



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Jim Ortbal

**SUBJECT: 2018 REMOVE AND REPLACE
ASPHALT CONCRETE PAVEMENT
PROJECT – SOUTH**

DATE: February 20, 2018

Approved

Date

3/1/18

RECOMMENDATION

- (a) Approve award of a construction contract for the 2018 Remove and Replace Asphalt Concrete Pavement Project – South, to the lowest responsive bidder, O’Grady Paving, Inc. in the amount of \$3,453,664.00;
- (b) Approve a 10% contingency in the amount of \$345,366.40.

OUTCOME

Approval of this construction contract will help maintain and preserve approximately 39 miles of streets on the Major Street Network by preparing them for surface seal treatment. This preparatory work includes, but is not limited to, the removal and replacement of failed areas of pavement, concrete repairs, and required sidewalk accessibility (curb ramp) improvements. Preparing these streets for surface seal will improve their structural integrity, appearance, and ride quality, and extend the useful life of the streets in order to reduce long-term maintenance costs. Approval of a 10% contingency will provide funding for any unanticipated work necessary for the proper construction and completion of the project.

BACKGROUND

The Department of Transportation (DOT) annually schedules streets to be surface sealed as a preventative maintenance measure to extend their useful life and reduce long-term maintenance costs to the City. Surface sealing is typically performed in two separate stages. The first stage removes the structurally failed areas of pavement and replaces them with new asphalt concrete to prepare the street for a final sealing application. The first stage also performs other needed concrete, curb ramp, and traffic signal detector repairs and upgrades. The second stage applies a new surface seal over the entire street.

In 2018, DOT is planning to surface seal approximately 71 miles of Major Streets throughout the City. To decrease the overall timeframe for completing the first stage of preparation work and ensure that all 71 miles of streets are sealed in 2018, DOT divided the preparation work into two separate projects: one in the northern part of the City and one in the southern part. The first stage of work in the southern part of the City will be performed as part of this 2018 Remove and Replace Asphalt Concrete Pavement Project – South, and will prepare approximately 39 miles of major streets for surface sealing. After this first stage of the work is completed, the second stage will apply the final surface sealing treatment to the streets through the 2018 Street Sealing Project, which is scheduled for award in March 2018.

Information provided by the City's pavement management database is used to identify candidate streets for preventive maintenance and sealing. The final list of streets to receive sealing is established using the following criteria:

- 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 equity across the City and street network

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

ANALYSIS

Bids were opened on January 25, 2018 with the following results:

CONTRACTOR	CITY	BID AMOUNT	VARIANCE	% UNDER/OVER ENGINEER'S ESTIMATE
O'GRADY PAVING, INC.	Mountain View, CA	\$3,453,664.00	-\$30,390.00	-0.9
ENGINEER'S ESTIMATE	--	\$3,484,054.00	--	--

CONTRACTOR	CITY	BID AMOUNT	VARIANCE	% UNDER/OVER ENGINEER'S ESTIMATE
G. BORTOLOTTO & COMPANY, INC.	San Carlos, CA	\$3,618,250.06	\$134,196.06	3.9
MCK SERVICES, INC.	Concord, CA	\$3,635,358.75	\$151,303.75	4.3
DESILVA GATES CONSTRUCTION	Dublin, CA	\$4,520,389.00	\$1,036,335.00	29.8
FBD VANGUARD CONSTRUCTION, INC.	Livermore, CA	\$5,489,039.30	\$2,004,985.30	57.6

The low bid submitted by O'Grady Paving, Inc. is \$3,453,664 and is 0.9% below the Engineer's Estimate. The Engineer's Estimate for this project is \$3,484,054. The estimate is based on bids received from similar past projects and 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 O'Grady Paving, Inc.

Council Policy provides for a standard contingency of 5% on projects involving street resurfacing and sealing. Staff is requesting a 10% contingency for this project due to unforeseen circumstances such as more extensive base repair due to deteriorated pavement structures that may arise during construction. The funding budgeted for this project is sufficient to provide for the recommended 10% contingency of \$345,366.40.

Construction is scheduled to begin in April 2018 and will be completed before the end of August 2018.

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. The remove and replace project for the northern streets is being recommended for award separately at the March 13, 2018 City Council meeting. The 2018 Street Sealing Project, which will apply the final surface seal to all streets in both in the north and south areas of the City is planned for award by the City Council in May 2018.

PUBLIC OUTREACH

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record*. Bid packages for this construction project were made available to download for contractor organizations and builders' exchange on the City's Internet Bid Line. 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 March 13, 2018 Council Meeting.

COORDINATION

This project, including specifications and bid documents, has been coordinated with the Department of Public Works and this memo 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:	
Project Delivery	\$345,366.40
Construction Contract	\$3,453,664.00
Contingency	<u>\$345,366.40</u>
TOTAL PROJECT COSTS:	\$4,144,396.80

2. COST ELEMENTS OF AGREEMENT/CONTRACT: Not applicable.

3. SOURCE OF FUNDING: 465- Pavement Maintenance- City

4. **FISCAL IMPACT:** This project will have no net operating and maintenance costs to the General Fund besides the Council approved budget.

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	2017-2018 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
Source of New Funding						
465	6123	Pavement Maintenance Program	\$26,269,000	\$3,453,664	Capital pg. 1010	10/17/17, 30014
Total Current Funding Available			\$26,269,000	\$3,453,664		

CEQA

Exempt, File No. PP14-069, CEQA Guidelines Section 15301, Existing Facilities.

/s/
JIM ORTBAL
Director of Transportation

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

Attachment

ATTACHMENT

List of Streets

STREET NAME	FROM	TO	COUNCIL DISTRICT
ALMADEN RD	ALMADEN EX	ALMADEN AV	6,7
BLOSSOM HILL RD	BLOSSOM AV	HWY 101 BRIDGE	2,10
CALERO AV	SNELL AV	LEAN AV	2
CLAYTON RD	STORY RD	MT PLEASANT RD	5
DRY CREEK RD	BASCOM AV	HICKS AV	6,9
MALONE AV	LINCOLN AV	ALMADEN RD	6
MCKEAN RD	4551' N/O BAILEY AV	BAILEY AVE	10
MCKEAN RD SB	CITY LIMIT	4551' N/O BAILEY AV	10
MT PLEASANT RD	CLAYTON RD	KOHLER AV	5,8
MURILLO AV	ABORN RD	RUBY AV	8
PAYNE AV	SARATOGA AV	CITY LIMIT	1
RAINBOW DR	JOHNSON AV	DE ANZA BLVD S	1
RUBY AV	KOHLER AV	ABORN RD	8
SAMARITAN DR	BASCOM AV	UNION AV	9
STORY RD	MCLAUGHLIN AV	KING RD	5,7
SYLVANDALE AV	SETER RD	KAUAI DR	7
VIA VALIENTE	ALMADEN EX	CAMDEN AV	10
WILLOW ST	LINCOLN AV	1360'SMERIDIAN AV	6
WINFIELD BL	BLOSSOM HILL RD	CHYNOWETH AV	9