



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
James R. Helmer

SUBJECT: LEIGH AVENUE AND STORY
ROAD RESURFACING PROJECT
(PROPOSITION 1B FUNDED)

DATE: 06-08-09

Approved

Date

6/11/09

COUNCIL DISTRICTS: 5, 7, & 9

RECOMMENDATION

Adoption of a resolution authorizing the Director of Public Works to award the construction contract for the Leigh Avenue and Story Road Resurfacing Project to the lowest responsive bidder, and approve a five percent contingency in an amount not to exceed the funds appropriated for the project.

OUTCOME

Adoption of a resolution authorizing the Director of Public Works to award the project to the lowest responsive bidder will enable the project to proceed as scheduled and take advantage of the summer season required for good asphalt paving. Approval of a five percent contingency will allow funding for any unanticipated work necessary for the completion of the project.

BACKGROUND

In the June Budget Message for Fiscal Year 2008-2009, the Mayor's Office recommended an allocation of \$2,500,000 in one-time funding to the Department of Transportation for the resurfacing of Leigh Avenue and Story Road. The funding was approved by Council and adopted into the 2008-2009 CIP budget. Due to significant revenue reductions in the Traffic Capital Budget and the need to generate savings, this funding was approved by Council for removal during the Mid-Year Budget Adjustments.

In December 2008, the State of California called for pavement maintenance related projects and allocated \$14.5 million of the State's Proposition 1B funds to the City of San José. In addition to a residential resurfacing project and a slurry sealing project, the City's Department of Transportation chose to submit Leigh Avenue and Story Road for funding consideration within the application for Proposition 1B funds. The proposed projects were approved; however, the State of California froze the distribution of all Proposition 1B funding. This delayed the

immediate implementation of the Leigh Avenue and Story Road street resurfacing project. Not until May 2009, did the City receive a portion of its allocated funds from the State.

This construction project will resurface and rehabilitate the following two streets:

Leigh Avenue - Blossom Hill Road to Little Branham Lane (City Limits)
Story Road - Just west of McLaughlin Avenue to King Road

Construction is scheduled to begin in August 2009 with completion expected in December 2009

ANALYSIS

In order to meet the project schedule and take advantage of summer months for asphalt paving, it is imperative that the construction contract be awarded in July 2009. Bid opening is scheduled on June 30, 2009.

For these reasons staff is asking Council to delegate authority to the Director of Public Works for the award of this contract. This delegation will include the authority for the Director of Public Works to hear and decide any bid protests, to make the City's final determination as to the lowest responsive and responsible bidder, or to reject all bids and re-bid the Project.

The specifications for the Project will include the following process regarding bid protests:

1. Bid results and a Notification of Intention to Award Contract to Apparent Low Bidder by the Director of Public Works will be posted on the Department of Public Works Bid Hotline.
2. All bidders will be e-mailed or faxed a copy of the Notification of Intention to Award Contract and will have 5 working days to file a formal written bid protest.
3. The Director of Public Works will then hear and decide any timely bid protests, including any issues of bidder responsiveness or responsibility and will award the contract after.

EVALUATION AND FOLLOW-UP

This project is currently within budget and on schedule. No additional follow up action with the Council is 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 item meets the 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 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 30, 2009 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, the City Manager's Budget Office and the Offices of Council Districts 5, 7 and 9.

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: \$2,210,000 (Engineer's Estimate)

Project Delivery	\$580,000
Construction Cost	\$2,210,000
Contingency Amount	\$ 110,000
Total Project Cost	\$2,900,000
Expenditures-to-date (as of May 26, 2009)	\$17,000
Remaining Project Cost	\$2,883,000

2. COST ELEMENT OF CONSTRUCTION CONTRACT:

Adjustment of Utilities	\$74,000
Rehabilitation of Pavement	1,106,000
Asphalt Concrete Overlay	840,000
Traffic Striping and Pavement Marking	50,000
Electrical Work	42,000
Miscellaneous Items of Work	<u>98,000</u>
Total Engineer's Estimate	\$2,210,000

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

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

Fund #	Appn #	RC#	Appn. Name	Total Appn.	Amt. for Contract	2009-2010 Proposed Budget Page*	Last Budget Action (Date, Ord. No.)
Remaining Project Costs				\$2,883,000			
Current Funding Available							
465	6174	158285	Prop. 1B – Pavement Maintenance	\$10,400,000**	\$2,210,000	N/A	N/A
Total Project Funding Available				\$10,400,000	\$2,210,000		

* The 2009-2010 Capital Budget is scheduled for Council consideration on June 23, 2009.

** Funding of \$2 million is proposed to be will be rebudgeted from 2008-2009 to 2009-2010.

In addition, \$8.4 million is proposed to be recognized and appropriated for Prop. 1B – Pavement Maintenance funding received in 2008-2009. These actions are recommended as part of the 2009-2010 Capital Budget.

