

COUNCIL AGENDA: 6-24-08
ITEM: 2.40

Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen

SUBJECT: SILVER CREEK VALLEY ROAD
PAVEMENT RESURFACING/
REHABILITATION PROJECT

DATE: 06-02-08

Approved

Date

6/5/08

COUNCIL DISTRICT: 8

RECOMMENDATION

Report on bids and take appropriate action based on the evaluation of bids for the Silver Creek Valley Road Pavement Resurfacing/Rehabilitation Project.

OUTCOME

Award of the construction contract will enable the Silver Creek Valley Road Pavement Resurfacing/Rehabilitation Project to proceed with the resurfacing and rehabilitation of Silver Creek Valley Road between Hellyer Avenue and Yerba Buena Road. Resurfacing and rehabilitation of Silver Creek Valley Road will repair existing deterioration of the roadway, improve the ride quality, and extend the useful life of the street. In addition, the project will be utilizing Rubberized Asphalt Concrete for resurfacing of the entire roadway. Rubberized Asphalt Concrete (RAC) utilizes scrap tires as part of the asphalt concrete mix. RAC is environmentally friendly, and consistent with the City of San Jose's Green Vision for recycling and diverting waste from our landfills.

Approval of the contingency amount will allow funding for unanticipated work necessary for the proper completion or construction of the Project.

BACKGROUND

On June 26, 1990, the City Council approved Resolution 62365 to form Integrated Finance District No. 88-203SJ, Silver Creek Development. The District was funded by collection of assessments from 1,550 single family residential units in the Silver Creek Development, plus additional contingent assessments from residential units outside of the Silver Creek Development boundary. The contingent assessments were approved to be used for additional public improvements in the District, including the construction of Silver Creek Valley Road from Hellyer Avenue at Fontanoso Road to Yerba Buena Road.

Silver Creek Valley Road was designed to accommodate residential traffic. As anticipated, the pavement has deteriorated at an accelerated rate due to construction traffic associated with the development of the 1,550 residential units, and the contingent properties. Therefore, the funds from the contingent liens were retained to resurface the road upon completion of the residential buildout. This project will resurface and rehabilitate a portion of Silver Creek Valley Road within the boundaries of the Integrated Finance District, specifically Hellyer Avenue and Yerba Buena Road, in order to return it to its original condition.

Construction will begin in August 2008 with beneficial use expected in January 2009.

ANALYSIS

A supplemental memo will be provided after bids are opened on May 29, 2008.

Council Policy provides for a standard contingency of five percent on public works project involving roadway construction. The standard contingency is appropriate for this type of project.

EVALUATION AND FOLLOW-UP

Performance condition measures reported through the Transportation and Aviation City Service Area will reflect the improved pavement condition of Silver Creek Valley Road as part of this project. No additional follow up actions with the Council are expected at this time.

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 item meets the Criterion 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 all Department of Public Works construction projects are provided to various contractor organizations and builder's exchanges. This memorandum will be posted on the City's website for the June 24, 2008 Council agenda.

COORDINATION

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

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 SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION: \$2,983,235 (Engineer's Estimate)

| | |
|---|--------------------|
| Project Delivery | \$803,778 |
| Construction | \$2,983,235 |
| Contingency (5%) | \$149,162 |
| Total Project Cost | \$3,936,175 |
| Expenditures-to-date (as of May 27, 2008) | <u>\$132,774</u> |
| Remaining Project Cost | \$3,803,401 |

2. COST ELEMENT OF CONSTRUCTION CONTRACT:

| | |
|---|--------------------|
| Adjustment of Utilities | \$160,800 |
| Rehabilitation of Pavement | \$226,810 |
| Rubberized Asphalt Concrete Resurfacing | \$2,360,850 |
| Concrete Work | \$40,600 |
| Traffic Striping and Pavement Marking | \$72,075 |
| Miscellaneous Items of Work | <u>\$122,100</u> |
| Total Engineer's Estimate | \$2,983,235 |

3. SOURCE OF FUNDING: 695 – City Engineering

4. OPERATING COSTS: 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 and remaining project costs, including project delivery, construction, and contingency costs.

| Fund # | Appn # | RC# | Appn. Name | Total Appn. | Amt. for Contract | 2008-2009 Proposed Capital Budget Page | Last Budget Action (Date, Ord. No.) |
|--|--------|--------|------------------|-------------|-------------------|--|-------------------------------------|
| Remaining Project Costs | | | | \$3,803,401 | | | |
| Current Funding Available | | | | | | | |
| 695* | 4396 | 045583 | City Engineering | \$3,803,401 | \$2,983,235 | NA | NA |
| Total Current Funding Available | | | | \$3,803,401 | \$2,983,235 | | |

*This fund does not appear in the Capital Improvement Project Budget document because it is not a budgeted fund but an Assessment District Fund.

