of Local and Neighborhood Streets selected for maintenance in 2022. This project in particular will maintain approximately 10 miles of streets in EPC neighborhoods, which accounts for approximately 40% of the scope of work.

The Attachment to this memorandum contains the list of streets to be resurfaced. The list may change if unforeseen circumstances arise or new information regarding other street-related projects becomes available.

ANALYSIS

Bids were opened on November 18, 2021, with the following results:

CONTRACTOR	CITY	BID AMOUNT	VARIANCE	% UNDER/OVER ENGINEER'S ESTIMATE
MCK Services, Inc.	Concord, CA	\$9,794,415.45	\$194,046.45	-1.94%
<i>ENGINEERING ESTIMATE</i>	-	<i>\$9,988,461.90</i>	-	-
DeSilva Gates Construction	Dublin, CA	\$10,560,487.33	\$572,025.43	5.73%
A. Teichert & Son, Inc.	Pleasanton, CA	\$11,209,614.00	\$1,221,152.10	12.3%
Granite Rock Company	San Jose CA	\$11,488,188.35	\$1,499,726.45	15.01%
O'Grady Paving, Inc.	Mountain View, CA	\$11,669,136.10	\$1,680,674.20	16.83%
Bay Cities Paving & Grading, Inc.	Concord, CA	\$11,993,685.20	\$2,005,223.30	20.08%

The low bid submitted by MCK Services, Inc. is \$9,794,415.45 and is 1.94% below the Engineer's Estimate. The Engineer's Estimate for this project is \$9,988,461.90. The estimate is based on bids received from similar past projects and most current estimated construction prices. The bid is considered acceptable for the work involved in the project. Staff recommends that the construction contract be awarded to MCK Services, Inc.

San José Municipal Code Section 27.04.050 provides that the contingency for all public works contracts (except those involving the renovation of a building or buildings) cannot exceed 10% of the total contract amount without Council approval. Staff recommends an approximate 10% contingency, which should be sufficient to account for unforeseen conditions that might arise in the excavation, removal, and replacement of failed concrete areas.

The Contract will have an Initial Term beginning on the date the City Council awards the Contract and ending on December 31, 2022 and two one-year options. The unit prices in the Schedule of Quantities applicable in the Initial Term will be applicable in each option year subject to price adjustment based on the California Statewide Crude Oil Price Index and the California Construction Cost Index. The scope of work during an option year will be the same as the scope of work during the Initial Term, except that the work will be at different locations for approximately same miles of streets. Subject to the appropriation and availability of funds, DOT – in the Director’s sole discretion – will have the option to extend the Initial Term for 2 one-year options.

DOT is recommending that the City Council adopt a resolution allowing the Director to execute the 2 one-year options, as appropriate. This gives the City the ability to secure favorable prices in subsequent option years and the advantage to start paving operations earlier in the year by saving time from the typical procurement process.

Construction is scheduled to begin in March 2022 and be completed by the end of October 2022.

Project Labor Agreement Applicability

A project labor agreement (PLA) is not applicable to this project as more than 50% of the scope of the work within the project is providing street maintenance for existing infrastructure.

Local and Small Business Outreach

This project does not have a preference for local and/or small businesses.

CONCLUSION

Based on the evaluation of bids, the low bid is considered acceptable, and staff recommends awarding the construction contract for the 2022-2024 – Local Streets Resurfacing (Multi-Year) Project to MCK Services, Inc.

EVALUATION AND FOLLOW-UP

DOT 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. In

addition to the project discussed in this memorandum, eight additional projects for the Local & Neighborhood Streets Network will be brought forward for Council action this spring.

CLIMATE SMART SAN JOSE

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

PUBLIC OUTREACH

To solicit contractors, this project was listed on an online bid solicitation website, Biddingo, where bid packages were made available to download for contractor organizations and builders' exchange. When the project commences the contractor will provide advance notification regarding working hours, duration of project, and any appropriate schedule and lane closures to affected businesses and residents, as stated in the specifications. To inform traveling motorists of upcoming construction activities and potential traffic delays, changeable message signs may be used on selected streets stating the scheduled date and time for work to occur on the street. This memorandum will be posted on the City's Council Agenda website for the February 8, 2022 City Council meeting.