HONORABLE MAYOR AND CITY COUNCIL

06-08-09

Subject: Leigh Avenue and Story Road Resurfacing Project (Proposition 1B Funded)

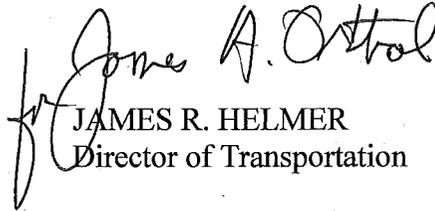
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CEQA

CEQA: Exempt, PP06-066



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JAMES R. HELMER
Director of Transportation

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

MO:HS:dcs

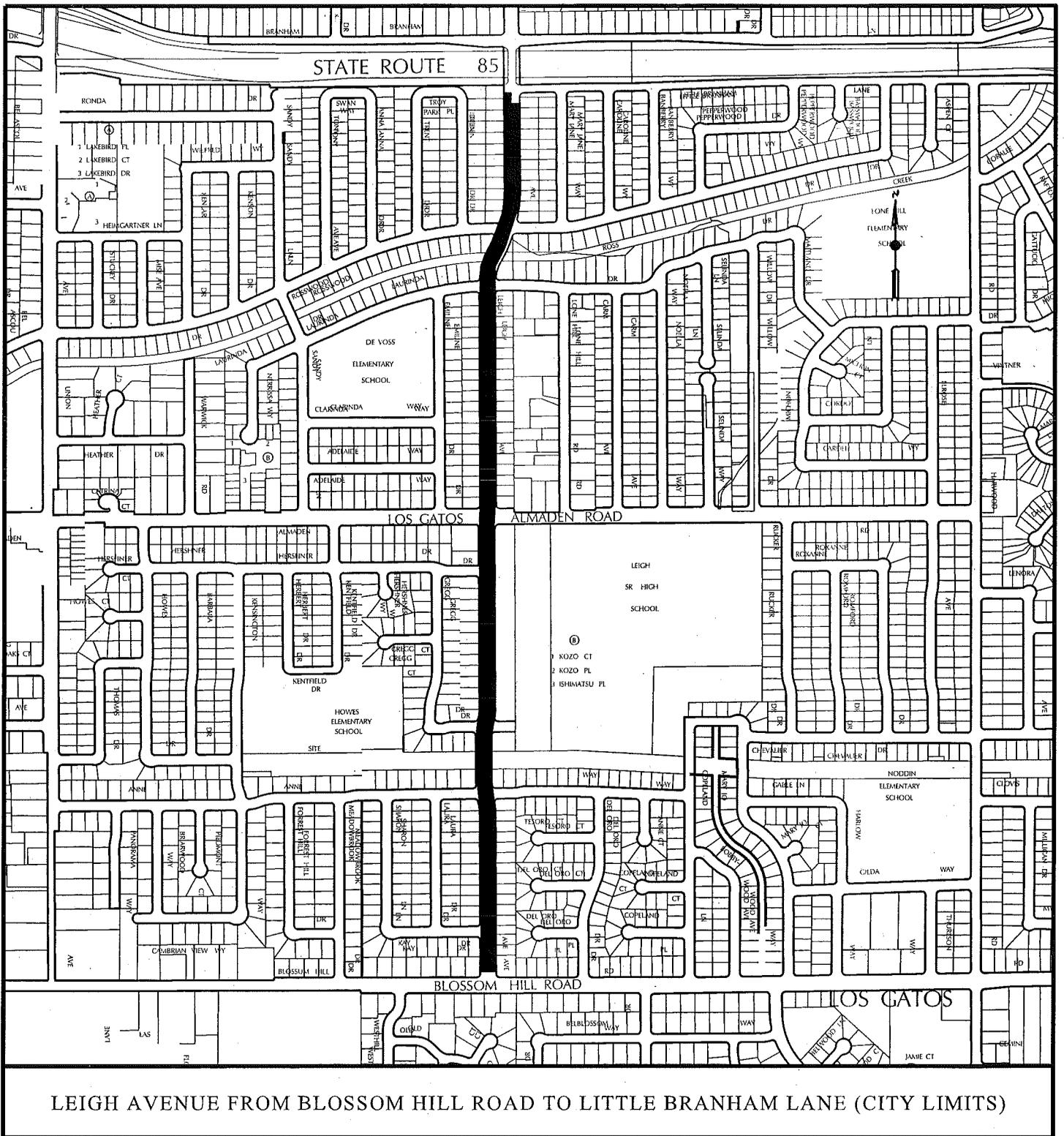


STORY ROAD FROM 528' WEST OF McLAUGHLIN AVENUE TO KING ROAD

LOCATION MAP

NTS

LEIGH AVENUE AND STORY ROAD RESURFACING PROJECT
(PROPOSITION 1B FUNDED)



LEIGH AVENUE FROM BLOSSOM HILL ROAD TO LITTLE BRANHAM LANE (CITY LIMITS)

LOCATION MAP

NTS

LEIGH AVENUE AND STORY ROAD RESURFACING PROJECT
 (PROPOSITION 1B FUNDED)