



Memorandum

TO: HONORABLE MAYOR AND
CITY COUNCIL

FROM: Hans F. Larsen

**SUBJECT: AUTHORIZATION TO AWARD
PAVEMENT MAINTENANCE
PROJECTS**

DATE: May 29, 2012

Approved

Date

6/4/12

RECOMMENDATION

Approve the following actions to resurface and repair 51 miles of streets at various locations having an approximate cost of \$12,700,000.

1. Adoption of a resolution that:
 - a. Authorizes the Director of Public Works to determine the lowest responsive and responsible bidder, and to award the construction contract for the 2010 STP Resurfacing and Rehabilitation – Citywide Project in an amount not to exceed the funds appropriated for the project, and/or to reject all bids and re-bid the project; and
 - b. Authorizes the Director of Public Works to determine the lowest responsive and responsible bidder, and to award the construction contract for the 2012 Remove and Replace Asphalt Concrete Pavement Project in an amount not to exceed the funds appropriated for the project, and/or to reject all bids and re-bid the project; and
 - c. Authorizes the Director of Public Works to decide any timely bid protests, including issues of bidder responsiveness or responsibility.
2. Approve a contingency equal to five percent of the base contract award amount.

OUTCOME

The recommended actions will enable the City to resurface and rehabilitate up to 24 miles of arterial streets and to repair another 27 miles of arterial streets for in preparation for a subsequent surface sealing treatment. Resurfacing the street will improve the structural integrity, appearance, and ride quality of the street. Preparing the streets for a surface seal will extend the usual life and defer more costly construction expenses. Approval of a five percent contingency will provide funding for any unanticipated work necessary for the proper construction and/or completion of the project(s).

BACKGROUND

2010 STP Resurfacing and Rehabilitation - Citywide Project

On September 28, 2010, City Council approved a resolution to accept Federal STP grant funds in the amount of \$7,987,000 and to commit a local match of 11.47% (\$1,035,000) for the resurfacing of streets within San José. The streets identified to be resurfaced as part of the project are listed in the Attachment. Bids are on a unit cost basis therefore, if there is available funding after receiving bids for the contract, additional streets for resurfacing may be added to the project. The scope of the project includes removal of the top layer of asphalt, fixing any underlying roadway damage, resurfacing the streets, and installing new roadway striping and markings. The anticipated 2012-2013 allocation for Federal Pavement Maintenance is \$7,294,000. While the contract costs associated with this project are \$9,044,622, it is assumed that \$7,044,622 will come out of the Federal Pavement Maintenance appropriation, with the remaining \$2.0 million in costs covered with funds available through State Gas Tax proceeds, as included in the 2012-2013 Capital Budget.

2012 Remove and Replace Asphalt Concrete Pavement Project

The Department of Transportation annually schedules streets to be surface sealed as a preventative maintenance measure to extend their useful life and reduce long-term maintenance costs to the City. The process of surface sealing streets is typically performed in two separate stages. The first stage removes the structurally failed areas of pavement and replaces them with new asphalt concrete. The second stage applies a new surface seal over the entire street. The first stage of sealing work will be performed as part of the 2012 Remove and Replace Asphalt Concrete Pavement Project and will prepare approximately 27 miles of arterial streets throughout the City which are listed in the Attachment. After the first stage of the work is completed, a second project which is scheduled for award in August 2012 will apply the final sealing treatment to these streets.

ANALYSIS

Award of the 2010 STP Resurfacing and Rehabilitation Project must occur in FY 2012-2013 due to the timing and availability of funding. However, for construction to be completed in 2012, it is necessary that the project be awarded in July 2012. Award of the 2012 Remove and Replace Asphalt Concrete Pavement Project also needs to occur in July 2012 so that the sealing application can take place during the warmer summer and early fall months of this year. In order to meet the deadlines described above, staff is recommending that the City Council delegate authority for the Director of Public Works to award the contracts. Delegation would include the authority 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(s). The authority will also allow the Director of Public Works to decide any timely bid protests in accordance with the project specifications and any other applicable requirements. The decision of the Director of Public Works regarding any and all bid protests will be final.

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Bid opening for the 2010 STP Resurfacing and Rehabilitation Project and for the 2012 Remove and Replace Asphalt Concrete Pavement Project are set for June 7, 2012. Construction for both projects is scheduled to begin in July 2012 and will be completed before the end of December 2012.

City Council policy provides for a standard contingency of five percent on public works projects. The funds budgeted for this project are sufficient to provide for the recommended contingency.