COORDINATION

This project has been coordinated with the Department of Public Works, and this memorandum has been coordinated with the Department of Planning, Building and Code Enforcement, 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

This project supports the Transportation and Aviation Services City Service Area goal to Preserve and Improve Transportation Assets and Facilities.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT:

Programmatic Project Delivery Estimate	\$979,000.00
Construction Contract	\$9,794,415.45
Contingency	\$979,000.00
TOTAL PROJECT COSTS	\$11,752,414.45

2. SOURCE OF FUNDING: Fund 498 – Public Safety and Infrastructure Bond Fund

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

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the recommended contract award, including project delivery, construction, and contingency costs.

Fund #	Appn #	Appn. Name	Total Appn	Amt. for Contract	2021 - 2022 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
498	415Y	Pavement Maintenance - Measure T Bond	\$68,333,000	\$9,794,415.45	910	10/19/2021 30682
Total Current Funding Available			\$68,333,000	\$9,794,415.45		

CEQA

Categorically Exempt, File No. PP18-029, CEQA Guidelines Section 15301(c), Existing Facilities.

/s/

JOHN RISTOW

Director of Transportation

For questions, please contact Frank Farshidi, DOT Division Manager, at (408) 794-1945.

Attachment

List of Streets

Street Name	From	To	Council District
18TH ST S	WILLIAM ST E	SAN ANTONIO ST E	3
19TH ST S	SAN ANTONIO ST E	WILLIAM ST E	3
19TH ST S	SANTA CLARA ST	SAN ANTONIO ST E	3
20TH ST S	WILLIAMS ST E	SAN ANTONIO ST E	3
20TH ST S	SAN ANTONIO ST E	SANTA CLARA ST E	3
21ST ST S	SAN ANTONIO ST E	WILLIAM ST E	3
22ND ST S	WILLIAM ST E	SAN ANTONIO ST E	3
23RD ST S	SAN ANTONIO ST E	WILLIAM ST E	3
ABIGAIL LN	STALLION WY	AMBERLY LN	7
ABORN RD	W END	590 W/OF TOWERS LN	7
ABORN RD	TOWERS LN	590 W/OF TOWERS LN	7
AIDA AV	RIGOLETTO DR	S END	8
ALDERWOOD DR	NORTHWOOD DR	LAKEWOOD DR	4
ALMOND DR	WHITE RD S	TULLY RD	8
ALTO CT	TULLY RD	S END	8
ALVIN AV	FONTAINE RD	FLANIGAN DR	7
ALVIN AV	TULLY RD	FONTAINE RD	7
AMBERLY LN	STALLION WY	TOWERS LN	7
AMBERWOOD CT	S END	AMBERWOOD LN	4
AMBERWOOD LN	AMBERWOOD CT	MORRILL AV	4
APPIAN LN	MC LAUGHLIN AV	MACREDES AV	3
ASTRAHAN LN	RUBY AV	GILA DR	8
ATWOOD DR	MONROVIA DR	S END	8
BARBERRY LN	CORDA DR	KING RD S	8
BIEN WY	FLINT WY	E END	8
BOEGER LN	RUBY AV	E END	8
BONBON DR	WHITE RD S	PEPPERMINT DR	8
BOWLING GREEN DR	KING RD S	ALVIN AV	7
BRADBURY DR	MONROVIA DR	ABORN RD	8
BRAHMS AV	E END	RIGOLETTO DR	8
BRAHMS CT	BRAHMS AV	W END	8
BROOKWOOD AV	21ST ST S	20TH ST S	3
BROOKWOOD AV	22ND ST S	21ST ST S	3
BROOKWOOD AV	E WILLIAMS ST	S 18TH ST	3
BROOKWOOD AV	19TH ST S	18TH ST S	3

