



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: James R. Helmer

**SUBJECT: STREET RESURFACING 2007
BACKLOG REDUCTION
PROJECT - PHASE 2**

DATE: 06-04-07

Approved

Date

6/8/07

COUNCIL DISTRICT: 1,2,5,6,8,9,10

RECOMMENDATION

Report on bids and award of contract for the Street Resurfacing 2007 Backlog Reduction Project – Phase 2 to the low bidder O’Grady Paving, Inc., in the amount of \$6,806,200, and approval of a 5% contingency in the amount of \$340,000.

OUTCOME

Approval of this construction contract to O’Grady Paving, Inc., will allow for approximately 14 miles of City streets to be resurfaced. Resurfacing these streets will improve their structure and ride quality and extend the useful life of the streets in order to 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

Over the last several years, the Department of Transportation has been investigating innovative ways to incorporate environmentally friendly products and processes into the Pavement Maintenance Program that would also help address the backlog list of streets in need of resurfacing. Last year, staff performed a pilot project that utilized a “two layer” rubberized treatment system. This treatment places an approximate two-inch layer of rubberized asphalt concrete (RAC) on top of a rubberized aggregate seal coat. The initial operational, environmental, and cost benefit analysis results were favorable. Because of the favorable results, 14 miles of streets in poor condition has been identified to receive this treatment under this contract. In addition, the use of recycled rubber tires in this project qualifies it for a grant from the California Integrated Waste Management Board (CIWMB). Staff is pursuing the grant opportunity for this project.

Information provided by the City’s computerized 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 this resurfacing project. The final list of streets is established using the following criteria:

- Street condition.
- Streets due or past due for maintenance based on prescribed maintenance cycles (eight-year cycle for arterial/collector streets and ten-year cycle for residential streets).
- Streets with numerous maintenance requests.
- Streets not affected by current or future street-related projects.
- Continuity of street segments (create multiple, continuous segments, joint jurisdiction work).
- Appropriate distribution of street maintenance throughout the City.

Attachment A contains the list of streets designated to receive treatment. This list of streets is also referred to in the Information Memo sent to Council back in March 2007. It should be noted that the list could be slightly altered as unforeseen circumstances arise or new information regarding other street-related projects becomes available.

ANALYSIS

Bids were opened on April 12, 2007 with the following results:

Contractor	City	Bid Amount	Variance Amount	Over/ Under Percent Engineer's Estimate
O’Grady Paving, Inc.	Mountain View, CA	\$6,806,200	\$49,270	0.7% over
Granite Construction Co.	Watsonville, CA	\$6,829,770	\$72,840	1.1% over
Granite Rock Co., DBA Pavex Construction Division	San Jose, CA	\$7,261,965	\$505,035	7.5% over
C. F. Archibald Paving, Inc.	Redwood City, CA	\$7,378,220	\$621,290	9.2% over
Project Engineer’s Estimate		\$6,756,930		

The low bid submitted by O’Grady Paving, Inc. is 0.7 percent above 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 O’Grady Paving, Inc.

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 August 2007 and is planned to be completed before the end of the fiscal year.

POLICY ALTERNATIVES

Not applicable.

PUBLIC OUTREACH/INTEREST

- ✓ **Criteria 1:** Requires Council action on the use of public funds equal to \$1 million or greater; **(Required: Website Posting)**
- Criteria 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)**
- Criteria 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 item meets criteria 1: Requires Council action on the use of public funds equal to \$1 million or greater. 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 this construction project were also provided to various contractor organizations and builders' exchanges.

This award memo will be posted on the City's website for the June 26, 2007 Council Agenda.

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

COORDINATION

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

FISCAL/POLICY ALIGNMENT

This project is consistent with the Council-approved Budget Strategy Economic Recovery sections in that it will spur construction spending in our local economy. The project is also consistent with the Council-approved Budget Strategy General Principles section in that it protects vital core City services.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT:		
Project Delivery/Development		\$ 950,000
Construction Contract		\$ 6,806,200
Contingency		\$ 340,000
	TOTAL PROJECT COSTS:	\$ 8,096,200

2. COST ELEMENTS OF CONSTRUCTION CONTRACT:		
Adjust Manhole, Valves, Monuments		\$ 180,935
Induction Traffic Loop Replacement		\$ 13,500
Rubber Asphalt Pavement and Sealing		\$ 5,472,700
Concrete Work		\$ 892,000
Traffic Striping/Markings		\$ 88,745
Police Traffic Control and Misc. Items		\$ 158,320
	TOTAL CONSTRUCTION CONTRACT COSTS:	\$ 6,806,200

3. SOURCE OF FUNDING:	465 – Construction Excise Tax Fund
	001 – General Fund

4. FISCAL IMPACT: This project has no net operating and maintenance costs to the General Fund.

BUDGET REFERENCE

Fund #	Appn #	RC#	Appn. Name	Total Appn	Amt. for Contract	2007-2008 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
Total Project Costs				\$ 8,096,200			
465	6123	056423	Street Maintenance	\$ 3,300,000	\$ 2,906,200	V-884	N/A
001	4543	TBD	Maintenance Backlog – Street Resurfacing	\$ 3,900,000	\$ 3,900,000	V-878	N/A
001	0511	162450	Personal Services – Department of Transportation	\$20,076,763	\$0	N/A	N/A
Total Current Funding Available				\$ 27,276,763	\$ 6,806,200		

CEQA

Exempt, File No. PP06-066.


 JAMES R. HELMER
 Director of Transportation

For questions please contact Amanda Lei, Associate Engineer, at 277-5516.

