



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** John Ristow  
Matt Loesch

**SUBJECT: 10364 – 2024 LOCAL STREETS  
RESURFACING SOUTHWEST  
PROJECT**

**DATE:** April 15, 2024

Approved

Date

4/18/24

**COUNCIL DISTRICTS: 6, 9, 10**

## **RECOMMENDATION**

- (a) Report on bids and award of contract for the construction of 10364 – 2024 Local Streets Resurfacing Southwest Project to the lowest responsive, responsible bidder, MCK Services, Inc., in the amount of \$14,328,500; and
- (b) Approve a 10% contingency in the amount of \$1,432,000.

## **SUMMARY AND OUTCOME**

Award of this contract to MCK Services, Inc. will enable the completion of approximately 31 miles of resurfacing to streets within the Local and Neighborhood Streets Network. Approval of the 10% contingency provides funding for any unanticipated work necessary for the proper completion or construction of the project.

## **BACKGROUND**

The Department of Transportation (DOT) will maintain approximately 177 miles of streets on the Local and Neighborhood Streets Network in the 2024 construction season. Of these, 116 miles will be resurfaced due to their poor to failed condition and 61 miles will be sealed. These projects are funded by the Measure T Bond program which designates \$300 million for the repair or rehabilitation of local and neighborhood streets in the worst condition.

Pavement maintenance is typically performed in two separate phases: preparation and final surface application. The preparation phase consists of the installation and upgrade of Americans with Disability Act curb ramps. The ramp work is conducted using minor contracts to provide more opportunities for local and small businesses. The final surface application phase is known

as resurfacing, which is the removal of several inches of damaged or degraded roadway, and the installation of a new layer of asphalt, followed by roadway striping and markings. To complete 116 miles of resurfacing work in one construction season, the 2024 resurfacing work will be divided into four separate projects and implemented concurrently.

The City's Local and Neighborhood Streets Network is organized into 135 geographically contiguous "Pavement Maintenance Zones." The zones were established several decades ago to support efficient planning and delivery of paving projects, maximize the amount of paving work completed at one time within a neighborhood area, and provide geographic spread of pavement maintenance across the City.

DOT utilizes a Pavement Management System to collect and store roadway condition data that is used to generate a candidate list of streets to be considered for the annual pavement maintenance program. The candidate list is then thoroughly analyzed by staff using the following criteria to create the final list of streets:

- Funding availability and funding use restrictions;
- Total miles of streets in reconstruction and rehabilitation category;
- Streets not affected by current or future street related projects;
- Maintenance history and prescribed treatment schedules;
- Relative location of street segments to create multiple, continuous segments, consistency within neighborhoods, and project efficiency;
- Multi-year geographic spread across the City and street network;
- Number of public traffic attraction facilities, such as schools, hospitals, libraries, community centers; and,
- Community and City Council office feedback regarding roadway conditions and priority street segments.

In 2021, DOT added equity as a criterion for zone selection. DOT staff cross-referenced the selected zones with census tracts designated by the Metropolitan Transportation Commission as "Equity Priority Communities," formerly known as "Communities of Concern" to better track equity in service delivery. Most recent results confirmed that 238 out of 265 miles (roughly 90%) of local and neighborhood streets designated in Equity Priority Communities areas will be maintained by the end of the current three-year plan (2026). DOT anticipates completing pavement maintenance for nearly 86% of the total 1,552 miles of local street network in this same timeframe compared to 90% in the Equity Priority Communities areas

DOT has maintained a total of 163 Equity Priority Communities miles since 2019 and will be maintaining an additional 34 Equity Priority Communities miles in 2024, which is roughly 19% of the 177 miles of Local and Neighborhood Streets selected for maintenance in 2024. This project includes zero Equity Priority Communities mile due to the project locations.

The **Attachment** to this memorandum contains the list of streets to be resurfaced. The list may change if unforeseen circumstances arise or new information regarding other projects becomes available.

Construction is scheduled to begin in June 2024 and be completed by the end of November 2024.

## **ANALYSIS**

Bids were opened on January 18, 2024. The results are listed below.

<b><u>Contractor</u></b>	<b><u>Bid Amount</u></b>	<b><u>Variance Amount</u></b>	<b><u>Over/(Under) Percent</u></b>
MCK Services, Inc. (Concord)	\$14,328,500	(\$1,597,665)	(10.0)
<b><i>Engineer's Estimate</i></b>	<b><i>\$15,926,165</i></b>	--	--
DeSilva Gates Construction, LLC (Dublin)	\$15,956,700	\$30,535	0.2
O'Grady Paving, Inc. (Mountain View)	\$16,312,625	\$386,460	2.4
A. Teichert & Son, Inc. (Pleasanton)	\$16,906,095	\$979,930	6

The Engineer's Estimate for this project is \$15,926,165 and was based on bids received from similar past projects and current estimated construction prices. The low bid, submitted by MCK Services, Inc., is \$14,328,500 and is approximately 10% below the Engineer's Estimate. Staff considers the bid to be acceptable for the work involved and recommend awarding the contract to MCK Services, Inc.

