



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Matt Cano
John Ristow

SUBJECT: SEE BELOW

DATE: July 27, 2020

Approved

Date

7/31/20

COUNCIL DISTRICT: 7

SUBJECT: AWARD OF CONTRACT FOR THE 8418 – SENTER ROAD VISION ZERO SAFETY IMPROVEMENTS PROJECT (BETWEEN KEYES STREET AND SINGLETON ROAD), FEDERAL PROJECT NO. HSIPL-5005(149)

RECOMMENDATION

Report on bids and award of contract for the 8418 – Senter Road Vision Zero Safety Improvements Project to the low bidder, Granite Rock Company, in the total amount of \$2,592,093 and approval of an approximate 10% contingency in the amount of \$259,200.

OUTCOME

Award of the construction contract will provide for the installation of various traffic safety measures and pavement maintenance on Senter Road. Approval of the 10% contingency will provide funding for unanticipated work that may be necessary for the proper completion of the project.

BACKGROUND

The City of San José Department of Transportation (DOT) applied to the Federal Highway Administration (FHWA) for the Senter Road Vision Zero Safety Improvements Project through the Highway Safety Improvement Program (HSIP). The goal of the HSIP grant program is to reduce fatalities and serious injuries on public roads. The total amount approved through the HSIP was \$3,638,340 for both the design and construction phases. On January 8, 2020, the California Department of Transportation (Caltrans) approved the City's Request for Authorization (E-76) to Proceed into the construction phase.

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The Senter Road Vision Zero Safety Improvements Project will enhance pedestrian safety and calm traffic on Senter Road, between Keyes Street and Singleton Road (see attached map). Specifically, the project will install median islands with trees, pedestrian median fencing, and traffic signs. This project will also include pavement maintenance (micro-surfacing treatment), striping, and buffered bike lanes.

Construction is scheduled to begin in November 2020 with completion expected in April 2021.

ANALYSIS

On April 30, 2020, a total of two bids were received with the following results:

Contractor	Base Bid Amount	Variance	Over/(Under) Percent
Granite Rock Company (San Jose)	\$2,592,093	(\$704,527)	(21)
Wattis Construction Company, Inc. (San Jose)	\$2,848,580	(448,040)	(14)
Engineer's Estimate	3,296,620	--	--

The low bid submitted by Granite Rock Company is \$2,592,093 is 21% under the Engineer's Estimate. The bid is considered acceptable for the work involved in the project. While the Engineer's Estimate was based on a slightly increasing trend of construction cost observed over the past few years, the bid received was lower than the estimate which can be attributed to the current competitive bidding environment. In addition, the general contractor has worked with the City on similar projects previously and is familiar with roadway safety enhancement projects.

Project Labor Agreement Applicability

The Director of Public Works determined that this project is exempt from the Project Labor Agreement (PLA) because more than 50% of the total cumulative value of the Engineer's Estimate for the project is related to street maintenance.

DBE Program Requirements

As a recipient of federal highway funds, the City must comply with the requirements of Title 49 CFR 26 entitled "Participation by Disadvantaged Business Enterprises in Department of Transportation Financial Assistance Programs" (DBE Program). The primary objective of the DBE Program is to provide small businesses owned and controlled by socially and economically

disadvantaged individuals a fair opportunity to compete for federally-funded transportation contracts. Under the DBE Program, a contractor bidding on a federally-funded transportation project must document one of the following to be eligible for award of the construction contract:

1. That it has sufficient commitments for participation by “disadvantaged business enterprises” to meet a pre-established goal for the specific contract (DBE goal); or
2. If it does not have sufficient commitments to meet the DBE Goal, that it made “good faith efforts” to achieve the goal by taking all “necessary and reasonable steps” to do so.

In accordance with the Federal Regulations, Title 49 CFR Part 26, a DBE goal of 12% was established for this project.

Granite Rock Company committed to \$189,029 (7.3%) DBE participation. Because they did not meet the DBE participation goal, the City’s Office of Equality Assurance (OEA) analyzed the contractor’s efforts and concluded that the contractor used “good faith” efforts to meet the DBE goal. In addition, Caltrans also reviewed and analyzed Granite Rock Company’s efforts to determine if they constituted “good faith” efforts. Caltrans concurred with the City’s OEA determination that the contractor did demonstrate adequate Good Faith Efforts to meet the contract goal.

