



COUNCIL AGENDA: 06-27-06
ITEM: 2.37

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
Larry D. Lisenbee

SUBJECT: SEE BELOW

DATE: 06-05-06

Approved

Deanna Andrade

Date

6/11/06

COUNCIL DISTRICT: 3 & 6

SNI AREA: Burbank/Del Monte &
Delmas Park

SUBJECT: ADOPTION OF 2006-2007 ORDINANCE AMENDMENTS AND FUNDING SOURCES RESOLUTION AMENDMENTS IN THE SERVICES FOR REDEVELOPMENT CAPITAL PROJECTS FUND (CITY-SIDE REDEVELOPMENT FUND) IN THE AMOUNT OF \$1,443,455 AND AWARD OF CONTRACT FOR THE BURBANK/DEL MONTE & DELMAS PARK PEDESTRIAN IMPROVEMENTS PROJECT.

RECOMMENDATION

- a. Report on bids and award of contract for the Burbank/Del Monte & Delmas Park Pedestrian Improvements Project to the low bidder, Wattis Construction Co. Inc., in the amount of \$1,215,955, and approval of a contingency in the amount of \$83,500.
- b. Adoption of the following 2006-2007 Appropriation Ordinance and Funding Sources Resolution Amendments in the Services for Redevelopment Capital Projects Fund:
 1. Increase the estimate for Earned Revenue by \$1,443,455.
 2. Increase the appropriation to the Public Works Department for the Scott Street Streetscape project (PSM #407, Amendment 1) by \$486,830.
 3. Increase the appropriation to the Public Works Department for the Auzerais Streetscape project (PSM #406, Amendment 1) by \$382,925.
 4. Increase the appropriation to the Public Works Department for the Delmas Park-Sidewalks project (PSM #354, Amendment 1) by \$573,700.

CEQA: Negative Declaration, PP05-296.

OUTCOME

Award of this construction contract to Wattis Construction Co. Inc., will enable the Burbank/Del Monte & Delmas Park Pedestrian Improvements Project to proceed. Approval of the seven percent contingency will allow funding for any unanticipated work necessary for the proper completion or construction of the Project. Adoption of the appropriation ordinances and funding sources resolutions concurrent with the award of contract will provide additional funding needed to construct this project.

EXECUTIVE SUMMARY

This project includes streetscape improvements in two different SNI Areas, as one of their top ten priorities: Burbank/Del Monte & Delmas Park. The improvements include pedestrian scale streetlights, curb ramps, street tree planting and sidewalk replacement, to create a pedestrian thoroughfare to downtown San José from the western direction. These bids were opened on March 23, 2006 and the low bidder was Wattis Construction, Inc. in the amount of \$1,215,955. Staff considers this reasonable for the work involved, and therefore recommends that award of this contract with a seven percent contingency. The concurrent appropriation of the additional funding required for the construction of this project is also included with the award of this project. The pedestrian scale streetlights requested by the SNI and proposed for the project are High Pressure Sodium (HPS). The City Lighting Policy limits the use of HPS lighting to the downtown. However, approval of a General Plan Amendment to allow HPS on pedestrian corridors outside the downtown is scheduled for the June 20, 2006 Council meeting for Council's consideration that would provide the necessary approval for the HPS lighting proposed with this project.

BACKGROUND

The Burbank/Del Monte & Delmas Park Streetscape Improvements Project encompasses the construction of improvements at three different project areas (see attached maps), with separate funding sources. The project areas are located along Scott Street and Auzerais Avenue, which have been identified as pedestrian thoroughfares to downtown San José from the western direction. This project will provide improvements to enhance the existing sidewalks in these areas for pedestrians. The three project areas were incorporated into one bid set to provide a consistent design and to reduce project delivery costs.