MCK Services, Inc. has previously completed multiple major pavement maintenance projects for the City of San José. In the 2023 construction season, MCK Services, Inc. resurfaced approximately 108 miles of City streets through four different projects. In 2024, MCK Services Inc. has been awarded four major construction contracts to repave an additional 116 miles.

## **Contingency**

San José Municipal Code Section 27.04.050 provides for a standard contingency of 10% on all public works contracts except those involving the renovation of building or buildings. The standard contingency is appropriate for this project.

Wage Theft Prevention Policy Check

The Office of Equality Assurance reviewed bidders for compliance with the City's Wage Theft Prevention Policy on January 18, 2024 and on April 5, 2024. No wage theft issues were identified.

Project Labor Agreement Applicability

The Project Labor Agreement is applicable to this project as the Engineer's Estimate is over \$1.22 million.

Local and Small Business Outreach

The recommended contractor is not a local or a small business enterprise. No local or small business enterprises were listed as subcontractors on the project.

**EVALUATION AND FOLLOW-UP**

DOT provides an ongoing evaluation of the City's pavement conditions and provides periodic reports on this topic to the Transportation and Environmental Committee. In addition to the project discussed in this memorandum, three additional local and neighborhood street pavement maintenance projects totaling 96 miles are scheduled for City Council action this spring.

**COST SUMMARY/IMPLICATIONS**

This project supports the Transportation and Aviation Services City Service Area goal to *Preserve and Improve Transportation Assets and Facilities*. By performing pavement maintenance with this project, the extension of the useful life of the project streets will defer more costly reconstruction. The source of funding for this project is through the 498 – Measure T Public Safety and Infrastructure Bond Fund. This project will have net zero impact to the General Fund as the standard in-house operating and maintenance costs are already included in DOT's annual budget. The operating and maintenance costs associated with future Capital Improvement Program will be addressed in future budget cycles.

1. TOTAL COST OF PROJECT:	
Programmatic Project Delivery Estimate* (10%)	\$1,432,000
Construction Contract	\$14,328,500
Contingency (10%)	<u>\$1,432,000</u>
<b>TOTAL PROJECT COSTS:</b>	<b>\$17,192,500</b>

\* Programmatic Project Delivery Estimate includes approximately \$572,800 (4%) for design services and \$859,200 (6%) for construction management and inspection services.

**2. COST ELEMENTS OF CONTRACT:**

New Paving	\$11,632,350
Thermoplastic Striping and Markings	\$469,150
Utility Adjustments	\$2,131,000
Other Construction Costs	<u>\$96,000</u>
<b>TOTAL CONTRACT AMOUNT</b>	<b>\$14,328,500</b>

**BUDGET REFERENCE**

The table below identifies the fund and appropriation to fund the contract recommended as part of this memorandum.

Fund #	Appn #	Appn Name	Total Appn	Amt. for Contract	2023-24 Adopted Capital Budget Page	Last Budget Action (Date, Ord. No.)
498	415	Pavement Maintenance – Measure T Bond	\$50,451,00	\$14,328,500	1013	10/17/23, 30966
<b>Total Current Funding Available</b>			<b>\$50,451,000</b>	<b>\$14,328,500</b>		

**COORDINATION**

This memorandum has been coordinated with the City Attorney’s Office, the City Manager’s Budget Office, and the Planning, Building, and Code Enforcement Department.

**PUBLIC OUTREACH**

This memorandum will be posted on the City’s Council Agenda website for the May 7, 2024 City Council meeting.

When the project commences, the contractor will provide advance notification regarding working hours, duration of project, and any appropriate schedule and lane closures to affected businesses and residents, as stated in the specifications.

**COMMISSION RECOMMENDATION AND INPUT**

No commission recommendation or input is associated with this action.

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**CEQA**

Environmental status granted by the Planning, Building and Code Enforcement Department. Categorically Exempt, File No. ER23-009, CEQA Guidelines Section 15301(c), Existing Facilities.

**PUBLIC SUBSIDY REPORTING**

This item does not include a public subsidy as defined in section 53083 or 53083.1 of the California Government Code or the City's Open Government Resolution.

