



Memorandum

TO: HONORABLE MAYOR
AND CITY COUNCIL

FROM: Katy Allen
William Sherry

SUBJECT: SEE BELOW

DATE: 08-02-10

Approved 

Date 8/5/10

COUNCIL DISTRICT: Citywide

**SUBJECT: NORMAN Y. MINETA SAN JOSÉ INTERNATIONAL AIRPORT
TERMINAL B PARKING LOT PROJECT**

RECOMMENDATION

- (a) Adopt a resolution authorizing the Director of Public Works to determine the lowest responsive and responsible bidder for the contract for the "San José International Airport Terminal B Parking Lot" Project, and to either:
 - (i.) award the contract to the lowest responsive and responsible bidder in an amount not to exceed \$4,000,000; or
 - (ii.) reject all bids and re-bid the Project.
- (b) Approve a contingency equal to ten percent (10%) of the award amount.

OUTCOME

Adoption of this resolution will enable the Terminal B parking lot improvement project to meet its construction schedule for completion in January 2011.

BACKGROUND

The San José International Airport (SJC) is currently undergoing significant changes to its long-term and short-term parking accommodations. To facilitate these changes, the area vacated as a result of the demolition of old Terminal C will be converted to a surface parking lot to accommodate both long-term and short-term parking needs.

ANALYSIS

As expected, the recent opening of the Terminal B has significantly increased demand for short-term parking.

To accommodate this increased need, it has been planned that the area south of the Terminal B building, vacated by demolition of old Terminal C, will be converted to a surface parking lot for the interim period until the next phase of Airport expansion. The new Terminal B parking lot will provide approximately 1,600 parking spaces.

The Terminal C demolition is currently underway and the new parking lot construction will immediately follow. Currently the Terminal B parking lot project is scheduled to bid on August 26, 2010. However, in order to meet the January 2011 construction completion requirement, the contract must be awarded by early September 2010.

Adoption of a resolution, authorizing the Director of Public Works to award the project in September, will allow the project to start and finish on-schedule. Delegation would include the authority to 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 Notice of Intent Regarding Contract Award 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 Notice of Intent Regarding Contract Award and will have 5 working days to file a formal written bid protest.

The Director of Public Works will then decide any timely bid protests, including any issues of bidder responsiveness or responsibility and will award the contract.

EVALUATION AND FOLLOW-UP

This project is currently within budget and on-schedule. No additional follow-up actions with the City 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 Criterion 1: Requires Council action on the use of public funds equal to \$1 million or greater. To solicit contractors, this project will be listed on the City's Internet Bid

Line and advertised in the *San Jose 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 August 24, 2010 Council agenda.

COORDINATION

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

FISCAL/POLICY ALIGNMENT

The San José Municipal Code requires that capital projects at the Airport be consistent with the adopted Airport Master Plan. Although not a project explicitly identified in the Master Plan, the proposed interim parking lot would support the goals and objectives of the Master Plan by providing some additional and convenient parking for users of Terminal B until future development of a new terminal area public parking garage and Terminal B south concourse is accomplished. Thus, the proposed project is consistent with the Master Plan pursuant to Municipal Code Section 25.04.210(B)(3).

COST SUMMARY/IMPLICATIONS

1. AMOUNT OF RECOMMENDATION/ESTIMATED COST OF PROJECT:

Project Delivery	\$ 750,000
Project Delivery Contingency	750,000
Construction	4,000,000
Contingency	<u>400,000</u>
TOTAL PROJECT COSTS	\$ 5,900,000

2. COST ELEMENTS OF CONTRACT: This information will be provided during the project award.
3. SOURCE OF FUNDING: Fund 526 Airport Revenue Bond Improvement Fund
4. FISCAL IMPACT: 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 appropriations proposed to fund the contract in 2010-2011 recommended as part of this memo and remaining project costs, including project delivery, construction, and contingency costs.

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Fund #	Appn. #	Appn. Name	RC #	Total Appn.	Amt. for Contract	2010-2011 Proposed* Capital Budget Page	Last Budget Action (Date, Ord. No.)
526 (558)	7025	Public Parking Improvements	160985	\$18,796,000	\$4,000,000	V-635	06/29/10, Ord. No. 28765

* The Proposed Capital Budget was approved by the City Council on June 29, 2010.

CEQA

CEQA: Resolution Nos. 67380 and 71451, PP10-138.

/s/

/s/

KATY ALLEN
Director, Public Works Department

WILLIAM SHERRY
Director of Aviation

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

Attachment
Location Map

SAN JOSE INTERNATIONAL AIRPORT TERMINAL B PARKING LOT PROJECT

Vicinity Map