The Burbank/Del Monte Strong Neighborhood Initiative (SNI) Area Plan has identified pedestrian scale streetlights, curb ramps and street tree plantings as one of its top ten priorities. These improvements, as well as curb repair and the installation of additional storm drainage on Hannah Street shall be provided with this project, in project areas nos. 1 and 2. The Neighborhood Advisory Committee (NAC) has subsequently identified its preference for HPS

streetlighting. A City-Initiated General Plan Text Amendment is currently scheduled for the June 20, 2006 Council meeting for Council's consideration to revise City Council Policy 4-2 *Streetlight Conversion* and make associated changes to the General Plan to allow up to 300 HPS lights along designated public streets identified as Pedestrian Corridors in adopted Neighborhood Improvement Plans completed for the Strong Neighborhoods Initiative (SNI) Redevelopment Project Area. If approved by Council, the Council Policy change would take effect immediately and the associated General Plan text change would be effective 30 days later.

The Delmas Park SNI Area Plan has identified the repair and reconstruction of sidewalks as its top priority. The expansive clay soils found in this area have led to settlement of the sidewalk in the Delmas Park project area. Tree wells will be added for future street plantings by the neighborhood. These improvements, as well a storm drainage system for Illinois Avenue shall be provided with this project.

The scope of work for the Burbank/Del Monte & Delmas Park Pedestrian Improvements Project consists of the demolition of street and sidewalk pavement, construction of standard wheel chair ramps, sidewalks, curb and gutters, storm drainage, 43 HPS pedestrian scale streetlights on Scott Street and 26 HPS pedestrian scale streetlights on Auzerais Avenue and installation of import topsoil and street tree planting. The project includes removal of soil, demolition and removal of street and sidewalk paving, grading, concrete and asphalt paving work, electrical service connections, trenching for conduits, electrical work and landscaping.

Construction is scheduled to begin in August with completion in December 2006.

ANALYSIS

Bids were opened on March 23, 2006 with the following results:

<u>Contractor</u>	<u>Bid Amount</u>	<u>Variance Amount</u>	<u>Over/(Under) Percent</u>
Joseph J. Albanese, Inc. (Santa Clara)	\$1,568,581	\$166,081	12
O'Grady Paving, Inc. (Mountain View)	1,508,508	106,008	8
Sposeto Engineering, Inc. (Union City)	1,421,644	19,144	1
Engineer's Estimate	1,402,500	---	---
Wattis Construction Company, Inc. (San José)	1,215,955	(186,545)	(13)

The low bid submitted by Wattis Construction Company, Inc. is 13 percent below the Engineer's Estimate. Staff considers this reasonable for the work involved. The lower-than-estimated bid can be attributed to a competitive bidding environment.

Council Policy provides for a standard contingency of five percent on public works street projects, and increases this standard up to ten percent for public works projects involving utilities. However, on this project a contingency of seven percent is being requested because of the older condition of the streets in the project areas, which increases the likelihood of additional utility replacement. The funds budgeted for this project are sufficient to provide for the recommended contingency.

ALTERNATIVES

The award of this project to the low bidder is required to occur within 120 days after the opening of bids. Therefore, the Council meeting on June 27, 2006 is the last such date that the bid can be awarded to Wattis Construction, Inc. In the event that the City Council does not approve the General Plan Text Amendment on June 20, 2006 and revise the City Council Policy 4-2 *Streetlight Conversion* to allow up to 300 HPS lights along designated public streets identified as Pedestrian Corridors, the pedestrian scale street lighting proposed for this project will have to be redesigned for low pressure sodium in compliance with the current City policy and the project would then be rebid. Additional funding for project delivery will be required to revise the design and construction costs maybe higher due to inflation.

PUBLIC OUTREACH

Meetings were held on September 22, 2005 and September 27, 2005 with the Burbank/Del Monte & Delmas Park SNI Neighborhood Advisory Committee (NAC), and on August 8, 2005 with the Delmas Park NAC, to gather its input on the design development plans. Additionally, 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 San José Redevelopment Agency, the Departments of Planning, Building and Code Enforcement, Transportation and Finance and the City Attorney's Office.

