



AGENDA REPORT SUMMARY

Meeting Date: September 20, 2022

Subject: Construction Contract Award: Annual Street Resurfacing and City Alley Resurfacing Project (TS-01001, TS-01004, TS-01009, TS-01003, TS-01005, TS-01006, TS-01008, TS-01060, TS-01052, TS-01007, and TS-01022) and authorize the Interim Finance Director to amend the FY 2022/23 CIP budget

Prepared by: Morgan Loatfi, Special Projects Manager
Reviewed by: Jim Sandoval, Director of Public Works
Approved by: Gabriel Engeland, City Manager

Attachment(s):

1. Project Map
2. Bid Summary dated August 12, 2022
3. Resolution 2022-

Initiated by:

City Council CIP Projects (TS-01001, TS-01004, TS-01009, TS-01003, TS-01005, TS-01006, TS-01008, TS-01060, TS-01052, TS-01007, and TS-01022)

Previous Council Consideration:

None

Fiscal Impact:

The construction project will cost \$6,006,256, and with the 15% contingency of \$900,938 and project soft costs of \$89,860, total project costs are estimated to be \$6,997,054. The City has sufficient funds for the project. However, staff is proposing some transfers between funds in the adopted FY 22/23 CIP budget, along with an appropriation of \$930,672 in Gas Tax and \$310,180 in SB1/RMNA funds received from the state that were not reflected in the adopted budget, and an appropriation of \$581,815 of Measure B funds anticipated from the VTA in FY 22/23. These transfers and appropriations will allow staff to fund the various construction tasks (e.g., paving, safe routes to school (SR2S), Cuesta traffic calming revisions, etc.) from the appropriate CIPs and funding sources. Additional budget is not requested for the project. Based on the lowest responsive and responsible bidder, the estimated project costs and funding sources are broken down, as follows:

City Manager

GE

Reviewed By:

City Attorney

JH

Interim Finance Director

SN



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Annual Street Resurfacing and City Alley Resurfacing Project ESTIMATED COST			
Project Item		Project Budget	
Construction		\$ 6,006,256	
Construction Contingency (15%)		\$ 900,938	
Inspection		\$ 79,860	
Printing/Advertising/Mailing/Misc.		\$ 10,000	
Estimated Total Cost		\$ 6,997,054	
Breakdown of Approved CIP Funds Available			
CIP #	CIP Name	Funding Source	Approved Funds Available
TS-01001*	Annual Street Resurfacing Project	Gas Tax, Measure B, RMNA/SB1, CIP/GF	\$ 4,584,790
TS-01004*	Annual Street Slurry Seal Project	Gas Tax, CIP/GF	\$ 1,541,987
TS-01009*	Annual City Alley Resurfacing Project	Gas Tax/GF	\$ 149,261**
TS-01003*	Annual Street Striping Project	Gas Tax, CIP/GF	\$ 286,964
TS-01005*	Annual Concrete Repair Project	CIP/GF	\$ 518,074
TS-01006*	Annual Traffic Sign Replacement Project	CIP/GF	\$ 294,821
TS-01008*	Annual ADA Improvements Project (Street and Roadways)	CIP/GF	\$ 211,757
TS-01060*	SR2S Improvement Project	VRF***	\$ 300,000
TS-01052*	Annual Bicycle/Pedestrian Access Improvements Project	CIP/GF	\$ 583,994
TS-01007*	Annual Neighborhood Traffic Management Project	VRF***	\$ 50,000
TS-01022*	Annual Collector Street Calming Project	VRF***	\$ 163,851
Total Project Budget			\$ 8,685,499

NOTES:

- * Approved project budgets include the Fiscal Year 21/22 and 22/23 budgets and rollover funds from previous years.
- ** TS-01009 has \$100,000 in approved FY 22/23 Gas Tax funds budgeted. A transfer of \$49,261 from TS-01001 Annual Street Resurfacing (General Fund) is needed to fully fund the Alley Resurfacing bid item.
- *** Transfer from Traffic Impact Fee Fund, upon Council authorization in attached Resolution

- Estimated Total Cost of \$6,997,054 already included in approved budget? Yes
- Amount above budget requested: \$0



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Environmental Review:

Categorically Exempt pursuant to CEQA Section 15301(c) consisting of the operation, repair and maintenance of existing facilities such as streets and involves negligible or no expansion of existing or former use.

Policy Question(s) for Council Consideration:

None

Summary:

- The Annual Street Resurfacing and City Alley Resurfacing Project includes the annual scope of work to resurface Los Altos streets and alleys and integrates mobility enhancements to improve safety for all modes of transport, with an emphasis on safer routes to schools. All work supports the Council Priorities of Community Safety and Asset Management.
- On July 20, 2022, the City advertised the Annual Street Resurfacing and City Alley Resurfacing Project for bidding.
- On August 11, 2022, the City received and opened three (3) bids in a public virtual session.
- The Council-approved CIPs listed in the Fiscal Impact section above will fund the project.

Staff Recommendation:

Staff recommend the City Council adopt a resolution to A) award the Base Bid, Additive Alternate No. 2, and Additive Alternate No. 3 for the Annual Street Resurfacing and City Alley Resurfacing Project to O’Grady Paving, Inc. and authorize the City Manager to execute a contract in the amount of \$6,006,256, B) authorize the City Manager to execute change orders up to 15% (\$900,938) of the construction contract, and C) authorize the Interim Finance Director to amend the FY 2022/23 CIP budget, as follows:

1. transfer \$51,069 from CIP TS-01001 (General Fund) to CIP TS-01003
2. transfer \$49,261 from CIP TS-01001 (General Fund) to CIP TS-01009
3. transfer \$50,000 from the Traffic Impact Fee budget in CIP TS-01007 to the Vehicle Registration Fee budget
4. transfer \$163,851 from the Traffic Impact Fee budget in CIP TS-01022 to the Vehicle Registration Fee budget
5. transfer \$300,000 from the Traffic Impact Fee budget in CIP TS-01060 to the Vehicle Registration Fee budget
6. appropriate \$930,672 in unallocated Gas Tax funds into CIP TS-01001
7. appropriate \$310,180 in unallocated SB1/RMNA funds into CIP TS-01001
8. appropriate \$581,815 in anticipated Measure B funds, into CIP TS-01001



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Purpose

Please see the above Staff Recommendation.