/s/  
JOHN RISTOW  
Director of Transportation

/s/  
MATT LOESCH  
Director of Public Works

For questions, please contact Frank Farshidi, Transportation Division Manager, at [frank.farshidi@sanjoseca.gov](mailto:frank.farshidi@sanjoseca.gov) or (408) 794-1945 or Mathew Nguyen, Deputy Director, Department of Public Works, at [mathew.nguyen@sanjoseca.gov](mailto:mathew.nguyen@sanjoseca.gov) or (408) 535-8300.

**Attachment:** List of Streets

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**List of Streets**

<b>Street Name</b>	<b>Street From</b>	<b>Street To</b>	<b>Council District</b>
CHAPMAN ST	DAVIS ST	MCKENDRIE ST	6
CHAPMAN ST	MCKENDRIE ST	W HEDDING ST	6
CHAPMAN ST	W. HEDDING ST	UNIVERSITY AV	6
CHAPMAN ST	UNIVERSITY AV	EMORY ST	6
CHAPMAN ST	EMORY ST	NAGLEE AV	6
CHAPMAN ST	NAGLEE AV	RANDOL AV	6
DAVIS ST	MORSE ST	PARK AV	6
EMERSON CT	NAGLEE AV	EMORY ST	6
EMORY ST	THE ALAMEDA	PARK AV	6
HANCHETT AV	THE ALAMEDA	PARK AV	6
HESTER AV	PARK AV	THE ALAMEDA	6
MAGNOLIA AV	THE ALAMEDA	PARK AV	6
MARIPOSA AV	PARK AV	RACE ST	6
MARTIN AV	PARK AV	THE ALAMEDA	6
MCKENDRIE ST	THE ALAMEDA	PARK AV	6
MORSE ST	RANDOL AV	NAGLEE AV	6
MORSE ST	NAGLEE AV	EMORY ST	6
MORSE ST	EMORY ST	UNIVERSITY AV	6
MORSE ST	W HEDDING ST	UNIVERSITY AV	6
MORSE ST	W. HEDDING ST	MCKENDRIE ST	6
MORSE ST	MCKENDRIE ST	DAVIS ST	6
RANDOL AV	PARK AV	TNE ALAMEDA	6
SEQUOIA AV	SHASTA AV	HANCHETT AV	6
SEQUOIA AV	HANCHETT AV	MARTIN AV	6
SEQUOIA AV	MARTIN AV	SIERRA AV	6
SHASTA AV	THE ALAMEDA	SEQUOIA AV	6
SHASTA AV	1232 SHASTA AV	PARK AV	6
SHASTA AV	SEQUOIA AV	1232 SHASTA AV	6
SIERRA AV	PARK AV	RACE ST	6
TILLMAN AV	HESTER AV	SHASTA AV	6
TILLMAN AV	SHASTA AV	HANCHETT AV	6
TILLMAN AV	HANCHETT AV	MARTIN AV	6
TILLMAN AV	MARTIN AV	SIERRA AV	6
TILLMAN AV	SIERRA AV	YOSEMITE AV	6
TILLMAN AV	YOSEMITE AV	MARIPOSA AV	6
TILLMAN AV	MARIPOSA AV	350'S/MARIPOSA AV	6
TILLMAN AV	PARK AV	175'N/PARK AV	6
UNIVERSITY AV	PARK AV	TNE ALAMEDA	6
YOSEMITE AV	RACE ST	PARK AV	6
AMELIA DR	REBEL WY	TOBIAS DR	9
AMELIA DR	TOBIAS DR	S END	9
ARBUTUS DR	GATEWOOD LN	JOSEPH LN	9
ARDMORE WY	KOOSER AV	FERNDAL DR	9
BALLANTREE WY	REBEL WY	JOSEPH LN	9

