



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Ristow

**SUBJECT: 2022 MAJOR STREETS  
RESURFACING PROJECT**

**DATE:** May 9, 2022

Approved

Date

**5/11/2022**

## **RECOMMENDATION**

- (a) Approve award of a construction contract for the 2022 Major Streets Resurfacing Project, to the low bidder, DeSilva Gates Construction LLC, in the amount of \$17,779,779.
- (b) Approve an approximate 5% contingency in the amount of \$889,000.

## **OUTCOME**

Approval of this construction contract will rehabilitate approximately 27 miles of streets on the Major Street Network. Approval of an approximate 5% contingency will provide funding for unanticipated work necessary for the proper construction and completion of the project.

## **BACKGROUND**

The Department of Transportation (DOT) will maintain approximately 59 miles of streets on the Major Street Network in the 2022 construction season. Of these 59 miles, DOT is planning to resurface approximately 34 miles of streets. The resurfacing work was divided into two separate projects to decrease the overall timeframe for completing the pavement work. The contract proposed under this memorandum will resurface approximately 27 miles of streets and is the first major streets resurfacing project for City Council action. A description of the 2022 pavement maintenance projects was provided in an information memorandum to the City Council in February.

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 Major Street Network consists of 967 miles of the city's most heavily traveled streets, which collectively carry over 85% of the traffic in the city. DOT utilized information provided by the City's Pavement Management System to generate a candidate list of streets for pavement maintenance. The candidate list was then thoroughly analyzed by staff using the following criteria to create the final list of streets:

- Funding availability and funding use restrictions
- Streets on the Major Street 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 spread across the city and street network

As part of DOT's equity analysis in the development of the 2022 Major Streets paving program, DOT cross-referenced the selected streets relative to census tracts designated by the Metropolitan Transportation Commission as "Equity Priority Communities" (EPC)." Based on this analysis, DOT will be maintaining 14 EPC miles in 2022, which is roughly 24% of the 59 miles of Major Streets selected for maintenance. This project in particular will maintain 6.2 EPC miles which is roughly 23% 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 become available.

## **ANALYSIS**

Bids for the 2022 Major Streets Resurfacing Project were opened on March 24, 2022, with the following results:

CONTRACTOR	CITY	BID AMOUNT	VARIANCE	% UNDER/OVER ENGINEER'S ESTIMATE
DeSilva Gates Construction LLC	Dublin, CA	\$ 17,779,779	\$ 1,293,975	7.85%
MCK Services, Inc.	Concord, CA	\$ 18,255,397	\$ 1,769,593	10.73%
A.Teichert & Son, Inc.	Roseville, CA	\$ 19,095,421	\$ 2,609,617	15.83%
ENGINEER'S ESTIMATE	--	\$ 16,485,804	--	--

The low bid submitted by DeSilva Gates Construction LLC is \$17,779,779 and is 7.85% higher the Engineer's Estimate. The Engineer's Estimate for this project is \$16,485,804. The estimate is based on bids received from similar past projects and current estimated construction prices. The bid prices reflect current high oil prices. The bid is considered acceptable for the work involved in the project and no protests were received. Staff recommends that the construction contract to be awarded to DeSilva Gates Construction LLC.

San José Municipal Code Section 7.04.050 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. Staff recommends an approximate five percent contingency, which should be sufficient to account for unforeseen conditions that might arise in construction.

Construction for the 2022 Major Streets Resurfacing Project is scheduled to begin in the second week of June 2022 and to be completed by the end of September 2022.

#### Project Labor Agreement Applicability

A project labor agreement 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 business.

### **CONCLUSION**

Based on the evaluation of bids for the 2022 Major Streets Resurfacing Project, the low bid is considered acceptable, and staff recommends awarding the construction contract to DeSilva Gates Construction LLC.

## **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 Environmental Committee. In addition to the project discussed in this memorandum, one additional pavement maintenance project on the Major Street Network is tentatively scheduled for City Council action this spring.

## **CLIMATE SMART SAN JOSE**

The recommendation in this memorandum aligns with one or more 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.

## **COORDINATION**

This project has been coordinated with the Department of Public Works, and this memorandum has been coordinated with 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	\$1,777,978
2022 Major Streets Resurfacing Construction Contract	\$17,779,779
Contingency	\$889,000
<b>TOTAL PROJECT COSTS:</b>	<b>\$20,446,757</b>

2. **SOURCE OF FUNDING:** 480 – State Gas Tax Pavement Maintenance 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.)
480	406C	Pavement Maintenance - SB1 Road & Repair Accountability Act 2017	\$22,560,246	\$17,779,779	968	10/19/21, 30682

### **CEQA**

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 – 2022 Major Streets Resurfacing Project List of Streets

**List of Streets**

<b>2022 MAJOR STREETS RESURFACING PROJECT</b>			
<b>STREET NAME</b>	<b>BEG LOCATION</b>	<b>END LOCATION</b>	<b>CD</b>
AIRPORT PKWY	CA 87	MATRIX BL	6
ALUM ROCK AV	CAPITOL AV	MILLAR AV	5
AVENIDA ESPANA	AVENIDA ROTELLA	SANTA TERESA BL	10
AVENIDA ROTELLA	AVENIDA ESPANA	VIA DEL ORO	10
BOOKSIN AV	DRY CREEK RD	FOXWORTHY AV	6,9
BROKAW RD	MATRIX BL/TECHNOLOGY DR	OAKLAND RD	3,4
COLEMAN AV	BROKAW RD	SANTA TERESA ST	6
COLEMAN RD	ALMADEN EXPY	SANTA TERESA BL	10
CURTNER AV	ALMADEN EXPY	MONTEREY RD	6,7,9
DELMAS AV	WILLOW ST	W VIRGINIA ST	6
ECHO VALLEY DR	HILLCREST DR	GLENVIEW DR	10
GOLD ST	SUNRISE DR	SOUTHBAY FWY	4
HILLCREST DR	HAMPTON DR	ECHO VALLEY RD	10
JACOB AV	JARVIS AV	KIRK RD	9
JULIAN ST W	MONTGOMERY ST	MARKET ST	3,6
KIRK RD	FOXWORTHY AV	BRANHAM LN	9
METCALF RD	400' N/O MALECH RD	4600' N/O MALECH RD	2
MINNESOTA AV	W ALMA AV	WILLOW ST	6
PREVOST ST	VIRGINIA ST	WILLOW ST	6
RESEARCH PL	MONTAGUE EXPY	RIVER OAKS PKWY	4
SKYWAY DR	SNELL AV	MONTEREY RD	2
SNELL AV	SANTA TERESA AV	S END	10
VIA DEL ORO	AVENIDA ROTELLA	BERNAL RD	10