



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Hans F. Larsen

SUBJECT: 2011 HILLSDALE AVENUE
RESURFACING PROJECT

DATE: 04-18-11

Approved 

Date 4/25/11

COUNCIL DISTRICT: 9

RECOMMENDATION

Report on bids and award of contract for the 2011 Hillsdale Avenue Resurfacing Project to the low bidder Granite Construction Company in the amount of \$829,453 and approval of a five percent (5%) contingency in the amount of \$41,473.

OUTCOME

Award of this construction contract will allow for the emergency repairs and resurfacing of Hillsdale Avenue in between Ross Avenue and Meridian Avenue. Resurfacing this street will improve the structure and ride quality, and extend the useful life of the street in order to defer more costly reconstruction. Approval of a five percent (5%) contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

BACKGROUND

Hillsdale Avenue was resurfaced in 1997 with a new two-inch layer of asphalt concrete. The expected lifetime of this type of treatment is about 30 years when regular and timely preventive maintenance sealing is performed. Without regular sealing, streets become overexposed to water, sun and traffic, causing them to break down and deteriorate prematurely. Unfortunately, the City did not have adequate funding to properly maintain this portion of Hillsdale Avenue and the pavement condition has severely deteriorated. Due to the extent of deterioration, corrective maintenance repairs or other preventive maintenance measures will not suffice and the street must be completely resurfaced at this time.

State Proposition 1B funds will be utilized to resurface Hillsdale Avenue between Ross Avenue and Meridian Avenue. Resurfacing is the removal and replacement of approximately two inches of asphalt concrete resulting in a smooth surface and stronger road section. As part of the

project, two inches of asphalt will be milled from the entire surface and deteriorated areas of the pavement will be repaired, damaged traffic loops will be replaced, and the striping and markings will be re-installed.

ANALYSIS

Bids for this project were received on April 7, 2011 with the following results:

Contractor	City	Bid Amount	Variance Amount	% Over/Under Estimate
Wattis Construction Co. Inc.	San Jose	\$943,796.00	\$74,077.00	8.5%
C.F. Archibald Paving, Inc.	Redwood City	\$923,732.25	\$54,013.25	6.2%
G. Bortolotto and Company, Inc.	San Carlos	\$898,426.00	\$28,707.00	3.3%
ENGINEER'S ESTIMATE		\$869,719.00		
MCK Services, Inc.	Concord	\$857,713.25	-\$12,005.75	-1.4%
Granite Rock Company DBA Pavex Construction Division	San Jose	\$843,858.00	-\$25,861.00	-3.0%
Top Grade Construction, Inc.	Livermore	\$837,257.00	-\$32,462.00	-3.7%
O'Grady Paving, Inc.	Mountain View	\$831,667.25	-\$38,051.75	-4.4%
Granite Construction Company	Watsonville	\$829,453.00	-\$40,266.00	-4.6%

The bid documents have been evaluated and found to be in order. The low bid submitted by Granite Construction Company is \$829,453 and is 4.6% below the Engineer's Estimate. The Engineer's Estimate for this project is \$869,719. The estimate was based on bids received from similar past projects, current estimated construction prices and with the consideration of an increase in asphalt price.

The bid is considered acceptable for the work involved in the project and staff recommends that the construction contract be awarded to Granite Construction Company.

Council Policy provides for a standard contingency of five percent on projects involving street resurfacing and sealing. Staff considers the standard contingency appropriate for this project.

Construction is scheduled to begin in May 2011 and will be completed by July 2011.

EVALUATION AND FOLLOW-UP

The project is currently within budget and on schedule with a projected construction completion in July 2011, and project close out will be completed in November 2011. No additional follow up actions with the Council are 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 project does not meet any of the above three criteria.

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 this construction project were also provided to various contractor organizations and builder's exchanges. This award memo will be posted on the City's website for the May 10, 2011 Council Agenda. In addition, when the project commences, the contractor, as stated in the specifications will provide advance notification regarding working hours, duration of project, and any appropriate schedule and lane closures to affected businesses and residents. To inform traveling motorists of upcoming construction activities and potential

traffic delays, changeable message signs may be used on selected streets stating the schedule dates and time for work to occur on the street.

COORDINATION

This memo has been coordinated with the City Attorney's Office and the City Manager's Budget Office.

FISCAL/POLICY ALIGNMENT

This project supports the Transportation and Aviation Services City Service Area goal to *Preserve and Improve Transportation Assets and Facilities* and aligns with the recommended Pavement Maintenance Core Service goal of improving the City's street pavement conditions from a current network condition rating of fair (64 PCI) to a network condition rating of good (70 PCI). The project is also consistent with the Council-approved Budget Strategy General Principles section in that it protects vital core City services.

COST IMPLICATIONS

1. COST OF PROJECT:		
Project Delivery/Development		\$82,945
Construction Contract		\$829,453
Contingency		<u>\$41,473</u>
	TOTAL PROJECT COSTS:	\$953,871
2. COST ELEMENTS OF CONSTRUCTION CONTRACT:		
Adjust Manhole, Valves, Monuments		\$22,562
Traffic Signals and Electrical Work		\$14,463
Asphalt Concrete Pavement		\$577,300
Grinding and Milling		\$87,722
Concrete Work		\$66,920
Traffic Striping/Markings		\$17,236
Police Traffic Control and Misc. Items		\$8,250
Storm Water Pollution Prevention Plan		\$5,000
Fluctuations for Paving Asphalt (Binder) Compensation		
Adjustment for Price Index		<u>\$30,000</u>
	TOTAL CONSTRUCTION CONTRACT COSTS:	\$829,453

3. SOURCE OF FUNDING: 465 – Construction Excise Tax Fund
4. FISCAL IMPACT: This project has no net operating and maintenance costs to the General Fund.

BUDGET REFERENCE

Fund #	Appn #	RC#	Appn. Name	Total Appn	Amt. for Contract	2010-2011 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
465	6174	166825	Proposition 1B Pavement Maintenance	\$6,226,000	\$953,871	V-876	10/19/2010, Ord. No. 28829
Total Current Funding Available				\$6,226,000	\$953,871		

CEQA

Exempt, File No. PP11-035.

/s/

HANS F. LARSEN
Director of Transportation

For questions please contact Rene Cordero, Division Manager, at 277-8147.