



# Memorandum

**TO:** HONORABLE MAYOR AND  
CITY COUNCIL

**FROM:** Hans F. Larsen

**SUBJECT:** 2012 STREET RESURFACING  
PROJECT

**DATE:** August 6, 2012

Approved

Date

8/13/12

## RECOMMENDATION

Report on bids and take appropriate action based on the evaluation of bids for the 2012 Street Resurfacing Project.

## OUTCOME

Approval of this construction contract will help maintain and preserve approximately seven miles of streets in the Priority Street Network approved by Council in March 2012. Resurfacing these streets will improve their structure and ride quality, and extend the useful life of the streets in order to defer more costly reconstruction. Approval of a 10% contingency will provide funding for any unanticipated work necessary for the proper completion or construction of the project.

## BACKGROUND

The Department of Transportation (DOT) annually schedules streets to be resurfaced as part of the City's Pavement Maintenance Program. Resurfacing is the application of approximately two inches of asphalt concrete (AC) over the existing pavement resulting in a smooth surface and stronger road section. As part of the project, deteriorated areas of the pavement are repaired, damaged traffic detection loops are replaced, and the striping and markings are re-installed. This contract specifies a resurfacing treatment on approximately seven miles of streets in the Priority Street Network. Information provided by the City's computerized Pavement Management System is used to identify candidate streets for resurfacing. The final list of streets to receive resurfacing is established using the following criteria:

- Priority Network Streets that provide the maximum condition benefit to the entire street network
- Streets in suitable condition for resurfacing
- Streets not affected by current or future street related projects

August 6, 2012

Subject: 2012 Street Resurfacing Project

Page 2

- Relative location of street segments to create multiple, continuous segments, consistency within neighborhoods, and project efficiency
- Appropriate geographical distribution of street maintenance over a multiple year period

The following table contains the list of streets to be resurfaced.

**2012 Street Resurfacing Project**

<b>CD</b>	<b>STREET NAME</b>	<b>FROM</b>	<b>TO</b>
4	N 1ST ST	HWY 237	TASMAN DR
6	ALMADEN AV	ALMA AV	REED ST
5	CAPITOL AV	CAPITOL EXPWY	WILBUR AV
2	POUGHKEEPSIE RD	BLOSSOM HILL RD	COTTLE RD
3,6	SANTA CLARA ST	STOCKTON AV	GUADALUPE BRIDGE
7	TULLY RD	MONTEREY HWY	2000' E/O MONTEREY HWY

**ANALYSIS**

Bids for this project are scheduled to be opened on August 16, 2012. A supplemental memo reporting the bid results and recommending appropriate action based on a bid evaluation will be provided prior to the August 28, 2012 City Council meeting. Placing this item on the City Council agenda before the bid results are received and evaluated will save time and help ensure that the project is completed this construction season.

Council policy provides for a standard contingency of five percent on projects involving street resurfacing and sealing. Staff is requesting a 10% contingency for this project because the existing pavement conditions and location of underground utilities may be different than anticipated. The proposed 10% contingency will provide the funding necessary for the proper completion of the project. If an additional budget appropriation is required to fund any unanticipated work, it could result in delays to the project schedule and potentially increased costs associated with the delay. Therefore, it is recommended that a 10% contingency amount be approved for this project.

Construction is scheduled to begin in September 2012 and will be completed before the end of December 2012.

**EVALUATION AND FOLLOW-UP**

Staff will provide a report to the Transportation and Environment Committee on the topic of pavement maintenance which is scheduled for December 2012.

### 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)**

To solicit contractors, this project was listed on the City's Internet Bid Line and advertised in the *San José Post Record* and bid packages for this construction project were also provided to various contractor organizations and builders' exchanges. 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.

This placeholder award memo will be posted on the City's website for the Council agenda and the supplemental memo will be posted on line during the week of August 20, 2012.

### 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 Pavement Maintenance Core Service goal of keeping the Priority Street Network in "good" condition.

**COST IMPLICATIONS**

1. **COST OF PROJECT:**

Project Delivery/Development	\$415,000.00
Construction Contract	\$4,150,000.00
Contingency	<u>\$415,000.00</u>
<b>TOTAL PROJECT COSTS:</b>	<b>\$4,980,000.00</b>
  
2. **COST ELEMENTS OF CONSTRUCTION CONTRACT:**

Adjust Manhole, Valves, Monuments	\$103,926.00
Traffic Signals and Electrical Work	\$24,320.00
Asphalt Concrete Pavement	\$3,379,200.00
Concrete Work	\$397,550.00
Traffic Striping/Markings	\$112,204.00
Police Traffic Control and Misc. Items	\$62,800.00
Fluctuations for Paving Asphalt (Binder) Compensation	
Adjustment for Price Index	<u>\$70,000.00</u>
<b>TOTAL CONSTRUCTION CONTRACT COSTS:</b>	<b>\$4,150,000.00</b>
  
3. **SOURCE OF FUNDING:** 465 - Construction Excise Tax Funds
  
4. **FISCAL IMPACT:** This project will have no net operating and maintenance costs to the General Fund.

**BUDGET REFERENCE**

The table below identifies the funding source for the contract recommended as part of this memo, including project delivery, construction, and contingency costs.

Fund #	Appn #	RC #	Appn. Name	Total Appn	Estimated Amt. for Contract	2012-2013 Proposed Capital Budget Page	Last Budget Action (Date, Ord. No.)
465	7440	171985	Pavement Maintenance-Measure B	\$5,000,000	\$4,565,000	V-683	06/19/2012, Ord. No. 29102
<b>Total Current Funding Available =</b>				<b>\$5,000,000</b>	<b>\$4,565,000</b>		

HONORABLE MAYOR AND CITY COUNCIL

August 6, 2012

**Subject: 2012 Street Resurfacing Project**

Page 5

**CEQA**

Exempt, File No. PP11-035.

/s/

HANS F. LARSEN

Director of Transportation

For questions please contact Rene Cordero, Division Manager of Infrastructure Maintenance, at 794-1986.