



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: John Ristow
Matt Loesch

SUBJECT: See Below

DATE: September 29, 2025

Approved

Date:

9/30/2025

COUNCIL DISTRICTS: 1, 3, 6, 7, 9

SUBJECT: Report on Bids and Award of Contract for the 10492 – 2025 Local Streets Resurfacing West Pavement (Measure T) Project

RECOMMENDATION

- (a) Report on bids and award of a contract for the construction of the 10492 – 2025 Local Streets Resurfacing West Pavement (Measure T) Project to the lowest responsive, responsible bidder, O'Grady Paving, Inc., in the amount of \$10,404,657.
- (b) Approve a 10% contingency in the amount of \$1,040,466.

SUMMARY AND OUTCOME

Award of this contract to O'Grady Paving, Inc. enables the construction of the 10492 – 2025 Local Streets Resurfacing West Pavement (Measure T) Project which will provide various resurfacing treatments for approximately 25 miles of streets within the Local and Neighborhood Street Network. Approval of the 10% contingency provides funding for any unanticipated work necessary for the proper completion or construction of the project.

BACKGROUND

The Transportation Department (DOT) will maintain approximately 228 miles of roadway during the 2025 construction season, including 175 miles of streets on the Local and Neighborhood Street Network and 53 miles on the Major Street Network. As part of this effort, DOT plans to resurface 108 miles of streets in poor to failed condition. This project will resurface approximately 25 miles of streets in the Local and Neighborhood Street Network.

Pavement resurfacing is typically performed in two separate phases: preparation and a final resurface application. The preparation phase includes American with Disabilities Act compliant curb ramp installations, grinding, cold milling, hauling, and disposal of several inches of damaged or degraded roadway prior to the commencement of installation of new pavement. The final resurfacing treatment is applied to the entire street from gutter to gutter and consists of installing a new layer of asphalt and replacing traffic striping, markers and devices.

The City's Local and Neighborhood Street Network is organized into 135 geographically contiguous pavement maintenance zones. Pavement maintenance zones support efficient planning and delivery of paving projects by maximizing the amount of paving work completed at one time within a neighborhood area, and to ensure geographic spread of pavement maintenance throughout San José.

DOT utilizes a pavement management system software to collect and store roadway condition data. This data is used to generate a candidate list of streets to be considered for the annual pavement maintenance program. The candidate list is thoroughly analyzed by staff using the following criteria to create the final list of streets:

- Funding availability and funding use restrictions;
- Streets on the Local and Neighborhood Streets 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; and
- Multi-year geographic spread across San José and the street network.

In 2021, DOT added equity as a criterion for zone selection. DOT staff cross-referenced the selected zones with census tracts designated by the Metropolitan Transportation Commission as "Equity Priority Communities" (EPC), formerly known as "Communities of Concern," to better track equity in service delivery. This project includes about 4.5 of the 30 EPC miles that will be maintained in 2025. DOT has maintained a total of 198 EPC miles since 2019 and by 2025, 228 out of 266 (89%) total EPC miles in the Local and Neighborhood Street Network will be paved. Roughly 256 out of 266 miles (96%) of local and neighborhood streets in EPCs will be maintained by the end of the current three-year plan (2028). DOT anticipates completing pavement maintenance for nearly 91% of the entire Local and Neighborhood Street Network in this same timeframe.

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The Attachment to this memorandum contains the list of streets to be resurfaced as part of this project. The list may change if unforeseen circumstances arise or new information regarding other projects becomes available. Construction is scheduled to begin in March 2026, with substantial completion anticipated in August 2026.

ANALYSIS

Bids were opened on August 28, 2025, with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
O'Grady Paving, Inc. (Mountain View)	\$10,404,657	(\$415,690)	(4)
DeSilva Gates Construction LLC (San José)	\$10,630,963	(\$189,383)	(2)
MCK Services, Inc. (Martinez)	\$10,743,603	(\$76,743)	(1)
Engineer's Estimate	\$10,820,346	--	--
McKim Corporation (Gilroy) (non-responsive)	\$10,914,353	\$94,007	1
A. Teichert & Son, Inc. (Pleasanton)	\$11,708,947	\$888,601	8
Ghilotti Construction Company, Inc. (Santa Rosa)	\$12,815,898	\$1,995,552	18

The bid submitted by McKim Corporation was deemed non-responsive for failing to meet the City's experience requirements. The low bid submitted by O'Grady Paving, Inc. is 4% below the Engineer's Estimate and is considered acceptable for the work involved in the project.

