



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Ristow

**SUBJECT:** 2020 LOCAL STREETS  
RESURFACING #3 PROJECT

**DATE:** May 26, 2020

Approved

Date

5/28/2020

**COUNCIL DISTRICTS: 1 & 6**

## RECOMMENDATION

- (a) Approve award of a construction contract for the 2020 Local Streets Resurfacing #3 Project, to the low bidder, DeSilva Gates Construction LP, in the amount of \$7,434,000.
- (b) Approve an approximate 10% contingency in the amount of \$743,400.

## OUTCOME

Approval of this contract will resurface approximately 17 miles of streets on the Local and Neighborhood Streets Network. 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) is planning to resurface approximately 72 miles of streets on the Local and Neighborhood Street Network in the 2020 construction season, supported by the first annual allocation of \$37.5 million in voter approved Measure T funds. The contract proposed in this memorandum will resurface 17 miles of streets. 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 (ADA).

To decrease the overall timeframe for completing the pavement work, the resurfacing work will be divided into four separate projects of which this project is the third. A description of the 2020 pavement maintenance projects was provided in an information memorandum to the Council in December 2019.

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
- Streets not affected by current or future street related projects
- Maintenance history and prescribed treatment schedules
- Community and City Council office feedback regarding roadway conditions and priority street segments
- Multi-year geographic spread across the City and street network

The Attachment to this memo 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 May 7, 2020 with the following results:

<b>CONTRACTOR</b>	<b>CITY</b>	<b>BID AMOUNT</b>	<b>VARIANCE</b>	<b>% UNDER/OVER ENGINEER'S ESTIMATE</b>
DeSilva Gates Construction LP	Dublin, CA	\$7,434,000.00	\$2,068,995.40	-21.8%
Teichert Construction	Sacramento, CA	\$7,546,918.00	\$1,956,077.40	-20.6%
O'Grady Paving	Mountain View, CA	\$7,807,865.50	\$1,695,129.90	-17.8%
Granite Construction Company	Santa Clara, CA	\$7,855,900.10	\$1,647,095.30	-17.3%
Granite Rock Company	San Jose, CA	\$8,154,269.75	\$1,348,725.65	-14.2%
MCK Services	Concord, CA	\$8,191,354.60	\$1,311,640.80	-13.8%
<i>ENGINEER'S ESTIMATE</i>	-	<i>\$9,502,995.40</i>	-	-

The low bid submitted by DeSilva Gates Construction LP is \$7,434,000 and is 21.8% below the Engineer's Estimate. The Engineer's Estimate for this project is \$9,502,995.40. 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 DeSilva Gates Construction LP.

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 ten percent of the total contract amount. Staff recommends a 10% contingency, which should be sufficient to account for unforeseen conditions that might arise in the excavation, removal, and replacement of failed concrete areas.

Construction is scheduled to begin in July 2020 and be completed by the end of October 2020.

Project Labor Agreement Applicability

A project labor agreement (PLA) is not applicable to this project as this project meets the following exemption: More than 50% of the total cumulative engineer's estimate for the project is for street maintenance.

### Local and Small Business Outreach

This project does not have a preference for local and/or small businesses and the recommended contractor did not meet the requirements for local and small business. However, in order to facilitate local and small business participation on this project, the project engineers separated the following items into minor projects: ADA curb ramps, concrete repair, and tree trimming in order to facilitate the ability for more local/small contractors to bid on these projects.

Procurement staff used Biddingo to outreach to local and small business enterprises. Chapter 4.12 of the San Jose Municipal Code defines a “local business enterprise” as one with a legitimate business presence in Santa Clara County and “small business enterprise” as a local business enterprise with 35 or fewer employees. Procurement staff sent bid invitations to 2,600 vendors, and documents were downloaded by 23 vendors, approximately 5 of which were located within Santa Clara County and therefore local. The recommended contractor is not a local or a small business enterprise.

### CONCLUSION

Based in the evaluation of bids, the low bid is considered acceptable and staff recommends awarding the construction contract for the 2020 Local Streets Resurfacing #3 to DeSilva Gates Construction LP.

### 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 & Environment Committee, and the City Council. In addition to the project discussed in this memo, six additional projects for the Local & Neighborhood Streets Network have been awarded, and the remaining resurfacing contract will be brought forward for Council action this Spring. Specifically, two contracts involve preparation phase work, one contract provide for sealings work and four contractors provide for resurfacing work on a combined total of 128 miles neighborhood streets.