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. Staff recommends an approximate 10% contingency, which should be sufficient to account for unforeseen conditions that might arise during construction.

CONCLUSION

As a result of the evaluation of bids and DBE Program Requirements, staff recommends the award of contract to Granite Rock Company in the total amount of \$2,592,093 and approval of an approximate 10% contingency in the amount of \$259,200.

EVALUATION AND FOLLOW-UP

No additional follow up action with the City Council is expected.

CLIMATE SMART SAN JOSÉ

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 Biddingo (www.biddingo.com). The complete bid package and project information for all Department of Public Works (DPW) construction projects are available on Biddingo for interested contractors, contractor organizations, and builders' exchanges. Letters containing Project Information Sheets were hand delivered by DPW staff to major businesses and services along Senter Road.

Staff and the contractor will continue public outreach to the affected neighborhoods and businesses prior to and during construction. This memorandum will be posted on the City's website for the August 11, 2020, City Council Agenda.

COORDINATION

This project and memorandum has been coordinated with the City Attorney's Office, the City Planning, Building and Code Enforcement Department, and the City Manager's Budget Office.

COMMISSION RECOMMENDATION/INPUT

No commission recommendation or input is associated with this action.

FISCAL/POLICY ALIGNMENT

The project also aligns with the Transportation and Aviation Services CSA outcomes to provide viable transportation choices that promote a strong economy and to provide a transportation system that enhances community livability.

COST SUMMARY/IMPLICATIONS

1.	AMOUNT OF RECOMMENDATION/COST OF PROJECT: \$2,592,093	
	Project Delivery	\$ 991,356*
	Construction	2,592,093
	Contingency (10%)	<u>259,200</u>
	TOTAL PROJECT COSTS	\$3,842,649
	Prior Cost Expenditures	(\$444,421)
	REMAINING PROJECT COSTS	\$3,398,228

* Project Delivery includes \$481,679 for Design Services and \$509,677 for Construction Management and Inspection Services.

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2. COST ELEMENTS OF CONTRACT:

Cleanup, and other Misc. Work	\$361,286
Concrete Work	445,070
Micro-surfacing	576,080
Traffic Signage and Striping Work	824,177
Landscaping Work	385,480
TOTAL AGREEMENT/CONTRACT AMOUNT	\$2,592,093

3. SOURCE OF FUNDING: 429 – Building and Structure Construction Tax Refund

4. FISCAL IMPACT: The operating and maintenance costs of this project is estimated to be \$10,000 and have been included in the 2021-2025 Five-Year Forecast. The costs will factored in as part of 2021-2022 operating budget process.

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn. Name	Current Total Appn	RC #	Amt. for Contract	2020-2021 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
429	404M	Senter Road Pedestrian Safety Improvements	\$4,850,000	193195	\$2,592,093	V-429	06/30/2020, 30437

* The 2020-2021 Capital Budget was reviewed and approved by City Council on June 16, 2020 and adopted on June 23, 2020.