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Street Name	Street From	Street To	Council District
BOWLING LN	HOWES LN	CARTER AV	9
BRENNER WY	GATEWOOD LN	CALINOMA DR	9
CALINOMA DR	JOSEPH LN	GATEWOOD LN	9
CANTO DR	CAMDEN AV	334' E/ CAMDEN AV	9
CORNELL DR	PRINCETON DR	HARVARD DR	9
DARTMOUTH DR	BLOSSOM HILL RD	PRINCETON	9
DARTMOUTH DR	PRINCETON DR	KOOSER RD	9
DELL CT	HOWES LN	W END	9
DENT AV	KOOSER RD	BLOSSOM HILL RD	9
DENTWOOD DR	MERIDIAN AV	DENT AV	9
DWIGHT DR	PRINCETON DR	BLOSSOM HILL RD	9
ESTRADE DR	DENTWOOD DR	RIDGEWOOD DR	9
FERNDALE DR	ARDMORE WY	CARTER AV	9
GOWER DR	FERNDALE DR	S END	9
HAWLEY CT	REBEL WY	S END	9
HELMOND LN	DENT AV	MERIDIAN AV	9
HOWES LN	CARTER AV	REBEL WY	9
HOWES LN	REBEL WY	LIETZ AV	9
INGLIS LN	CARTER AV	PETRI PL	9
LAWSON CT	BRANHAM LN	S END	9
LENELLE CT	REBEL WY	S END	9
MARIETTA DR	AMELIA DR	JOSEPH LN	9
MERRILL LP	CAMDEN AV	CAMDEN AV	9
NATALIE CT	HOWES LN	W END	9
POPEJOY CT	LAWSON CT	W END	9
PRINCETON DR	MERIDIAN AV	DENT AV	9
PRINCETON DR	DENT AV	PURDUE PL	9
PURDUE PL	PRINCETON DR	BLOSSOM HILL RD	9
REBEL CT	REBEL WY	S END	9
REBEL WY	CARTER AV	670'E/CARTER AV	9
RIDGEWOOD DR	MERIDIAN AV	DENT AV	9
RONALD CT	HOWES LN	W END	9
SABINA WY	JOSEPH LN	MARIETTA DR	9
STAPLETON CT	HOWES LN	W END	9
TREVOR DR	JOSEPH LN	REBEL WY	9
WOODSTOCK WY	RIDGEWOOD DR	DENTWOOD DR	9
BELLIS CT	HANCOCK AV	W END	10
BUTANO CT	SANTA TERESA BL	S END	10
CAHALAN AV	COLLEEN DR	S END	10
CHESBRO AV	SANTA TERESA BL	COLLEEN DR	10
DUBANSKI DR	CHESBRO AV	CAHALAN AV	10
EL TORO CT	SANTA TERESA BL	S END	10
EVANGELINE CT	COLLEEN DR	S END	10
FOOTHILL CT	FOOTHILL DR	S END	10
FOOTHILL DR	ALLEN AV	CAHALAN AV	10



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Street Name	Street From	Street To	Council District
FOOTHILL GLEN CT	FOOTHILL GLEN D	E END	10
FOOTHILL GLEN DR	FOOTHILL DR	SANTA TERESA BL	10
GLENDORA CT	COLLEEN DR	S END	10
GLENSIDE DR	SUNSET GLEN DR	CHESBRO AV	10
JORN CT	EVANGELINE DR	W END	10
LARIOS WY	SANTA TERESA BL	DUBANSKI DR	10
LOS HUECOS DR	BLOSSOM AV	CHESBRO AV	10
MACLAY DR	SANFORD DR	ALLEN AV	10
MANTECA CT	SANTA TERESA BL	S END	10
MAREE CT	SANTA TERESA BL	S END	10
MIRASOL CT	SANTA TERESA BL	S END	10
OCHO RIOS DR	HANCOCK AV	LOS HUECOS DR	10
PAXTON CT	MACLAY DR	S END	10
PIETZ CT	SANTA TERESA BL	S END	10
PURITAN CT	HANCOCK AV	W END	10
ROCKY GLEN CT	COLLEEN DR	S END	10
ROCKY GLEN CT	155'S/COLLEEN DR	W END	10
ROLLING GLEN CT	FOOTHILL DR	S END	10
SANFORD DR	FOOTHILL DR	SANTA TERESA BL	10
SHELLY CT	SANTA TERESA BL	S END	10
SUNSET GLEN DR	COLLEEN DR	CHESBRO AV	10
SUSAN CT	MACLAY DR	S END	10
VALLEY GLEN CT	COLLEEN DR	S END	10
VALLEY GLEN DR	COLLEEN DR	CHESBRO AV	10
BOLIVAR DR	LALOR DR	CHESBRO AV	10
CABRAL AV	CALERO AV	TAORMINO AV	10
CADIZ DR	SOLTERO DR	CALERO AV	10
CADIZ DR	CALERO AV	FISHBURN AV	10
CAHALAN CT	CAHALAN AV	W END	10
CALMOR AV	PLAYA DEL REY	DELAWARE AV	10
CALMOR CT	CALMOR AV	S END	10
CHEMEKETA CT	CAHALAN AV	W END	10
CHESBRO AV	BLOSSOM HILL RD	CALERO AV	10
CHESBRO AV	CALERO AV	SANTA TERESA BL	10
COFFEY CT	CAHALAN AV	E END	10
CORALWOOD WY	PEARLWOOD WY	PRONTO DR	10
DAILEY AV	CALMOR AV	CAHALAN AV	10
DELAWARE AV	PLAYA DEL REY	MORTON WY	10
EL SOMBROSO DR	CHESBRO AV	MONTEVINO DR	10
ENRIQUITA CT	LOMA PRIETA DR	W END	10
FISHBURN AV	CADIZ DR	SANTA TERESA BL	10
HOMEWARD PL	CAHANLAN AVE	E END	10
LALOR DR	CAHALAN AV	CHEMEKETA DR	10
LARIOS CT	SANTA TERESA BL	N END	10
MABIE CT	ALMERIA DR	N END	10