ATTACHMENT

Subject: 2022-2024 Local Streets Resurfacing (Multi-year) Project

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Street Name	From	To	Council District
BROOKWOOD AV	20TH ST S	19TH ST S	3
CALHOUN ST	S 19TH ST	W END	3
CAMARGO DR	CROPLEY AV	VIA ENCINITAS	4
CAPEWOOD CT	CAPEWOOD LN	S END	4
CAPEWOOD LN	MORRILL AV	AMBERWOOD LN	4
CERRITO WY	BRACKETT AV	FLINT AV	8
CHAPALA DR	RUBY AV	RENO DR	8
CITRUS GROVE CT	STANHOPE DR	W END	7
COCONUT DR	TULLY RD	GUMDROP DR	8
CORDA DR	MONROVIA DR	BARBERRY LN	8
CUESTA CT	CUESTA DR	E END	8
CUESTA DR	KOHLER AV	VISTA VERDE DR	8
DIAS DR	VISTA VERDE DR	PORTAL WY	8
DORRIE AV	MELBOURNE BL	S END	3
EDGEFORT CT	BRAHMS AV	W END	8
EDGEGATE DR	EDGEVIEW DR	QUIMBY RD	8
EL VISTA WY	SUGARPLUM DR	FLINTVIEW CT	8
EL VISTA WY	FLINTVIEW CT	SAN RIVAS DR	8
ENCINITAS CT	VIA ENCINITAS	E END	4
FAIRMONT CT	FAIRMONT DR	N END	8
FAIRMONT DR	GILA DR	KOHLER AV	8
FALLWOOD LN	AMBERWOOD LN	CAPEWOOD LN	4
FLINTVIEW CT	EL VISTA WY	E END	8
FLINTWOOD CT	SAN RIVAS DR	N END	8
FLORESTA DR	FLINT AV	VISTA VERDE DR	8
FONTAINE RD	3160'N/ALDRICH WY	ALVIN AV	7
FONTAINE RD	ALDRICH WY	3160 N/OF ALDRICH WY	7
FORESTDALE AV	100'N/JEANNE AV	MELBOURNE BL	3
FRONDA DR	FLINT AV	VISTA VERDE DR	8
FRONDA DR	RENO DR	FLINT AV	8
GIBSON GIRL WY	HOLDERMAN DR	S END	8
GILA CT	GILA DR	N END	8
GILA DR	KOHLER AV	FAIRMONT DR	8
GOLDWOOD CT	SAN RIVAS DR	N END	8
GUMDROP DR	ALMOND DR	NORWOOD AV	8
HOLDERMAN DR	FLINT AV	RUBY AV	8
HOLDERMAN DR	RUBY AV	GIBSON GIRL WY	8

Street Name	From	To	Council District
IRWINDALE DR	MONROVIA DR	ABORN RD	8
JUAREZ CT	CROPLEY AV	N END	4
JUNEWOOD AV	CROPLEY AV	CAPEWOOD LN	4
KAUFMANN CT	MELBOURNE BL	S END	3
KING CT	KING RD S	N END	8
KLEIN RD	MURILLO AV	PLEASANT ACRES DR	8
KLEIN RD	NORWOOD AV	440'N/NORWOOD AV	8
KLEIN RD	440'N/NORWOOD AV	CEDARDALE DR	8
KOHLER AV	FLINT AV	RUBY AV	8
KYRA CR	BARBERRY LN	BARBERRY LN	8
LAKEWOOD CT	LAKEWOOD DR	S END	4
LEXANN AV	SILVER CREEK RD	TOWERS LN	7
LITTLE BOY LN	NORWOOD AV	N END	8
LONGACRE CT	BARBERRY LN	S END	7
MACREDES AV	MELBOURNE BL	S END	3
MACREDES AV	APPIAN LN	MELBOURNE BL	3
MELANNIE CT	MELBOURNE BL	S END	3
MELBOURNE BL	FORESTDALE AV	MCLAUGHLIN AV	3
MELISSA CT	FLANIGAN DR	S END	7
MONROVIA DR	ATWOOD DR	CORDA DR	8
MONROVIA DR	CORDA DR	KING RD	8
MOUNT CLARE DR	TULLY RD	WHITE RD S	8
MT PLEASANT RD	240'S/WESTVIEW DR	RUBY AV	8
MT PLEASANT RD	WESTVIEW DR	240' S/ WESTVIEW DR	8
MUIRDRUM PL	TAFFY DR	N END	8
MUIRWOOD CT	TRIMBLE RD	N END	4
MUIRWOOD DR	TRIMBLE RD	NORTHWOOD DR	4
NAPA CT	NAPA DR	W END	8
NAPA DR	SUGARPLUM DR	COCONUT DR	8
NICKEL AV	ALVIN AV	KING RD S	7
NORTHWOOD DR	MUIRWOOD WY	N CAPITOL AV	4
NUBE CT	TULLY RD	S END	8
PAGANINI AV	CHOPIN AV	RIGOLETTO DR	8
PEANUT BRITTLE DR	GUMDROP DR	FLINT AV	8
PEPPERMINT DR	TAFFY DR	SUGARPLUM DR	8
PEPPERMINT DR	WHITE RD S	TAFFY DR	8
PIN OAK CT	RUBY AV	E END	8