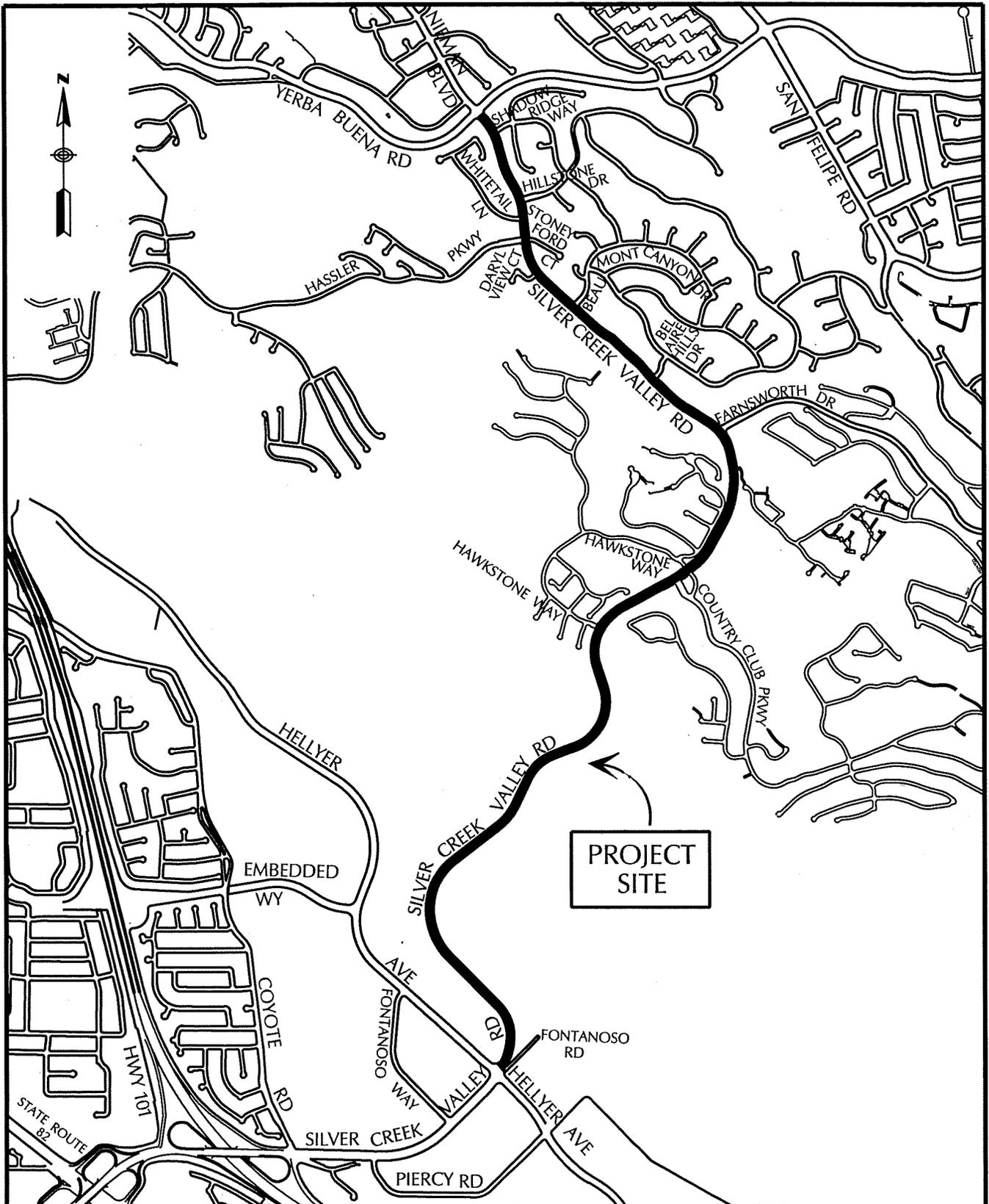
CEQA

CEQA: Exempt, PP06-066.

KATY ALLEN
 Director, Public Works Department

For questions please contact TIMM BORDEN, DEPUTY DIRECTOR, at 408-535-8300.

PD:HS:ew
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Silver Creek Valley Road Resurfacing Project
 (from Yerba Buena Road to Hellyer Avenue)

LOCATION MAP
 NOT TO SCALE