Contractor Prior Experience

O'Grady Paving, Inc. has previously completed multiple paving projects for the City of San José. Most recently in the 2024 construction season, O'Grady Paving, Inc. performed resurfacing work on approximately 15 miles of arterial city streets through a major construction project, 10381 - 2024 Major Streets Resurfacing Project #1.

Contingency

San José Municipal Code Section 27.04.050 provides for a standard contingency of 10% on all public works contracts except those involving the renovation of a building or buildings. The standard contingency is appropriate for this project.

Wage Theft Prevention Policy Check

The Public Works Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on August 28, 2025, and again on September 15, 2025. No wage theft issues were identified.

Project Labor Agreement Applicability

The City's Project Labor Agreement is applicable to this project because the Engineer's Estimate is over \$1.2 million.

Local and Small Business

The recommended contractor, O'Grady Paving, Inc., is a local but not a small business enterprise. No local or small business enterprises were listed as subcontractors.

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. This is the last local and neighborhood street pavement maintenance project scheduled for City Council action this year.

COST SUMMARY/IMPLICATIONS

This project supports the Transportation and Aviation Services City Service Area goal to preserve and improve transportation assets and facilities. The pavement maintenance performed by this project will extend the useful life of the streets. Funding for this project is included in the 2025-2027 Adopted Biennial Capital Budget in the Pavement Maintenance – Measure T Bond appropriation (Fund 498). This project will have no net operating and maintenance costs to the General Fund.

1. TOTAL COST OF PROJECT:

Project Delivery (FY 2025)*	\$ 10,709
Project Delivery*	1,063,999
Construction	10,404,657
Contingency	1,040,466
TOTAL PROJECT COSTS	\$12,519,831

* Programmatic project delivery estimate includes approximately \$454,000 for design services and \$621,000 for construction management and inspection services.

2. COST ELEMENTS OF CONTRACT AS RECOMMENDED AS PART OF THE MEMORANDUM:

New Paving	\$7,732,460
Thermoplastic Striping	1,036,197
Utility Adjustments	1,140,000
Other Construction Costs	496,000
TOTAL BASE BID AMOUNT	\$10,404,657

BUDGET REFERENCE

The table below identifies the fund and appropriations to fund the contract recommended as part of this memorandum and remaining project costs, including project delivery, construction, and contingency costs.

Fund #	Appn. #	Appropriation Name	Total Appropriation	Amount for Contract	2025-2027 Proposed Biennial Capital Budget Page*	Last Budget Action (Date, Ord. No.)
498	415Y	Pavement Maintenance – Measure T Bond	\$55,250,307	\$10,404,657	787	6/17/2025 31230

*The 2025-2027 Adopted Biennial Capital Budget was approved on June 10, 2025 and adopted on June 17, 2025 by the City Council.

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COORDINATION

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

PUBLIC OUTREACH

This memorandum will be posted on the City Council Agenda website for the October 21, 2025, City Council meeting. 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.

COMMISSION RECOMMENDATION AND INPUT

No commission recommendation or input is associated with this action.

CEQA

Categorically Exempt, File No. ER24-313, CEQA Guidelines Section 15301(c), Existing Facilities.

PUBLIC SUBSIDY REPORTING

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/
Matt Loesch
Director, Public Works Department

/s/
John Ristow
Director, Transportation Department

For questions, please contact Jennifer Seguin, Deputy Director, Transportation Department, at jennifer.seguin@sanjoseca.gov or (408) 794-6453 or Mathew Nguyen, Deputy Director, Public Works Department, at mathew.nguyen@sanjoseca.gov or (408) 535-8300.

