



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Katy Allen
James R. Helmer

SUBJECT: SEE BELOW

DATE: 01-05-05

Approved

Date

1/11/05

Council District: 3
SNI: Thirteenth Street

SUBJECT: THIRD AND FOURTH STREETS COUPLET CONVERSION FROM JACKSON STREET TO JULIAN STREET

RECOMMENDATION

Report on bids and award of contract for the 3rd and 4th Streets Couplet Conversion Project to the low bidder, Wattis Construction Co. Inc., in the amount of \$566,160, and approval of a contingency in the amount of \$113,232.

CEQA: Negative Declaration and addenda thereto, File No. PP02-05-115 and PP04-293.

BACKGROUND

In June 2002, Council approved the Downtown Access and Circulation Study. The study was prepared by the Department of Transportation (DOT) and the San José Redevelopment Agency (SJRA), working together with a task force of Downtown area neighborhood, business and San José State University representatives. The purpose of the study was to develop a multi-modal transportation plan that supported the growth projections and goals of the Downtown Strategy Plan, and in a manner that also enhanced livability for Downtown area neighborhoods. A major recommendation of the study was the modification of several one-way street couplets to two-way streets.

One of the couplet modification projects is the conversion of 3rd and 4th Streets from one-way streets to two-way streets between Julian and Jackson Streets and on Julian Street from 3rd to 5th Streets. The SJRA has allocated funding for this project since the project is ranked as a number one priority in the 13th Street Strong Neighborhood Initiative (SNI) plan. The major scope elements of the project include the modification of traffic signals and railroad crossing gates to safely accommodate the conversion of traffic from one-way to two-way operations. The work involving construction of asphalt concrete pavement, sidewalk, curb, gutter, wheelchair

ramps, driveway aprons, new traffic signal foundation and pull boxes, installation of center islands at various intersections (north leg of 3rd/Julian and 4th/Julian, and south leg of 3rd/Empire and 4th/Empire), drainage facilities, bulb-outs (4th/Jackson), concrete decorative crosswalks (4th/Jackson) and conduits is part of this contract. The portion of work involving roadway and bike lanes striping, signage, installation of traffic signal poles and equipment, controller and service cabinets, video detection cameras, detection loops, termination cabinet and removal and installation of Signal Interconnect communication cables will be done by City forces. The proposed improvements are constructed within the City street right-of-way, with the exception of the installation of a standard wheelchair ramp, to be constructed on an existing vacant parcel at the southeast corner of Julian and 4th Streets owned by Green Valley Corporation (GVC). Staff has contacted GVC, and they agreed to donate this small portion of land to the City. Staff is currently processing the land donation.

Construction is scheduled to begin in March 2005 with completion in August 2005.

ANALYSIS

Bids were opened on December 14, 2004 with the following results:

| <u>Contractor</u> | <u>Total Bid</u> | <u>Variance Amount</u> | <u>Over/(Under) Percent</u> |
|---|------------------|----------------------------|---------------------------------|
| Engineer's Estimate | \$780,000 | - | - |
| O'Grady Paving, Inc. (Mountain View) | 732,420 * | (47,580) | (6) |
| Wattis Construction Co. Inc (San José) | 566,160 | (213,840) | (27) |

* An evaluation of the bid submitted by O'Grady Paving, Inc. revealed that there was an error in the amount of \$300 in the total of the extensions. Correcting this error consistent with the requirements of the Standard Specifications for the Department of Public Works results in the correct total bid from O'Grady Paving Inc. being \$732,720. This error does not change the result of the bid opening, and still has Wattis Construction Co. Inc as the apparent low bidder.

The low bid submitted by Wattis Construction Co, Inc. is 27 percent below the Engineer's Estimate. Staff considers this reasonable for the work involved.

Council policy provides for a standard contingency of ten percent on public works projects involving underground construction: however, on this project a contingency of 20 percent is recommended due to unforeseen issues that can typically arise from doing underground construction in the Japantown Area and Historic District. The project budget is sufficient to provide for the recommended contingency.

PUBLIC OUTREACH

This project public outreach was coordinated with Council District 3, 13th Street NAC, Hensley Historic District and Japantown Community Congress Associations.

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 all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges.

COORDINATION

This project and memorandum have been coordinated with the SJRA, the Departments of Planning, Building and Code Enforcement and Transportation, the City Attorney's Office and the City Manager's Budget Office.

COST IMPLICATIONS

| | | |
|------------------------------------|--------------|----------------------|
| 1. AMOUNT OF RECOMMENDATION: | \$ 566,160 | |
| 2. COST OF PROJECT: | | |
| Project Delivery | | \$ 300,000 * |
| Construction | | |
| A/ Contractor (Underground) | 566,160 | |
| B/ City forces (Above ground) | 422,000 | |
| Contingency (Contractor work only) | 113,232* * | |
| Land Donation | 15,000 | |
| | TOTAL | <u>\$1,416,392**</u> |

* Does not include consultant design fee
 ** Does not include contingency for City forces work

3. SOURCE OF FUNDING: 450 Redevelopment Capital Projects Fund
4. FISCAL IMPACT: This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy. This project is expected to result in a minimal amount of operating and maintenance costs, as follows:

| | | | | |
|-------------|----------|----------|----------|----------|
| | FY 05-06 | FY 06-07 | FY 07-08 | FY 08-09 |
| Maintenance | \$3,675 | \$3,858 | \$4,051 | \$4,253 |