### 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 June 9, 2020 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.

**COST SUMMARY/IMPLICATIONS**

1. **COST OF PROJECT:**

Programmatic Project Delivery Estimate	\$743,400.00
Construction Contract	\$7,434,000.00
Contingency	<u>\$743,400.00</u>
<b>TOTAL PROJECT COSTS:</b>	<b>\$8,920,800.00</b>
  
2. **SOURCE OF FUNDING:** Funding for this project is included in the 2019-2020 Adopted Capital Budget in the 2018 San Jose Measure T
  
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 Budget Page	Last Budget Action (Date, Ord. No.)
498	415Y	Pavement Maintenance – Measure T Bond	\$37,500,000	\$7,434,000.00	Adopted Capital Budget Pg. V-824	6/18/2019 30286
<b>Totals</b>			<b>\$37,500,000</b>	<b>\$7,434,000.00</b>		

**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
ALDERBROOK LN	HANOVER DR	RAINBOW DR	1
ALDERBROOK LN	WISTERIA WY	HANOVER DR	1
ARATA CT	PADRES DR	S END	6
ARDENWOOD DR	DARTMOOR WY	PROSPECT RD	1
ARLINGTON LN	RAINBOW DR	CHIALA LN	1
AVONDALE ST	CLARENDON ST	CHIALA LN	1
BANCROFT WY	ALDERBROOK LN	MILLER AV	1
BARK LN	DE ANZA BLVD S	WEYBURN LN	1
BARK LN	WEYBURN LN	ARLINGTON LN	1
BELMONT AV	MINNESOTA AV	E END	6
BELMONT WY	BELMONT AV	W ALMA AV	6
BIBEL AV	BONNIE JOY AV	LARKIN AV	1
BLEWETT AV	MINNESOTA AV	WILLOW ST	6
BLUE HILL DR	CHIALA LN	WEYBURN LN	1
BLUE HILL DR	WEYBURN LN	DE ANZA BLVD S	1
BONNIE JOY AV	BIBEL AV	DARTMOOR WY	1
BRETMOOR WY	RAINBOW DR	EDGEMOOR WY	1
BRETMOOR WY	RAINBOW DR	WISTERIA WY	1
BROOKVALE DR	PROSPECT RD	BROOKVALE DR	1
BUCHSER WY	BIRD AV	W END	6
BUCKTHORN WY	WINDSOR WY	WESTMOOR WY	1
CABOT PL	EDGEMOOR WY	S END	1
CAMERON PL	EDGEMOOR WY	S END	1
CANTERBURY CT	ALDERBROOK LN	DEVONSHIRE DR	1
CANTERBURY CT	DRESDEN WY	ALDERBROOK LN	1
CAPRI WY	DANBURY DR	W END	1
CARMEL DR	110'N/NEVADA AV	MINNESOTA AV	6
CARMEL DR	HERVEY LN	110'N/NEVADA AV	6
CARMEL DR	HERVEY LN	CREEK DR	6
CENTURY DR	LANCER DR	ALDERBROOK LN	1
CHARLENE CT	RIVERSIDE WY W	W END	1
CHIALA LN	WEYBURN LN	BLANEY AV	1
CLARENDON ST	WEYBURN LN	WINDSOR ST	1
CLARK ST	WILLOW ST	DOROTHY AV	6