ATTACHMENT – List of Streets

Street Name	Street From	Street To	CD
AMSTUTZ DR	WILLIAMS RD	BORINA DR	1
APPLEWOOD DR	LONGWOOD LN	ROCKDALE DR	1
AURORA AV	BELVEDERE DR	TANBARK ST	1
BELVEDERE DR	SARATOGA AV	PINEWOOD DR	1
BLACKFORD AV	SARATOGA AV	PINEWOOD DR	1
BLACKFORD AV	PINEWOOD DR	LIVE OAK WY	1
BOLTON CT	MOORPARK AV	E END	1
BORINA DR	MOORPARK AV	PINEWOOD DR	1
BORINA DR	PINEWOOD DR	SARATOGA AV	1
BRENTWOOD DR	MOORPARK AV	BORINA DR	1
BRENTWOOD DR	BORINA DR	CASTLEWOOD DR	1
BROADMOOR DR	STRAWBERRY PK DR	BLACKFORD AV	1
CASCADE DR	BELVEDERE DR	BLACKFORD AV	1
CASTLEWOOD CT	CASTLEWOOD DR	N END	1
CASTLEWOOD DR	ROCKDALE DR	MOORPARK AV	1
CERA DR	BORINA DR	WILLIAMS RD	1
CERA DR	CERA DR	CERA DR	1
CHERRYWOOD CT	CHERRYWOOD DR	S END	1
CHERRYWOOD DR	BRENTWOOD DR	ROCKDALE DR	1
CRESTMoor CT	CRESTMoor DR	W END	1
CRESTMoor DR	MOORPARK AV	SPRINGDALE DR	1
ELMHURST DR	CAMINA ESCUELA	PINEWOOD AV	1
HAPPY VALLEY AV	CASTLEWOOD DR	WILLIAMS RD	1
HAZEL DELL WY	MOORPARK AV	JUNIPERO SERRA LN	1
HICKORY WY	BLACKFORD AV	BELVEDERE DR	1
HILLWOOD DR	BORINA DR	S END	1
JOHN MISE CT	MOORPARK AV	N END	1
JUNIPERO SERRA LN	MOORPARK AV	JAPONICA WY	1
JUNIPERO SERRA LN	JAPONICA WY	E END	1
LEO DR	BORINA DR	WILLIAMS RD	1
LIVE OAK WY	BLACKFORD AV	STRAWBERRY PK DR	1
LONGWOOD LN	CHERRYWOOD DR	APPLEWOOD DR	1
PALACEWOOD CT	CASTLEWOOD DR	N END	1
PINE HILL CT	CRESTMoor DR	W END	1
RIVIERA CT	CASTLEWOOD DR	N END	1
ROCKDALE DR	WILLIAMS RD	BORINA DR	1
SHADOW CT	JUNIPERO SERRA LN	S END	1
SHADOW GLEN CT	JUNIPERO SERRA LN	MOORPARK AV	1
SPRING WOOD DR	BORINA DR	CRESTMoor DR	1
SPRINGDALE DR	CRESTMoor DR	SPRINGWOOD DR	1

Street Name	Street From	Street To	CD
SWEET AV	WILLIAMS RD	BORINA DR	1
TANBARK ST	AURORA DR	SARATOGA AV	1
ZARICK DR	BORINA DR	WILLIAMS RD	1
BEVANS DR	244'S/LAPA DR	WESTDALE DR	1
BEVANS DR	WESTDALE DR	MITTY AV	1
BEVANS DR	LAPA DR	244 S/LAPA DR	1
CALVERT DR	STEVENS CREEK BL	CITY LIMIT	1
DOYLE RD	430'S/LAPA DR	WESTDALE DR	1
DOYLE RD	266'S/MITTY AV	GLENTREE DR	1
DOYLE RD	LAPA DR	430 S./ LAPA DR	1
DOYLE RD	MITTY WY	266 S/MITTY WY	1
FOREST GLEN DR	FOREST RIDGE DR	RAINTREE DR	1
FOREST RIDGE DR	FOREST VIEW DR	GLENTREE DR	1
FOREST VIEW DR	RAINTREE DR	MOORPARK AV	1
GLENTREE CT	GLENTREE DR	S END	1
GLENTREE DR	LAWRENCE EX	FOREST RIDGE DR	1
GULLO AV	FOREST RIDGE DR	MOORPARK AV	1
LAPA DR	PARK MEADOW DR	DOYLE RD	1
MITTY WY	LAWRENCE EX	MOORPARK AV	1
PARK MEADOW CT	PARK MEADOW DR	W END	1
PARK MEADOW DR	MITTY WY	LAPA DR	1
RAINTREE CT	GLENTREE DR	S END	1
RAINTREE DR	GLENTREE DR	FOREST VIEW DR	1
SOUTH PARK DR	LAPA DR	WESTDALE DR	1
STERN AV	STEVENS CREEK BL	CITY LIMIT	1
WAGMAN DR	200'S/LAPA DR	WESTDALE DR	1
WAGMAN DR	LAPA DR	200' S/O LAPA DR	1
WESTDALE DR	DOYLE RD	PARK MEADOW DR	1
GREENOAK DR	OAKTREE DR	WUNDERLICH DR	1
HUNTINGDON DR	KIMBERLY ST	PROUTY WY	1
KIMBERLY ST	JOHNSON AV	OAKTREE DR	1
OAKTREE DR	KIMBERLY ST	BIGOAK DR	1
CASTANO DR	JOHNSON AV	HARLAN DR	1
BING DR	WALBROOK DR W	DIAL WY	1
BING DR	DIAL WY	STURGEON WY	1
CENTENNIAL CT	WALBROOK DR W	S END	1
DIAL WY	MILLER AV	PETAL WY	1
DIAL WY	PETAL WY	WALBROOK DR W	1
MAYFLOWER CT	TARTARIAN WY	E END	1
PAYETTE CT	WALBROOK DR W	S END	1