COST IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$1,215,955
2. COST OF PROJECT:
Project Delivery

AREA #1 – Scott Street Streetscape	\$136,000	
AREA #2 – Auzerais Streetscape	105,000	
AREA #3 – Delmas Park Sidewalk Imp	180,000	
Total Project Delivery		\$421,000 *
Construction Contract		
AREA #1 – Scott Street Streetscape	391,830	
AREA #2 – Auzerais Streetscape	303,925	
AREA #3 – Delmas Park Sidewalk Imp	<u>520,200</u>	
Total Construction		1,215,955
Utility Connection Fees		
AREA #1 – Scott Street Streetscape	5,000	
AREA #2 – Auzerais Streetscape	<u>5,000</u>	
Total Utility Connection Fees		\$10,000
Contingency		
AREA #1 – Scott Street Streetscape	\$29,000	
AREA #2 – Auzerais Streetscape	21,000	
AREA #3 – Delmas Park Sidewalk Imp	<u>33,500</u>	
Total Contingency		83,500
		1,730,455
Prior Year Expenditures		187,000
TOTAL PROJECT COSTS		\$1,543,455

* Project delivery includes \$264,000 for Design Services and \$157,000 for Construction Management and Inspection Services.

3. SOURCES OF FUNDING: 450 - Services for Redevelopment Capital Projects Fund
413 – Storm Drainage Fee 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. The street lighting and street trees installed with this project will require approximately \$10,000 in annual operating and maintenance costs, beginning in 2006-2007.

BUDGET REFERENCE

Fund #	Appn #	Appn. Name	Total Appn.	Amt For Contract	2006-2007 Proposed Capital Budget (Page)	Last Budget Action (Date, Ord. No.)
Remaining Project Costs			\$1,543,455			
Current Funding Available						
413	4272	Miscellaneous Projects	\$100,000*	\$67,500	V-106	10/18/05, 27580
Total Current Funding Available			\$100,000	\$67,500		
Additional Funding Recommended						
450	5023	Scott Street Streetscape PSM 407, Amendment 1	\$486,830	\$391,830	TBD	TBD
450	5005	Auzerais Streetscape PSM 406, Amendment 1	\$382,925	\$303,925	TBD	TBD
450	4605	Delmas Park Sidewalk PSM 354, Amendment 1	\$573,700	452,700	TBD	TBD
Total Additional Funding Recommended			\$1,443,455	\$1,148,455		
Total Funding for Project			\$1,543,455	\$1,215,955		

* \$100,000 of the \$604,000 of Miscellaneous Projects would be allocated to this project for the construction of storm drainage improvements on Illinois Avenue.

CEQA

CEQA: Negative Declaration, File # PP05-296, dated March 2006


 KATY ALLEN
 Director, Public Works Department


 LARRY D. LISENBEE
 Budget Director

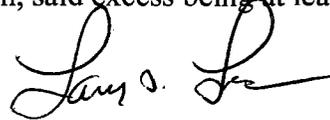
HONORABLE MAYOR AND CITY COUNCIL

06-05-06

Subject: Burbank/Del Monte & Delmas Park Pedestrian Improvements Project

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I hereby certify that there will be available for appropriation in the Services for Redevelopment Capital Projects Fund (City-side Redevelopment Capital Fund) in the Fiscal Year 2006-2007 moneys in excess of those heretofore appropriated therefrom, said excess being at least \$1,443,455.