Attachment

ATTACHMENT A

STREET RESURFACING BACKLOG REDUCTION PROJECT - PHASE 2

CD	STREET NAME	FROM	TO	LENGTH (FT)
2	ARBOR VALLEY DR	VINEYARD DR	MUSCAT DR	1515
2	ARBOR VALLEY PL	S END	ARBOR VALLEY DR	116
10	BIG TALK CT	FIREFLY DR	W END	346
6	BROADWAY AV	LINCOLN AV	COE AV	1840
6	BROADWAY CT	BROADWAY AV	E END	161
1	CENTENNIAL CT	S END	WALBROOK DR	116
6	CHERRY AV	1540'N/CURTNER	DRY CREEK RD	525
6	CHERRY AV	CURTNER AV	1540'N/CURTNER	1635
6	COTTLE AV	PINE AV	CURTNER AV	3490
1	COUNTESS DR	LOCKHAVEN WY	DI NAPOLI DR	1950
6	CRESTMONT DR	HARRIS AV	WESTPARK DR	1010
1	DEERFIELD DR	PILGRIM AV	WELLFLEET WY	620
1	DI NAPOLI DR	RAINBOW DR	HYDE AV	1965
6	DRY CREEK RD	CHERRY AV	COTTLE AV	1320
1	EMPRESS CT	W END	DI NAPOLI DR	251
1	FAIRFORD CT	N END	FAIRFORD WY	131
1	FAIRFORD WY	FRIAR WY	LITTLEJOHN WY	1085
10	FARM HILL WY	CLOVERBROOK DR	LILLIAN WY	1290
10	FIREFLY DR	BUTTERFLY DR	NANCARROW WY	1090
8	FLINT AV	865'S/MARTEN AV	GULUZZO DR	1055
8	FLINT AV	KOHLER AV	VISTA VERDE DR	565
8	FLINT AV	MARTEN AV	865'S/MARTEN AV	900
1	FRIAR CT	S END	FRIAR WY	131
1	FRIAR WY	LITTLEJOHN WY	JOHNSON AV	1270
6	GEORGETTA DR	MARQUE AV	BOOKSIN AV	620
9	GLADYS WY	LEIGH AV	SCHUBERT AV	290
6	GLENKIRK CT	GLENKIRK DR	E END	151
6	GLENKIRK DR	MERIDIAN AV	MAYKIRK RD	1640
1	GODDESS CT	W END	DI NAPOLI DR	251
10	GOLDEN OAK WY	CASTELLO DR	MCABEE RD	1215
9	GUNAR DR	SHULMAN AV	PRICE WY	1250
1	HARLAN CT	S END	HARLAN DR	131
1	HARLAN DR	BOLLINGER RD	TOMPKINS DR	1615
9	HARRIS AV	GUNAR DR	LEIGH AV	585
9	HARRIS AV	NEW JERSEY AV	W END	711
6	HESTER AV	DANA AV	W SAN CARLOS AV	1865
5	HILLMONT AV	OCALA AV	TANGLEWOOD DR	1695
10	INDIAN AV	BRIARCLIFF	BLOSSOM HILL RD	2060
9	KAYLA CT	N END	SHULMAN AV	326
9	LA CON CT	N END	SURREY PL	336
1	LITTLEJOHN WY	COUNTESS DR	FRIAR WY	670
1	LOCKHAVEN WY	COUNTESS DR	FRIAR WY	720
10	MENLO DR	TAMALPAIS AV	ALMADEN DR	690
10	MT FOREST DR	MT CARMEL DR	CAMDEN AV	635
10	MT ROYAL DR	ALMADEN RD FRT	MT CARMEL DR	1195

CD	STREET NAME	FROM	TO	LENGTH (FT)
10	MT WELLINGTON DR	MT ROYAL DR	ALMADEN RD FRT	1300
6	OLIVE DR	HESTER AV	WABASH AV	625
9	PAULINE DR	DRY CREEK RD	HARRIS AV	1195
1	PAYETTE CT	S END	WALBROOK DR	186
1	PILGRIM AV	DEERFIELD DR	TARTARIAN WY	560
1	PROVINCE TOWN DR	WELLFLEET WY	N/S PILGRIM AV	585
1	PROVINCETOWN DR	PILGRIM AV	PROSPECT RD	290
1	ROYAL ANN DR	PETAL WY	TARTARIAN WY	800
9	SCHUBERT AV	GLADYS WY	HARRIS AV	630
9	SHULMAN AV	LEIGH AV	NEW JERSEY AV	1680
5	SUNSHADOW LN	CORNWALL DR	MURTHA DR	1130
9	SURREY PL	W END	BASCOM AV	546
7	SYLVANDALE AV	BRIDGE	KAUAI	1070
5	TANGLEWOOD DR	MCGINNESS AV	HILLMONT AV	450
1	TOMPKINS DR	STRAYER DR	HYDE AV	890
6	TOPEKA AV	HADLEY AV	FOREST AV	1870
10	VIA VALIENTE	ALMADEN EX	BRET HARTE DR	880
10	VIA VALIENTE	BRET HARTE DR	CAMDEN AV	1960
1	WALBROOK DR	JOHNSON AV	PETAL WY	1545
1	WALBROOK DR	PETAL WY	MILLER AV	885
1	WELLFLEET WY	TARTARIAN WY	DEERFIELD DR	550
6	WESTWOOD DR	WILLOW ST	MERIDIAN AV	895
1	WHITE CLIFF DR	MILLER AV	BALSAMO DR	890
1	WHITEOAK DR CUL DE SAC	WHITEOAK DR	E END	111