Street Name	Street From	Street To	CD
PETAL WY	TRACEL DR	DIAL WY	1
PETAL WY	DIAL WY	WALBROOK DR W	1
PETAL WY	WALBROOK DR W	RAINBOW DR	1
PILGRIM AV	TARTARIAN WY	JOHNSON AV	1
PINE GROVE CT N	PINE GROVE WY	W END	1
PINE GROVE CT S	PINE GROVE WY	W END	1
PINE GROVE WY	TARTARIAN WY	ROYAL ANN DR	1
PLYMOUTH WY	STURGEON WY	PETAL WY	1
ROYAL ANN DR	PETAL WY	TARTARIAN WY	1
ROYAL ANN DR	TARTARIAN WY	JOHNSON AV	1
SQUIREDELL DR	PETAL WY	MILLER AV	1
STURGEON WY	DIAL WY	PLYMOUTH AV	1
TARTARIAN WY	PILGRIM AV	ROYAL ANN DR	1
TARTARIAN WY	ROYAL ANN DR	DIAL WY	1
TRACEL DR	PETAL WY	MILLER AV	1
WALBROOK DR W	MILLER AV	PETAL WY	1
WALBROOK DR W	PETAL WY	JOHNSON AV	1
11TH ST FRONTAGE	11th St S	End	3
DUANE ST	ALMADEN AV	E END	3
MARTHA ST	S 7TH ST	S 12TH ST	3
CHAPMAN ST	RANDOL AV	FREMONT ST	6
CHAPMAN ST	FREMONT ST	SINGLETARY AV	6
FREMONT ST	THE ALAMEDA	PARK AV	6
MORSE ST	SINGLETARY AVE	FREMONT ST	6
MORSE ST	FREMONT ST	RANDOL AV	6
SINGLETARY AV	PARK AV	THE ALAMEDA	6
ARAM AV	CITY LIMIT	SPRUANCE ST	6
ARAM AV	SPRUANCE ST	ROMERO ST	6
ARNOLD WY	DOWNING AV	ARAM AV	6
BARDEN WY	CHENEY DR	W END	6
BAYLEAF CT	WHITETHORN DR	S END	6
BEATRICE CT	PRINCESS ANNE DR	W END	6
BESS CT	WHITETHORN DR	S END	6
BORELLO DR	VIA CONTENTA	BASCOM AV	6
CHENEY CT	CHENEY DR	N END	6
CHENEY DR	SHERMAN OAKS DR	LEIGH AV	6
COLLEGE DR	LEIGH AV	FRUITDALE AV	6
DANDINI CR	SHERMAN OAKS DR	SHERMAN OAKS DR	6
DEL MAR AV	FRUITDALE AV	LEON DR	6
DEL MAR AV	LEON DR	STOKES ST	6