<b>STREET NAME</b>	<b>FROM</b>	<b>TO</b>	<b>COUNCIL DISTRICT</b>
CORONADO DR	ARLINTON LN	WEYBURN LN	1
CORONADO DR	WEYBURN LN	W. END	1
CORVETTE DR	CENTURY DR	LANCER DR	1
CRAIG DR	MILLER AV	WINDSOR LN	1
CREEK DR	KIRKLAND AV	BIRD AV	6
CREEK DR	PINE AV	WILLOW GLEN WY	6
CREEK DR	PINE AV	KIRKLAND AV	6
CROSBY CT	RIVERSIDE WY W	W END	1
CURTISS AV	MINNESOTA AV	WILLOW ST	6
DANRIDGE DR	BRETMOOR WY	BLANEY AV S	1
DANRIDGE DR	DANBURY DR	BRETMOOR WY	1
DAPHNE DR	CLARKSPUR LN	DAPHANE DR	1
DAPHNE DR	ELMAR WY	LARKIN AV	1
DAPHNE DR	IVY LN	DARTMOOR WY	1
DAPHNE DR	LARKIN AV	CLARKSPUR LN	1
DAPHNE DR	WISTERIA WY	HANOVER DR	1
DARTMOOR WY	BLANEY AV	EDDINGTON PL	1
DE VILLE WY	DANBURY DR	W END	1
DELMAS AV	SPENCER AV	WILLOW ST	6
DEVON WY	LOCH LOMOND WY	BLANEY AV	1
DEVONSHIRE DR	ALDERBROOK LN	DRESDEN WY	1
DOROTHY AV	MINNESOTA AV	DELMAS AV	6
DRESDEN WY	BANCROFT WY	CANTERBURY CT	1
DUCKETT WY	DE ANZA BLVD S	E END	1
EDGEMOOR WY	ALDERBROOK LN	CRAIG DR	1
EDGEMOOR WY	CRAIG DR	MILLER AV	1
EDGEMOOR WY	DANBURY DR	ALDERBROOK LN	1
EDSEL DR	MILLER AV	E/S CRAIG DR	1
EDSEL DR	W/S CRAIG DR	LANCER DR	1
ELKA AV	WISTERIA WY	BIBEL AV	1
GALLI CT	WEYBURN LN	W END	1
GALLI DR	WEYBURN LN	ARLINGTON LN	1
GOLDEN GATE DR	WEYBURN LN	CHIALA LN	1
HERVEY LN	CARMEL DR	PADRES DR	6

<b>STREET NAME</b>	<b>FROM</b>	<b>TO</b>	<b>COUNCIL DISTRICT</b>
HERVEY LN	PADRES DR	MINNESOTA AV	6
IMPERIAL WY	CORVETTE DR	ALDERBROOK LN	1
JANARY WY	DANROMAS WY	LARKIN AV	1
JANARY WY	MILLER AV	DANROMAS WY	1
JANSEN AV	CURTISS AV	BIRD AV	6
KINTYRE WY	BLANEY AV	WINDSOR WY	1
KOTENBERG AV	WILLOW AV	MINNESOTA AV	6
LANCER DR	BOLLINGER RD	CENTURY DR	1
LARKIN AV	PROSPECT RD	WISTERIA WY	1
LOCH LOMOND LN	DEVON WY	RUTHERFORD AV	1
LONGLEY AV	SETTLE AV	KOTENBERG AV	6
MASON WY	RIVERSIDE WY W	BLANEY AV	1
MCGREGOR WY	S END	DEVON WY	1
MELVIN DR	BLANEY AV	WINDSOR ST	1
MICHELE WY	RIVERSIDE WY W	BLANEY AV	1
MILTON WY	VERNON AV	MINNESOTA AV	6
NEVADA AV	BIRD AV	CARMEL DR	6
NEVADA AV	BIRD AV	HILL AV	6
NEVADA AV	LINCOLN AV	E END	6
PADRES CT	PADRES DR	S END	6
PADRES DR	PADRES CT	CARMEL DR	6
PHYLLIS AV	ARLINGTON LN	WEYBURN LN	1
PREVOST ST	WHITEHURST CT	N END	6
RIVERSIDE WY S	BLANEY AV S	MICHELE WY	1
ROLLINGDELL DR	DE ANZA BLVD S	CITY LIMIT AT 140'E/ROLLINGDE LL CT	1
RUTHERFORD AV	LOCH LOMOND LN	MCGREGOR WY	1
SETTLE AV	MINNESOTA AV	CALIFORNIA AV	6
SETTLE AV	WILLOW ST	MINNESOTA AV	6
SPENCER AV	DELMAS AV	N END	6
TUCKER DR	565'E/ALDERBROO K LN	MILLER AV	1
TUCKER DR	ALDERBROOK LN	565'E/ALDERBROO K LN	1

<b>STREET NAME</b>	<b>FROM</b>	<b>TO</b>	<b>COUNCIL DISTRICT</b>
VERNON AV	BIRD AV	BIRD AV	6
WEYBURN LN	CHIALA LN	RAINBOW DR	1
WHITEHURST CT	MINNESOTA AV	SPENCER AV	6
WINDSOR LN	CRAIG DR	ALDERBROOK LN	1
WINDSOR ST	CHIALA LN	BOLLINGER RD	1
WINDSOR WY	LONGFELLOW WY	BLANEY AV	1
WISTERIA WY	BRETMOOR WY	MILLER AV	1