



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** James R. Helmer

**SUBJECT: REMOVE AND REPLACE  
ASPHALT CONCRETE  
PAVEMENT 2008**

**DATE:** 04-07-08

Approved

Date

4/8/08

**COUNCIL DISTRICT:** Citywide

## **RECOMMENDATION**

Report on bids and award of contract for the Remove and Replace Asphalt Concrete Pavement 2008 Project to the low bidder, Top Grade Construction, Inc., in the amount of \$1,445,800, and approval of a 5% contingency in the amount of \$73,000.

## **OUTCOME**

Approval of this construction contract to Top Grade Construction, Inc. will help maintain and preserve approximately 35 miles of the City's pavement network by preparing these streets for a surface seal. Preparing and sealing these streets will extend their useful life and defer more costly reconstruction. Approval of a five percent contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

## **BACKGROUND**

The Department of Transportation (DOT) annually schedules pavement maintenance sealing activities as part of the City's Pavement Maintenance Program. This year's Street Sealing 2008 Project will maintain approximately 35 miles of arterial streets throughout the City.

This contract, recommended for award, is for the repair work required prior to the sealing of the streets. Failed areas on the streets will be removed and replaced with new asphalt concrete (AC) material. The final sealing treatment will then occur through a subsequent contract scheduled to come forth to Council in May of 2008 with the final sealing commencing in July 2008.

Information provided by the City's Pavement Management System, by the public, during field investigations, and through reviews of upcoming developments and street-related projects is used to identify candidate streets for sealing. The final list of streets to receive sealing is established using the following criteria:

- Street Condition
- Streets due or past due for maintenance based on prescribed maintenance cycles
- Streets in suitable condition for sealing
- Streets with numerous maintenance requests
- Streets not affected by current or future street-related projects
- Continuity of street segments (create multiple, continuous segments)
- Appropriate distribution of street maintenance throughout the City

### ANALYSIS

Bids were opened on March 27, 2008 with the following results:

Contractor	City	Bid Amount	Variance Amount	Over/ Under Percent Engineer's Estimate
DeSilva Gates Construction L.P.	Dublin, CA	\$2,082,890	\$203,179	10.81% over
<b>Project Engineer's Estimate</b>		<b>\$1,879,711</b>		
O'Grady Paving Inc.	Mountain View, CA	\$1,849,350	\$30,361	1.62% under
G. Bortolotto & Company, Inc.	San Carlos, CA	\$1,827,730	\$51,981	2.77% under
RGW Construction Inc.	Livermore, CA	\$1,815,250	\$64,461	3.43% under
Granite Construction Company	Santa Clara, CA	\$1,733,430	\$146,281	7.78% under
Graniterock, Pavex Construction	San Jose, CA	\$1,698,695	\$181,016	9.63% under
C.F. Archibald Paving, Inc.	Redwood City, CA	\$1,665,180	\$214,531	11.41% under
Stevens Creek Quarry, Inc	Cupertino, CA	\$1,614,975	\$264,736	14.08% under
Top Grade Construction, Inc.	Livermore, CA	\$1,445,800	\$433,911	23.08% under

The low bid submitted by Top Grade Construction, Inc. is 23.08 % below the Engineer's Estimate. The bid is considered acceptable for the work involved in the project and Staff recommends that the construction contract be awarded to Top Grade Construction. The excellent pricing is attributed to a high level of competition for this work early in the street construction and paving season.

Council Policy provides for a standard contingency of five percent on public works projects involving street resurfacing and sealing. Staff considers the standard contingency appropriate for this project.

Construction is scheduled to begin in May 2008 and will be completed before the end of September 2008.

### **EVALUATION AND FOLLOW-UP**

The project is currently within budget and on schedule with a projected completion in September 2008. No additional follow up actions with the Council are expected at this time.

### **POLICY ALTERNATIVES**

Not applicable.

### **PUBLIC OUTREACH/INTEREST**

- Criterion 1:** Requires Council action on the use of public funds equal to \$1 million or greater. **(Required: Website Posting)**
- Criterion 2:** Adoption of a new or revised policy that may have implications for public health, safety, quality of life, or financial/economic vitality of the City. **(Required: E-mail and Website Posting)**
- Criterion 3:** Consideration of proposed changes to service delivery, programs, staffing that may have impacts to community services and have been identified by staff, Council or a Community group that requires special outreach. **(Required: E-mail, Website Posting, Community Meetings, Notice in appropriate newspapers)**

This project meets Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. To solicit contractors, this project was advertised in the *San Jose Post Record* and bid packages for this construction project were provided to various contractor organizations and builder's exchanges. In addition, this memorandum will be posted on the City's website for the April 29, 2008 Council Agenda.

When the project commences, the contractor, as stated in the specifications, will also provide advance notification regarding working hours, duration of project, and any appropriate lane closures to affected businesses and residents.

### **COORDINATION**

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

### **FISCAL/POLICY ALIGNMENT**

This project is consistent with the Council-approved Budget Strategy Economic Recovery section in that it will spur construction spending in our local economy.

### **COST IMPLICATIONS**

1. **COST OF PROJECT:**

Project Delivery/Development	\$250,000
Construction Contract	\$1,445,800
Contingency	<u>\$73,000</u>
<b>TOTAL PROJECT COSTS:</b>	<b>\$1,768,800</b>

2. **COST ELEMENTS OF CONSTRUCTION CONTRACT:**

Adjust Manhole, Valves, Monuments	\$19,050
Induction Traffic Loop Replacement	\$64,800
Remove and Replace AC Pavement	\$1,280,000
Temporary Striping/Markings	\$38,750
Police Traffic Control and Misc. Items	<u>\$43,200</u>
<b>TOTAL CONSTRUCTION CONTRACT COSTS:</b>	<b>\$1,445,800</b>

3. **SOURCE OF FUNDING:** 001 – General Fund

4. **FISCAL IMPACT:** The proposed operating and maintenance costs of this project have been reviewed and will have no significant impact on the General Fund operating budget.