ATTACHMENT

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Street Name	From	To	Council District
PLAZA MONTEZ	VIA MONTEZ	S END	4
PLEASANT ACRES DR	PLEASANT ACRES DR	W END	8
PLEASANT ACRES DR	KLEIN RD	N END	8
POPLARWOOD WY	MUIRWOOD WY	TRIMBLE RD	4
PORTAL WY	CUESTA DR	FLORESTA DR	8
POSTWOOD DR	CAPEWOOD LN	AMBERWOOD LN	4
PRADO LN	VISTA VERDE DR	PORTAL WY	8
PRIMERA CT	TULLY RD	E END	8
REDFIELD CT	STANHOPE DR	W END	7
RENO DR	TULLY RD	FRONDA DR	8
RENO DR	HOLDERMAN DR	S END	8
RENO DR	CHAPALA DR	TULLY RD	8
RENO DR	N END	CHAPALA DR	8
RICHGROVE CT	NORWOOD AV	N END	8
RIO BRAVO DR	RENO DR	RUBY AV	8
ROSARIO CT	ROSARIO DR	E END	4
ROSARIO DR	VIA ENCINITAS	CAMARGO DR	4
SAN FERNANDO ST E	24TH ST S	23RD ST S	3
SAN FERNANDO ST E	21ST ST S	20TH ST S	3
SAN FERNANDO ST E	20TH ST S	19TH ST S	3
SAN FERNANDO ST E	23RD ST S	22ND ST S	3
SAN FERNANDO ST E	22ND ST S	21ST ST S	3
SAN RIVAS DR	SUGARPLUM DR	HENESSY DR	8
SAN SABA DR	FLINT AV	460'E/FLINT AV	8
SELVA DR	VISTA VERDE DR	FLINT AV	8
SIBELIUS AV	RIGOLETTO DR	CHOPIN AV	8
SIBELIUS CT	SIBELIUS AV	E END	8
SIERRA WOOD DR	LAKEWOOD DR	GUILDHALL DR'	4
SUENO DR	PORTAL WY	VISTA VERDE DR	8
SUGARPLUM DR	COCONUT DR	EL VISTA WY	8
TAFFY CT	TAFFY DR	S END	8
TAFFY DR	WHITE RD S	NORWOOD AV	8
TREBOL LN	VISTA VERDE DR	470'E/FLINT AV	8
TREBOL LN	470'E/FLINT AV	COLTWOOD DR	8
TRIMBLE CT	TRIMBLE RD	N END	4
TUSTIN DR	KING RD	BRADBURY DR	8
VANPORT CT	VANPORT DR	S END	8

Street Name	From	To	Council District
VANPORT DR	KING RD S	TUSTIN DR	8
VIA DEL CORONADO	VIA MONTEZ	JUNEWOOD AV	4
VIA DEL SOL	JUNEWOOD AV	VIA MONTEZ	4
VIA ENCINITAS	JUNEWOOD AV	W END	4
VIA ENCINITAS	BERRYESSA CREEK	ROSARIO DR	4
VIA MONTEZ	JUNEWOOD AV	MORRILL AV	4
VISTA VERDE DR	TULLY RD	FLINT AV	8
VISTA VERDE DR	TULLY RD	SAN RIVAS DR	8
WESTVIEW DR	MT PLEASANT RD	PLEASANT CREST DR	8