HONORABLE MAYOR AND CITY COUNCIL

01-05-05

Subject: 3rd & 4th Streets Couplet Conversion Project

Page 4

BUDGET REFERENCE

| Fund # | Appn. # | Appn. Name | RC # | Total Appn. | Amt. for Contract | 2004-05 Proposed RDA Capital Budget Page | Last Budget Action (Date, Ord.No.) |
|--------|---------|---|------|-------------|-------------------|--|------------------------------------|
| 450 | 6523 | 3 rd & 4 th St. Couplet Conversion Phase II | TBD | \$1,757,000 | \$ 566,160 | Page A-152 | 12/14/04 Ord. No.27320 |

CEQA

Negative Declaration and addenda thereto, File No. PP02-05-115 and PP04-293.

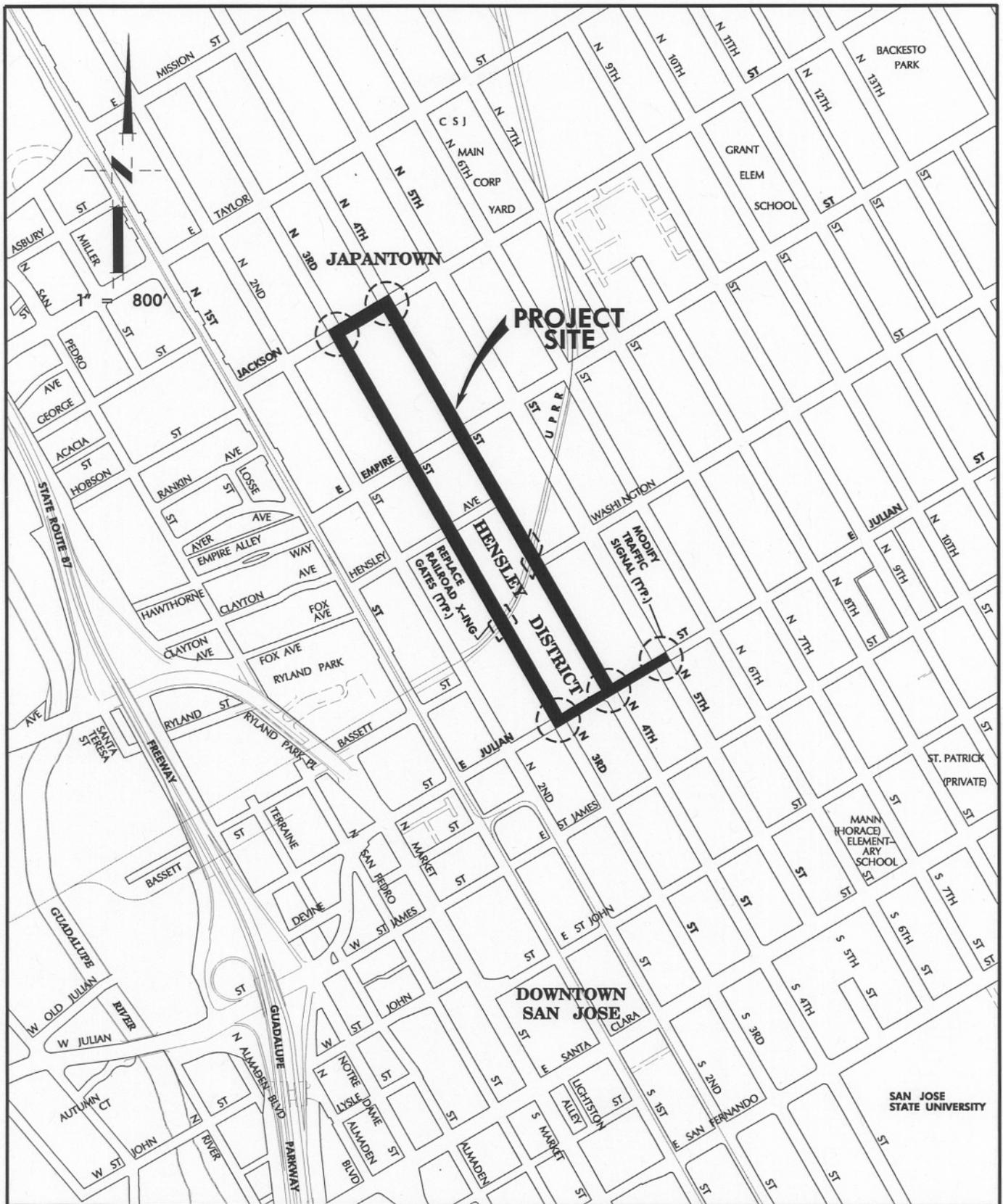
Katy Allen

KATY ALLEN
Director, Public Works Department

for James R. Helmer

JAMES R. HELMER
Director of Transportation

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Attachment



**3rd & 4th STREETS COUPLER CONVERSION PROJECT
VICINITY MAP**

**CITY OF SAN JOSE
DEPARTMENT OF TRANSPORTATION
SEPTEMBER 2004**