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Street Name	Street From	Street To	Council District
MORAGA AV	PRONTO DR	CALERO AV	10
MORAGA AV	CALERO AV	ALMERIA DR	10
MORTON WY	DAILEY AV	BLOSSOM HILL RD	10
PEARLWOOD WY	CAHALAN AV	CORALWOOD WY	10
PESCADERO DR	CAHALAN AV	LOMA PRIETA DR	10
PLAYA DEL REY	BLOSSOM HILL RD	ALLEN AV	10
PLAYA DEL REY	PLAYA DEL REY	W END	10
PRONTO DR	ALLEN AV	MORAGA AV	10
RIELLY CT	BLOSSOM HILL RD	S END	10
SALIDA DE SOL	SANTA TERESA BL	LOMA PRIETA DR	10
SAN LORENZO DR	DAILEY AV	CAHALAN AV	10
SANTA YSABEL WY	LOMA PRIETA DR	SANTA TERESA BL	10
SOLITO CT	LOMA PRIETA DR	W END	10
SOLTERO DR	PRONTO DR	CALERO AV	10
TANDERA AV	FISHBURNE AV	CALERO AV	10
TANDERA AV	CALERO AV	TERRAZZO DR	10
TAORMINO AV	SANTA TERESA BL	655'N/SANTA TERESA BL	10
TAORMINO AV	655'N/SANTA TERESA BL	CABRAL AV	10
TERRAZZO CT	TERRAZZO DR	W END	10
TERRAZZO DR	TANDERA AV	ALLEN AV	10
VEREDA CT	LOMA PRIETA DR	W END	10
VONNA CT	ALCAZAR DR	W END	10
WARRING DR	CALMOR AV	PLAYA DEL REY	10
WHEELSMAN PL	DAILEY AV	318'S/DAILEY AV	10
WHEELSMAN PL	318'S/DAILEY AV	W END	10
WINDELL CT	MORTON WY	W END	10
ALTA PASEO CT	SKYFARM DR	S END	10
ASHFIELD CT	WOODCLIFF DR	N END	10
BARNSDALE CT	WOODCLIFF DR	S END	10
BAY RIDGE CT	ROLLING OAKS DR	E END	10
BELBROOK CT	WOODCLIFF DR	N END	10
BROADACRES DR	SKYFARM (N)	485'S/SKYFARM (N)	10
EDGEBROOK CT	MCABEE RD	N END	10
GARDENOAK CT	WOODCLIFF DR	N END	10
IDLEBROOK CT	MCABEE RD	N END	10
INGLESIDE CT	SKYFARM DR	S END	10
KOREMATSU CT	HIRABAYASHI DR	END	10
LAFERN CT	MCABEE RD	S END	10
LEYLAND PARK CT	LEYLAND PARK DR	W END	10
MARYMONTE CT	WOODCLIFF DR	S END	10
MCABEE RD	SKYFARM DR	LEYLAND PARK DR	10
MONTEGO CT	MONTEGO DR	S END	10
MONTEGO DR	CAMDEN AV	MONTEGO CT	10
MONTEGO DR	MONTEGO CT	CAMDEN AV	10
NEPTUNE CT	WOODCLIFF DR	S END	10

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Street Name	Street From	Street To	Council District
SCENERY CT	MCABEE RD	N END	10
SKYFARM DR	MCABEE RD	BROADACRES DR	10
SKYFARM DR	BROADACRES DR	CAMDEN AV	10
SPRINGPATH LN	CIRCLE HILL DR	SKYFARM DR	10
SPRINGPATH LN	SKYFARM DR	CAMDEN AV	10
WHISPERING PINES DR	250'S/ROLLING OATS DR	ROLLING OAKS CT	10
WHITBOURNE CT	WHITBOURNE DR	N END	10
WOODCLIFF CT	SKYFARM DR	S END	10
WOODCLIFF DR	LEYLAND PK DR	SKYFARM DR	10