



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Katy Allen  
James R. Helmer

**SUBJECT:** OAKLAND ROAD WIDENING  
PROJECT (SEGMENT 1 & 2)

**DATE:** 06-02-08

Approved

Date

6/9/08

**COUNCIL DISTRICT:** 4

## RECOMMENDATION

Approval of an increase of the construction contingency for the Oakland Road Widening Project (Segment 1 & 2) from \$129,000 to \$168,000.

## OUTCOME

Approval of the increase in construction contingency will allow the City to compensate the contractor for the incurred cost of the additional scope of work required to complete the project.

## BACKGROUND

On November 15, 2005, Council awarded the construction contract for the Oakland Road Widening Project (Segment 1 & 2) to Top Grade Construction, Inc. in the amount of \$2,568,669 and authorized a construction contingency amount of \$129,000.

This project widened Oakland Road from Commercial Street to Montague Expressway to accommodate six traffic lanes and a bike lane in both directions (map attached). There are two railroad crossings located within the project limits that had to be modified by Union Pacific Railroad (UPRR) to accommodate the widening. This also included relocation of PG&E facilities. During the preparation of the construction documents, staff decided not to include roadway improvements adjacent to the railroad facility as part of the scope to ensure that the project would proceed smoothly and avoid potential delay and claim from the contractor if UPRR and PG&E were not able to accomplish their work in a timely manner. This roadway work was planned to be completed by City forces instead.

## ANALYSIS

In October 2006, UPRR and PG&E completed their work. At that time, City forces were not available to perform the work as planned due to resource availability, so staff negotiated with Top Grade Construction for the inclusion of the extra work in their project. By adding this work,

the City was able to widen the entire segment of Old Oakland Road from Montague Expressway to Commercial Street in a timely and cost effective manner.

The scope of the work includes excavation of the existing pavement, the construction of new concrete median islands, and the installation of a new asphalt pavement section. The additional cost incurred for these extra works requires the extension of contract quantities and the increase of the contingency amount.

All construction work for this project was completed in June 2007. Portions of the requested work were done by force account and required labor and material documentation from the contractor, which was submitted in February 2008. Staff has evaluated the submittal and agrees that \$39,000 is owed to the contractor for this extra work.

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

This project is completed and no additional action by the Council is expected to be required.

### **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)**

Approval of the recommended action does not meet any of the criteria identified by the Sunshine Reforms Work Plan. This memorandum will be posted to the City's website for the June 24, 2008 Council agenda.

**COORDINATION**

This project and memorandum have been coordinated with Planning, Building and Code Enforcement, 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/IMPLICATIONS**

1. AMOUNT OF RECOMMENDATION: \$39,000
 

Original Construction Contract	\$2,568,669
Additional Encumbrance for the Extension of Quantities	269,483
Contract Change Orders 1 thru 3	128,190
Pending Contract Change Orders	<u>39,000</u>
TOTAL CONSTRUCTION CONTRACT	\$3,005,342
  
2. SOURCE OF FUNDING: 429 - Building and Structure Construction Tax Fund
  
3. OPERATING COSTS: Review of the project determined no significant adverse 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.

Fund	Appn #	RC #	Appn. Name	Total Appn	Amt. for Contract	2007-2008 Adopted Capital Budget(Page)	Last Budget Action (Date, Ord. No.)
429	6339	059585	Oakland Road: Route 101 to Montague	\$127,000	\$39,000	N/A	02/12/2008 Ord No. 28241
Total Current Funding Available				\$127,000			

HONORABLE MAYOR AND CITY COUNCIL

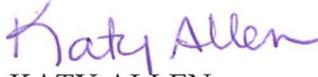
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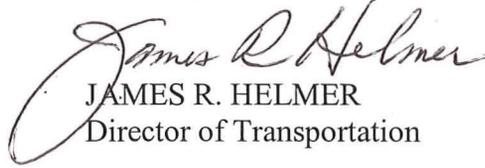
**CEQA**

CEQA: Mitigated Negative Declaration, PP03-06-209.