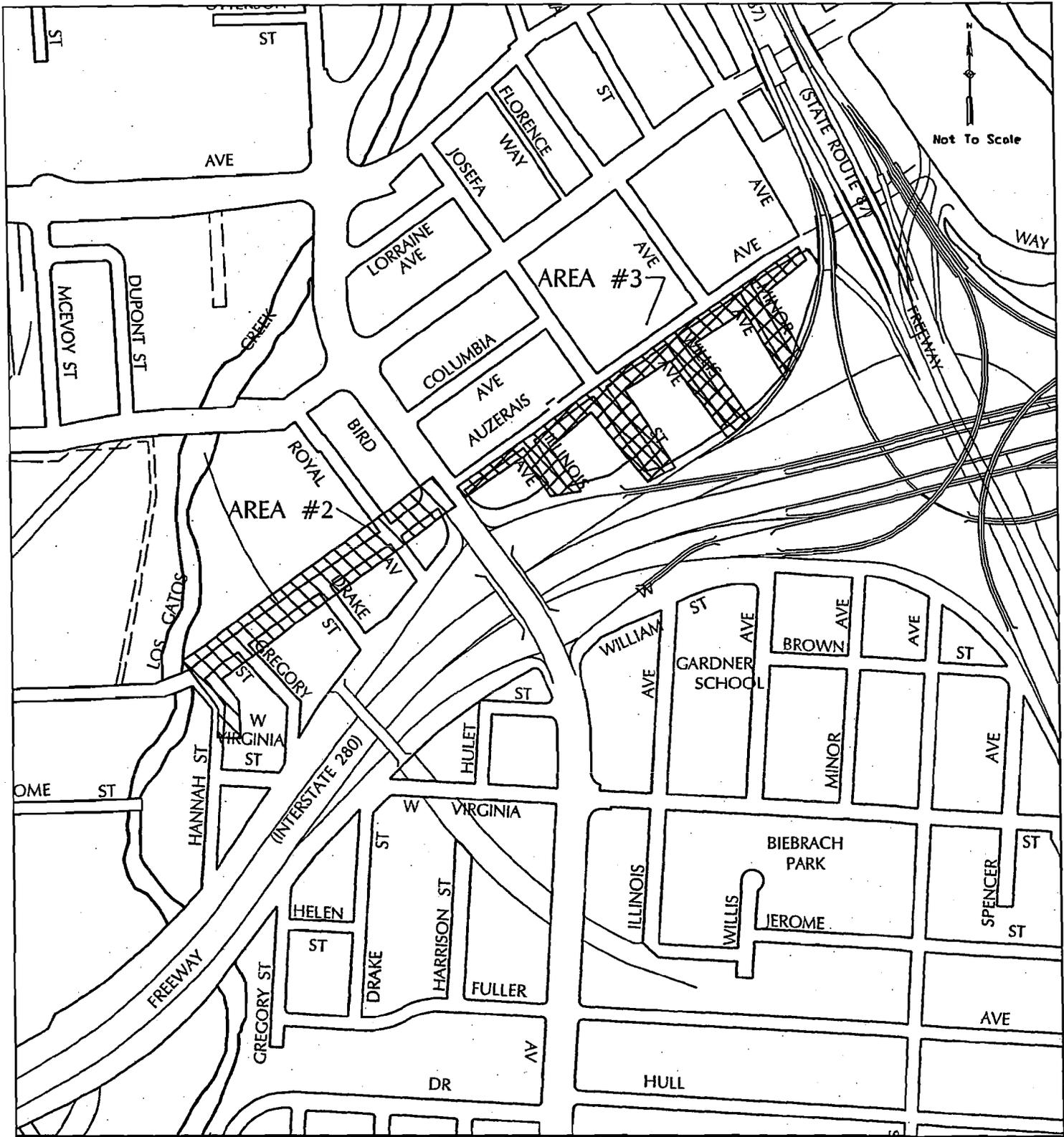
LARRY D. LISENBEE
Budget Director

For questions please contact DAVID SYKES, ASSISTANT DIRECTOR, PUBLIC WORKS DEPARTMENT, at (408) 535-8300.

PD:sp:gw

Attachment

gw020806M.BurbankDelMonteDelmas.doc/LA



BURBANK/DEL MONTE AND DELMAS PARK SIDEWALK & PEDESTRIAN LIGHTING PROJECT
 AREAS #2&3

9/7/05