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CEQA

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

/s/

MATT CANO

Director of Public Works

/s/

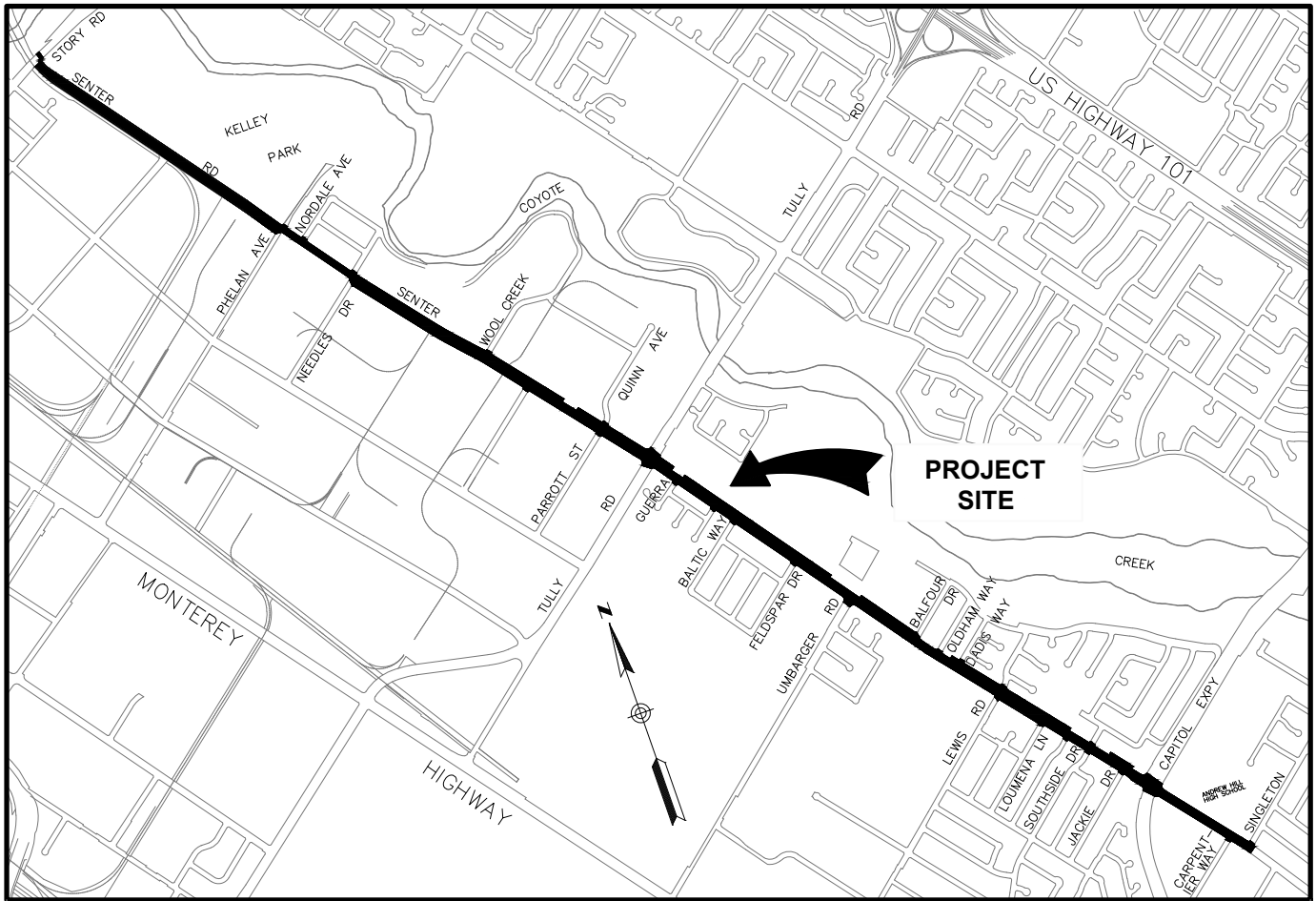
JOHN RISTOW

Director of Transportation

For questions, please contact Michael O’Connell, DPW Deputy Director, at (408) 535-8300.

Attachment: Location Map

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



LOCATION MAP
NOT TO SCALE

8418 - SENTER ROAD VISION ZERO SAFETY IMPROVEMENTS PROJECT

STATEMENT OF EXEMPTION

FILE NO.

PP18-029

LOCATION OF PROPERTY

Citywide

PROJECT DESCRIPTION

Citywide, time limited, exemption for maintenance and improvements within the existing public right-of-way (ROW). Projects qualifies to use this exemption include 1) rehabilitation, maintenance, replacement, and repair project designed to improve the condition of existing transportation elements such as, but is not limited to, bikeways, ADA ramps, bike parking facilities, traffic signals, sidewalks, median islands, chokers, bulb-outs, traffic circles, speed humps, radar speed, display signs, traffic signs, or other similar elements, 2) re-paving and curb markings on existing streets, or 3) other similar maintenance, repair, rehabilitation, or replacement activities in the public ROW without changes to capacity of the existing streets.