Street Name	Street From	Street To	CD
DELNA MANOR LN	DOWNING AV	N END	6
DOGWOOD CT	WHITETHORN DR	S END	6
DOWNING AV	W END	EMPEY WY	6
DOWNING AV	EMPEY WY	160W/ARNOLD WY	6
DOWNING AV	160'W/ARNOLD WY	BASCOM AV S	6
EISENHOWER DR	ARNOLD WY	WAINWRIGHT DR	6
EISENHOWER DR	WAINWRIGHT DR	BASCOM AV S	6
GINGER LN	DOWNING AV	80'N/LINDBERG AV	6
GINGER LN	80'N/LINDBERG AV	LINDAIRE AVE	6
GOODWIN AV	LEIGH AV	FRUITDALE AV	6
GREENBAY CT	WHITETHORN DR	S END	6
HUERTO CT	SPRUANCE ST	VIA CODORNIZ	6
HUERTO CT	VIA CODORNIZ	W END	6
LAWTON AV	FRUITDALE AV	GOODWIN AV	6
LEON DR	BASCOM AV S	PRINCESS ANNE DR	6
LINDBERG AV	GINGER LN	E END	6
LYNNHAVEN DR	PRINCESS ANNE DR	DEL MAR AV	6
MARDEL LN	PRINCESS ANNE DR	DEL MAR AV	6
MARLBORO CT	DEL MAR AV	S END	6
NAUTILUS CT	GINGER LN	E END	6
NORSTAD ST	RICKENBACKER ST	LINDBERG AV	6
PAMLAR AV	BASCOM AV S	W END	6
PORGY CT	WHITETHORN DR	S END	6
PRINCESS ANNE DR	FRUITDALE AV	S END	6
QUANTICO CT	GINGER LN	E END	6
RAQUEL CT	CHENEY DR	W END	6
RAVENS COURT AV	TOLWORTH DR	CITY LIMIT	6
REGALO CT	BORELLO DR	N END	6
RICKENBACKER ST	LINDBERG AV	DOWNING AV	6
ROENOKE WY	DEL MAR AV	PRINCESS ANNE DR	6
ROMERO ST	STOKES ST	ARAM AV	6
ROSEBUD CT	SHERMAN OAKS DR	N END	6
SHERMAN OAKS DR	FRUITDALE AV	653 S/O FRUITDALE AV	6
SHERMAN OAKS DR	653 S/O FRUITDALE AV	CHENEY DR	6
SPRUANCE CT	HUERTO DR	S END	6
SPRUANCE ST	WHITETHORNE DR	300'S/WHITETHORNE DR	6
SPRUANCE ST	300'S/WHITETHORNE DR	PAMLAR AV	6
SPRUANCE ST	PAMLAR AV	HUERTO DR	6
SPRUANCE ST	WHITETHORN DR	STOKES ST	6
SPRUANCE ST	STOKES ST	ARAM AV	6

Street Name	Street From	Street To	CD
STOKES ST	CITY LIMIT	SPRUANCE ST	6
TOLWORTH DR	CITY LIMIT	DOWNING AV	6
VIA CORDORNIZ	HUERTO DR	BORELLO DR	6
WAINWRIGHT DR	DOWNING AV	EISENHOWER DR	6
WAINWRIGHT DR	EISENHOWER DR	ARAM AV	6
WHITEHALL AV	CITY LIMIT	TOLWORTH DR	6
WHITETHORN DR	BASCOM AV S	1100'W/BASCOM AV S	6
WHITETHORN DR	1100'W/BASCOM AV S	CITY LIMIT	6
POMONA AV	BELLEVUE AV	SAN JOSE AV	7
SAN JOSE AV	ALMADEN EX	ALMADEN RD	7
BRIARGLEN DR	PROSPER AV	375'N/PROSPER AV	9
BRIARGLEN DR	375'N/PROSPER AV	65'E/BRIARGLEN CT	9
BRIARGLEN DR	65'E/BRIARGLEN CT	BRYAN AV	9
LYNHURST CT	LYNHURST WY	W END	9
LYNHURST WY	VISTAMONT DR	LYNHURST CT	9
LYNHURST WY	LYNHURST CT	BRIARGLEN DR	9
PROSPER AV	LIZZIE LN	ALMADEN EXP	9
VISTAMONT DR	RODNEY DR	S END (ROSS CREEK)	9