KATY ALLEN

Director, Public Works Department



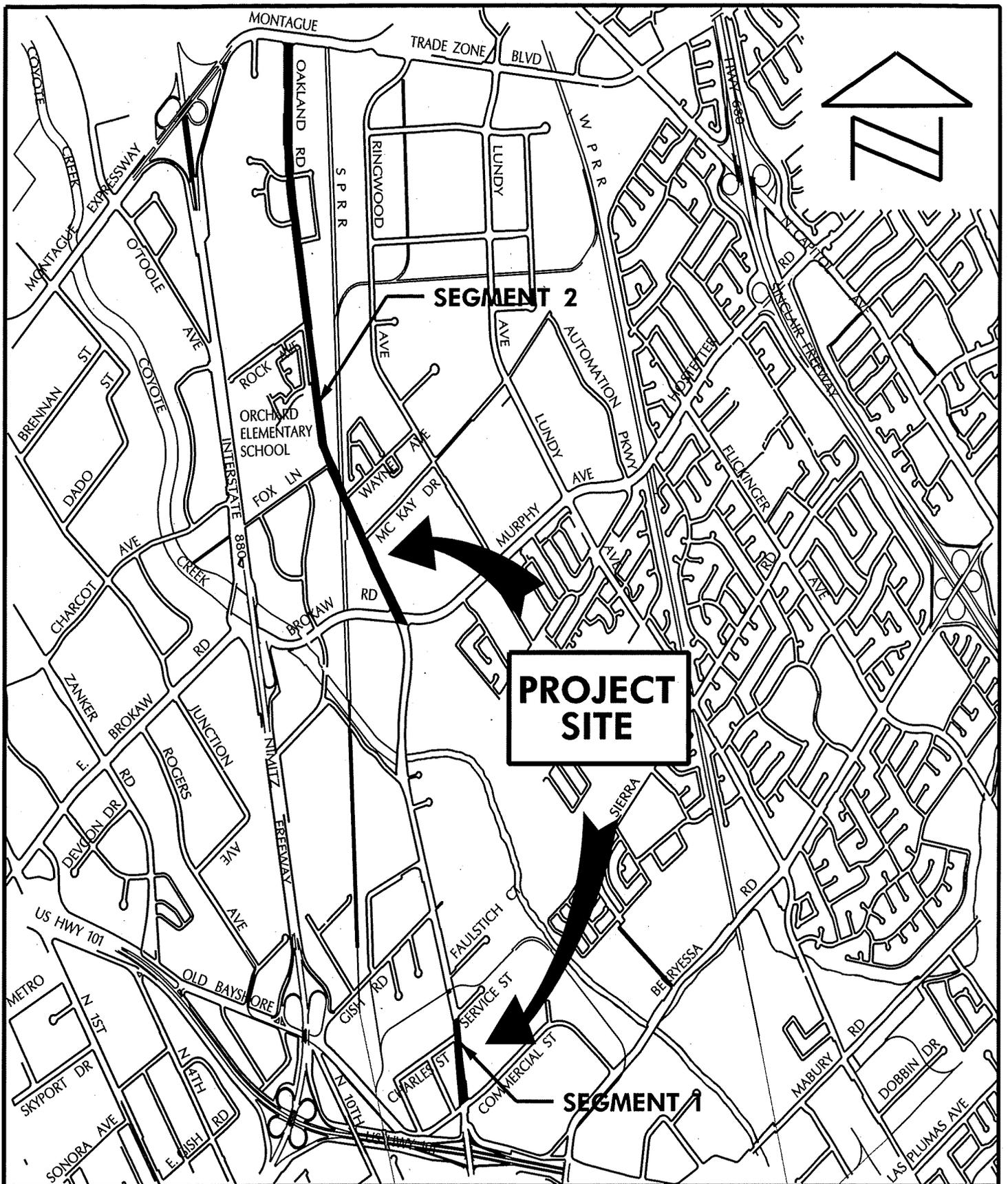
JAMES R. HELMER

Director of Transportation

For questions please contact TIMM BORDEN, DEPUTY DIRECTOR, PUBLIC WORKS DEPARTMENT, at (408) 535-8300.

PD:HS:ew

(jt051508CM.OaklandRoad.doc/Elec)



**LOCATION MAP**

NOT TO SCALE

OAKLAND ROAD WIDENING PROJECT (SEGMENT 1 & 2)

CITY OF SAN JOSE

DEPARTMENT OF PUBLIC WORKS