Any changes to the capacity of an existing signalized intersection or street closures will required further environmental review and is not subject to this exemption. This exemption is limited to a five year time frame and will expire March 23, 2023.

CERTIFICATION

Under the provisions of Sections 15301(c) of the State Guidelines for Implementation of the California Environmental Quality Act (CEQA) as stated below, this project is found to be exempt from the environmental review requirements of Title 21 of the San José Municipal Code, implementing the California Environmental Quality Act of 1970, as amended.

15301. EXISITING FACILITES

Class 1 consists of the operation, repair, maintenance, permitting, leasing, licensing, or minor alteration of existing public or private structures, facilities, mechanical equipment, or topographical features, involving negligible or no expansion of use beyond that existing at the time of the lead agency's determination. The types of "existing facilities" itemized below are not intended to be all inclusive of the types of projects which might fall within Class 1. The key consideration is whether the project involves negligible or no expansion of an existing use.

- (C) Existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities (this includes road grading for the purpose of public safety).

ANALYSIS

The project includes maintenance and/or improvement type of work to existing streets to enhance operations on the right-of-way (ROW). These type of improvement could include, but is not limited to installation of: bikeways, ADA ramps, bike parking facilities, new traffic signals, sidewalks, median islands, chokers, bulb-outs, traffic circles, speed humps, radar speed, display signs, traffic signs, or other similar features in the public ROW. These maintenance and/or improvement type of work would also include re-pavement and curb markings of existing streets without changes to capacity of the ROW. Work that would include changes to capacity on the existing roadways (i.e. reducing lanes) shall be subject to separate environmental review.

These maintenance and improvement activities will occur within the existing developed public ROW in locations that are already disturbed for development of existing roadways or trails. Therefore, no rare, threatened, endangered, or special status species of flora or fauna are known to inhabit the project areas. In addition, maintenance or improvement activities within the public ROW will not extend to structures or buildings that could be of historic value. The maintenance projects will comply with all applicable City's construction regulations and standards.

This project includes reconstruction and repair of existing streets and related facilities, and involves negligible or no expansion of the existing roadway uses. Therefore, the project qualifies for CEQA Guidelines Section 15301(c).

Exceptions:

CEQA Guidelines Section 15300.2 provides exceptions to the use of Categorical Exemptions where the use of a Categorical Exemption is prohibited under certain circumstances. The City has considered the projects applicability to all of the exceptions under Section 15300.2. An analysis of each of these exceptions in reference to this specific project is provided below.

- (a) Location. Section 15300.2(a) does not apply to the Class Category 1 of exemptions.
- (b) Cumulative Impact. The proposed project is for maintenance and improvement type of activities on existing, already disturbed, ROW with no further development and no changes to the capacity of the existing ROW. These types of works are to improve the operations of the existing streets, roadways, and pedestrian facilities. Based on the above analysis, there is no evidence of a potential significant cumulative impact on the environment from the proposed project. It has been determined that the project will not cumulatively impact traffic, noise, air quality, or water quality.
- (c) Significant Effect. The proposed project site does not have any unusual circumstances that would negatively impact the environment and would not result in any significant effects on the environment.
- (d) Scenic Highways. The project does not anticipate to result in damage to scenic resources, including but not limited to, trees, historic buildings, rock outcroppings, or similar resources, within a highway officially designated as a state scenic highway. If work is to be damage the scenic resources such as trees or historic buildings, rock outcropping or similar sources within a highway official designated as a state scenic highway, this exemption cannot be used.
- (e) Hazardous Waste Sites. No work will occur in areas included on any list compiled pursuant to Section 65962.5 of the Government Code. Work will be done within existing disturbed ROW.
- (f) Historical Resources. Physical work and changes will be done within existing ROW where no buildings are present. Structures within the ROW (i.e. street lights, traffic signs, and similar features) do not have historical values as it would not be on the historic inventory. Therefore, maintenance will not result in damages to any historic resources.

Thai-Chau Le
Environmental Planning Manager

ROSALYNN HUGHEY, Acting Director
Planning, Building and Code Enforcement

Date

3/29/18


Deputy