**BUDGET REFERENCE**

The table below identifies the fund and appropriation proposed to fund the contract recommended as part of this memo, including project delivery, construction, and contingency costs.

Fund #	Appn #	RC #	Appn. Name	Total Appn	Amt. for Contract	2007-2008 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
001	6165	151319	Street Maintenance Repair	\$7,270,696	\$1,445,800	N/A	10/16/07 Ord. No. 28143
Total Current Funding Available =				\$7,270,696	\$1,445,800		

**CEQA**

Exempt, File No. PP04-039.

  
JAMES R. HELMER  
Director of Transportation

For questions please contact Amanda Lei, Acting Pavement Services Manager, at 277-5516.

## ATTACHMENT A

### REMOVE AND REPLACE ASPHALT CONCRETE PAVEMENT 2008

CD	STREET NAME	START LIMIT	END LIMIT	LENGTH (FT)
3	16TH ST N	BERRYESSA RD	E JULIAN ST	5280
3	18TH ST N	E HEDDING ST	E JULIAN ST	5090
4	1ST ST N NB	BROKAW RD	MONTAGUE EX	5280
4	1ST ST N NB	MONTAGUE EX	BAYPOINTE DR	4085
4	1ST ST N NB	BAYPOINTE DR	TASMAN DR	960
4	1ST ST N SB	TASMAN DR	MONTAGUE EX	4990
4	1ST ST N SB	MONTAGUE EX	BROKAW RD	5280
2	BRANHAM LN E	MONTEREY HY	555' E/MONTEREY HY	555
2	BRANHAM LN E	555' E/MONTEREY HY	1045'E/MONTEREY	490
2	BRANHAM LN E	1045'E/MONTEREY	BATTLE DANCE DR	4090
10	CALERO AV	BLOSSOM AV	CAHALAN AV	2793
6 and 9	CHERRY AV	LIVINGSTON AV	LOWELL LN	3450
9	CHERRY AV	LOWELL LN	FOXWORTHY AV	420
9	CHERRY AV	FOXWORTHY AV	SIETA CT	170
9	CHERRY AV	SIETA CT	HILLSDALE AV	810
9	CHERRY AV	HILLSDALE AV	BRYAN AV	2320
9	CHERRY AV	BRYAN AV	BRANHAM LN	2160
10	COLEMAN RD EB	ALMADEN EX	WINFIELD BL	1430
10	COLEMAN RD EB	WINFIELD BL	MIRACLE MTN DR	1360
10	COLEMAN RD EB	MIRACLE MTN DR	SANTA TERESA BL	1175
10	COLEMAN RD WB	SANTA TERESA BL	1270'W/SANTA TE	1270
10	COLEMAN RD WB	1270'W/SANTA TE	WINFIELD BL	1230
10	COLEMAN RD WB	WINFIELD BL	ALMADEN EX	1430
8	CUNNINGHAM AV	WHITE RD S	2111' W/WHITE RD	2000
8	CUNNINGHAM AV	2111' W/WHITE RD	3266' W/WHITE RD	1155
8	CUNNINGHAM AV	3266' W/WHITE RD	CAPITOL AV	375
5	FLEMING AV	STORY RD	CITY LIMIT	1400
6	FRUITDALE AV	BASCOM AV	SOUTHWEST EX	4000
6	FRUITDALE AV	SOUTHWEST EX	MERIDIAN AV	950
5	KARL ST	STORY RD	OCALA AV	3965
5	LEEWARD DR	OCALA AV	AMADOR DR	3825
5	LEEWARD DR	AMADOR DR	STORY RD	270
1	PAYNE AV	W SAN TOMAS EX	E SAN TOMAS AQU	3450
8	QUIMBY RD	WHITE RD	SAND POINT DR	2238
8	QUIMBY RD	SAND POINT DR	CAPITOL EX	1079
1	RAINBOW DR	JOHNSON AV	MILLER AV	2380
1	RAINBOW DR	MILLER AV	7213 RAINBOW DR	4520
1	RAINBOW DR	7213 RAINBOW DR	DE ANZA BLVD	850
7	SENER RD	CAPITOL EX	230'N/CAPITOL E	230
7	SENER RD	230'N/CAPITOL E	522'N/CAPITOL E	292
7	SENER RD	522'N/CAPITOL E	1120'N/CAPITOL	530
7	SENER RD	1120'N/CAPITOL	DADIS WY	1460
7	SENER RD	DADIS WY	BALFOUR DR	550
7	SENER RD	BALFOUR DR	810'N/BALFOUR	790
7	SENER RD	810'N/BALFOUR	END PG&E EASE	420
7	SENER RD	PG&E EASEMENT	TULLY RD	2430
3	STOCKTON AV	HY 17	UNIVERSITY AV	1560
3	STOCKTON AV	EMORY ST	ASBURY ST	440
3	STOCKTON AV	ASBURY ST	W TAYLOR ST	400
3	STOCKTON AV	W TAYLOR ST	VILLA AV	365
3	STOCKTON AV	VILLA AV	LENZEN AV	1390
3	TAYLOR ST W	COLEMAN AV	ANITA ST	1930
3	TAYLOR ST W	ANITA ST	GUADALUPE PY	805
3	TAYLOR ST W	GUADALUPE PY	N 1ST ST	1165