



COUNCIL AGENDA: 3/24/2020

FILE: 20-318

ITEM: 5.2

# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Ristow

**SUBJECT: 2020 MAJOR STREETS REMOVE  
& REPLACE ASPHALT CONCRETE  
PAVEMENT PROJECT**

**DATE:** March 9, 2020

Approved

Date

3/12/2020

**COUNCIL DISTRICTS: 2, 3, 5, 7, 8, 10**

## **RECOMMENDATION**

- (a) Approve award of a construction contract for the 2020 Major Streets Remove and Replace Asphalt Concrete Pavement Project, to the low bidder, O'Grady Paving, Inc., in the amount of \$1,102,547.
- (b) Approve an approximate ten percent contingency in the amount of \$110,200.

## **OUTCOME**

Approval of this construction contract will provide required asphalt concrete pavement repairs along 34 miles of streets on the Major Street Network to be surface sealed in the 2020 construction season. Approval of a 10% contingency will provide funding for any unanticipated work necessary for the proper construction and completion of the project.

## **BACKGROUND**

The Major Street Network consists of 944 miles of the City's most heavily traveled streets, which collectively carry over 85% of the traffic in the City. The Department of Transportation (DOT) annually schedules streets to be surface sealed as a preventive maintenance measure to extend their useful life and reduce long-term maintenance costs to the City. The product to be used for surface-sealing is called "microsurfacing," which is a thin layer of asphalt emulsion blended with rock approximately 3/8 an inch in depth.

In 2020, DOT is planning to surface seal approximately 34 miles of Major Streets throughout the City. This project is one of five pavement maintenance projects occurring on the Major Streets Network during the 2020 construction season and is the subject of this memorandum.

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Surface sealing is typically performed in two separate phases: preparation and a final surface sealing application. The preparation phase includes minor concrete repairs as well as ADA curb ramp installations and retrofits prior to the commencement of the pavement treatment. Streets to be surface sealed will also require the removal and replacement of any structurally failed areas of pavement. The final surface treatment is applied to the entire street after preparation phases are complete.

To decrease the overall timeframe for completing the preparation work, DOT is managing two separate projects: one project for concrete and ADA curb ramp improvements which is scheduled for Council consideration on March 17, 2020, and this project for the removal and replacement of failed asphalt pavement areas where required.

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

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 February 13, 2020 with the following results:

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| CONTRACTOR                       | CITY                 | BID AMOUNT     | VARIANCE      | %<br>UNDER/OVER<br>ENGINEER'S<br>ESTIMATE |
|----------------------------------|----------------------|----------------|---------------|---|
| O'Grady Paving, Inc.             | Mountain View,<br>CA | \$1,102,546.65 | -\$204,748.20 | -15.7%                                    |
| DeSilva Gates<br>Construction    | Dublin, CA           | \$1,170,106.25 | -\$137,188.60 | -10.5%                                    |
| G. Bortolotto &<br>Company, Inc. | San Carlos, CA       | \$1,198,204.28 | -\$109,090.57 | -8.3%                                     |
| <i>ENGINEER'S<br/>ESTIMATE</i>   | --                   | \$1,307,294.85 | --            | --  |
| Granite Rock Company             | San Jose, CA         | \$1,312,208.15 | \$4,913.30    | 0.4%                                      |
| MCK Services, Inc.               | Concord, CA          | \$1,616,819.20 | \$309,524.35  | 23.7%                                     |

The low bid submitted by O'Grady Paving, Inc. is \$1,102,546.65 and is 15.7% below the Engineer's Estimate. The Engineer's Estimate for this project is \$1,307,294.85. 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.

San Jose 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 ten percent of the total contract amount. Staff recommends a ten percent contingency, which should be sufficient to account for unforeseen conditions that might arise in the excavation, removal, and replacement of failed asphalt concrete areas.

Construction is scheduled to begin in April 2020 and be completed by the end of June 2020.

### **CONCLUSION**

Based on the evaluation of bids, the low bid is considered acceptable and staff recommends awarding the construction contract for the 2020 Major Streets Remove and Replace Asphalt Concrete Pavement Project to O'Grady Paving, Inc.

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### **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 memo, contracts to provide sealing or resurfacing on a combined 47 miles of Major Streets are tentatively scheduled for Council action in April. A third contract using One Bay Area Grant funding for resurfacing on 30 miles of Major Streets is tentatively scheduled for Council action in summer 2020, pending federal and state approval.

### **CLIMATE SMART SAN JOSE**

The recommendation in this memo 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. This memorandum will be posted on the City's Council Agenda website for the March 24, 2020 Council Meeting.

### **COORDINATION**

This project 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:**

|  |                       |
|--|-----------------------|
| Programmatic Project Delivery Estimate | \$110,255.00          |
| Construction Contract                  | \$1,102,546.65        |
| Contingency                            | \$110,200.00          |
| <b>TOTAL PROJECT COSTS:</b>            | <b>\$1,323,001.65</b> |
  
2. **SOURCE OF FUNDING:** 480 – Pavement Maintenance –  
 SB1 Road Repair & Accountability Act 2017
  
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     | 2019-2020 Adopted Capital Budget Page | Last Budget Action (Date, Ord. No.) |
|--|--------|---|---------------------|-----------------------|---------------------------------------|-------------------------------------|
| <b>Source of New Funding</b>           |        |   |                     |                       |                                       |                                     |
| 480                                    | 406C   | SB1 Road & Repair Accountability Act 2017 | \$22,593,137        | \$1,102,546.65        | V-846                                 | 10/22/19, 30325                     |
| <b>Total Current Funding Available</b> |        |   | <b>\$22,593,137</b> | <b>\$1,102,546.65</b> |                                       |                                     |

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**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**

| <b>2020 MAJOR STREETS SEALING PROJECT</b> |                       |                 |                         |
|---|-----------------------|-----------------|-------------------------|
| <b>STREET NAME</b>                        | <b>FROM</b>           | <b>TO</b>       | <b>COUNCIL DISTRICT</b> |
| 10 <sup>TH</sup> ST                       | HEDDING ST            | HWY 280         | 3                       |
| 11 <sup>TH</sup> ST                       | E HEDDING ST          | HWY 280         | 3                       |
| COPPERFIELD DR                            | CAPITOL EXPY          | VISTAPARK DR    | 10                      |
| DELTA RD                                  | PINOT BLANC WY        | MACKIN WOODS LN | 8                       |
| MCLAUGHLIN AV                             | CAPITOL EXPY          | STORY RD        | 7                       |
| SAN ANTONIO ST E                          | 17 <sup>TH</sup> ST S | JACKSON AV S    | 3, 5                    |
| SENER RD S                                | STORY RD              | MONTEREY RD     | 2, 3, 7                 |
| TULLY RD                                  | RUBY AV               | WHITE RD        | 8                       |
| VISTAPARK DR                              | HILLSDALE AV          | CAPITOL EXPY    | 10                      |