EVALUATION AND FOLLOW-UP

The Department of Transportation provides an ongoing evaluation of the City's pavement conditions and will provide future reports on this topic to the Transportation and Environment Committee.

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 memorandum will be posted on the City's website for the City Council agenda. To solicit contractors this project will be listed on Bidsync and advertised in the *San José Post Record*.

In addition, when the projects 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 Department of Public Works, City Attorney's Office, and the City Manager's Budget Office.

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FISCAL/POLICY ALIGNMENT

These projects support the Transportation and Aviation Services City Service Area goal to Preserve and Improve Transportation Assets and Facilities.

COST SUMMARY/IMPLICATIONS

1. COST OF PROJECT (2010 STP Resurfacing and Rehabilitation Project) :

Project Delivery/Development	\$904,462
Construction Contract	\$9,044,622
Contingency	\$452,231
TOTAL STP PROJECT COSTS:	\$ 10,401,315

2. COST OF PROJECT (2012 Remove and Replace Asphalt Concrete Pavement) :

Project Delivery/Development	\$200,000
Construction Contract	\$2,000,000
Contingency	\$100,000
TOTAL R&R PROJECT COSTS:	\$ 2,300,000

3. SOURCE OF FUNDING: 465 – Construction Excise Tax

4. FISCAL IMPACT: This project will have no net operating and maintenance costs to the General Fund.

BUDGET REFERENCE

The table below identifies the fund and appropriation proposed to fund the contract recommended as part of this memo, including project delivery, construction, and contingency costs.

Fund #	Appn #	RC #	Appn. Name	Total Appn	Amt. for Contract	2012-2013 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
465	7280	166815	2010 STP Resurfacing and Rehabilitation	\$7,294,000*	\$ 7,044,622	V-682	N/A
465	5216	170860	Gas Tax – Pavement Maintenance	\$9,024,000*	\$ 4,000,000	V-684	N/A
Total Current Funding Available =				\$16,318,000	\$ 11,044,622		

*The 2012-2013 Appropriation totals include recommended rebudgets as included in MBA #46

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CEQA

Exempt, File No. PP11-035.

/s/

HANS F. LARSEN

Director of Transportation

For questions, please contact Rene Cordero, Division Manager, at (408)794-1986.

Attachment

ATTACHMENT

2010 STP Resurfacing and Rehabilitation Project

CD	STREET NAME	FROM	TO
3	HEDDING ST	13TH ST	GUADALUPE PKWY
9	LOS GATOS ALMADEN RD	ROSSWOOD DR	LEIGH AV
5,8	OCALA AV	130' W/RIDGEMONT DR	CAPITOL EXPWY
8	QUIMBY RD	CAPITOL EXPWY	TULLY RD
10	REDMOND AV	ALMADEN EXPWY	CAMDEN AV
STREETS TO BE INCLUDED BASED ON AVAILABLE FUNDING			
10	SANTA TERESA BL	STEINBECK DR	DUNN AV
5	STORY RD	KING RD	CLAYTON RD

2012 Remove and Replace Asphalt Concrete Project

CD	STREET NAME	FROM	TO
3	1ST ST N	HENSLEY ST	TAYLOR ST
4	1ST ST N	NORTECH PKWY	LIBERTY ST
3	1ST ST S	REED ST	WILLIAMS ST
3	BALBACH ST	ALMADEN BL	MARKET ST
6	CURTNER AV	ALMADEN EX OVP	STONE AV
1	HAMILTON AV	CAMPBELL AV	400' E/BECK DR
6,9	HILLSDALE AV	ALMADEN EXPWY	MERIDIAN AV
4	HOLGER WY	ZANKER RD	HEADQUARTERS DR
3,4,5	KING RD N	BERRYESSA RD	MCKEE RD
3	MARKET ST	SAN CARLOS ST	REED ST W
6	MERIDIAN AV	PATIO DR	CHERRY GROVE DR
2	MONTEREY RD	MENARD DR	METCALF RD
3	MONTGOMERY ST S NB	SAN CARLOS ST W	PARK AV
6	RACE ST	SAN CARLOS ST	PARK AV
3	SAN SALVADOR ST E	S 10TH ST	S 13TH ST
2,7	SENER RD	MONTEREY HWY	HELLYER AV
7	SENER RD	NEEDLES DR	BURKE ST
5,7	STORY RD	MCLAUGHLIN AV	REMILLARD CT
5	WHITE RD S	CUNNINGHAM AV	TULLY RD
3	WOZ WY	ALMADEN BL	SAN CARLOS ST