Background

The Annual Street Resurfacing (TS-01001), Annual Street Slurry Seal (TS-01004), Annual Street Striping (TS-01003), and Annual City Alley Resurfacing (TS-01009) capital improvement projects (CIPs) are dedicated to repairing and maintaining asphalt concrete (AC) roadways and alleyways in the City. Annual Concrete Repair (TS-01005), Annual Traffic Sign Replacements/Additions (TS-01006), Annual ADA Improvements (Streets & Roadways) (TS-01008), Safe Routes to School (SR2S) Improvement Projects (TS-01060), Annual Bicycle/Pedestrian Access Improvements (TS-01052), Annual Neighborhood Traffic Management (TS-01007), and the Annual Collector Street Calming (TS-01022) CIPs will also support the subject project by integrating mobility enhancements to improve safety for all modes of transport, with an emphasis on safer routes to schools. All work supports the Council Priorities of Community Safety and Asset Management

This year, all eleven CIPs are combined into one large project--“Annual Street Resurfacing and City Alley Resurfacing”—to take advantage of economies of scale. This is especially important during a year of historic inflation and several years of high-cost escalation in the construction industry owing to the pandemic, supply chain delays, labor shortages, the high price of oil, etc. Given the unprecedented economic climate, the bids were high, and the FY 2021/22 CIP budgets reserved for this FY 2021/22 street resurfacing project had to be supplemented with resurfacing funds from the FY 22/23 budget.

The streets and alleys to be upgraded and resurfaced are shown in Attachment 1—Project Map. This work includes localized pavement damage repairs (digouts) and overlaying entire roadway segments with asphalt-concrete or a protective seal coat called “microsurfacing”. The work includes restriping roadways after the resurfacing to replace the striping that is paved over.

The street segments selected this year align with the roadway infrastructure condition assessments detailed in the City’s pavement management analysis, which is updated every 2-3 years, and supports the Council’s goal of achieving a Pavement Condition Index (PCI) of 75 by 2026. Staff is updating the pavement management analysis this fiscal year to get an updated PCI value. The prior one was completed in 2019 and yielded a PCI of 68.

SR2S and “complete streets” enhancements include extensive new high visibility striping and enhanced signage to delineate safer routes for pedestrians and bicyclists while improving visibility for motorists. The street areas receiving SR2S and “complete streets” enhancements are as follows.



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No	Street	Segment	School
1	Almond Ave	San Antonio Rd to El Monte Ave	Almond Elem. / LAHS
2	Edith Ave	Cypress Dr to 4 th St	Gardner Bullis Elem.
3	Berry Ave	Springer Rd to Miramonte Ave	Loyola Elem.
4	Springer Rd	Fremont Ave to Berry Ave	Loyola Elem.
5	Oak Ave	Marinovich Wy to Truman Ave	Oak Ave Elem.
6	Santa Rita Ave	Portola Ave to Van Buran St	Santa Rita Elem.
7	Los Altos Ave	Portola Ave to Pine Ln	Santa Rita Elem.
8	Covington Rd	Miramonte Ave to Grant Rd	Blach Middle
9	Portola Ave	Los Altos Ave to San Antonio Rd	Egan Middle
10	St Joseph Ave	Foothill Exp to Rancho San Antonio Park	Bike Blvd – Montclair
11	Eva Ave	St Joseph Ave to Granger Ave	Bike Blvd – Montclair
12	Miramonte Ave & Berry Ave All-Way STOP		Spot Improvement
13	Jordan Ave & E Portola Ave All-Way STOP		Spot Improvement
14	S. El Monte Ave & Hawthorne Ave X-Walks		Spot Improvement
15	Miramonte Ave X-Walks (Lorraine Ave to A St)		Spot Improvement
16	Grant Rd X-Walk at Woodland Branch Library		Spot Improvement



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All school locations include improvements recommended in the Final Draft of the Complete Streets Master Plan, which the Council has reviewed.¹ The spot improvements include safety enhancements at intersections and roadways identified by the public and staff.

The bid package also includes three optional “additive alternates”, as follows:

- Additive Alternate 1, which develops a designated student drop-off zone behind Los Altos High School on Jardin Drive, including safer accessibility improvements for bicyclists and pedestrians.
- Additive Alternate 2, which replaces the existing asphalt speed tables on Cuesta Drive with rubberized speed tables and striping and signage enhancements. The redesign was necessary
 - a) to comply with Santa Clara County Fire Department (SCCFD) speed hump/table specifications for emergency vehicles
 - b) because Cuesta Drive is a SCCFD Primary Emergency Response Route and a City of Los Altos Evacuation Route, and
 - c) the existing speed tables make emergency response more difficult because they significantly slow down emergency response times and necessitate pauses to medical care as ambulance vehicles drive over them.
- Additive Alternate 3: St. Joseph Sidewalk Gap Closure Project, which creates a safer route for students attending Montclair Elementary School. The project includes a new concrete sidewalk, ADA ramps, curb and gutter, street resurfacing, striping and signage, and other improvements.

Discussion/Analysis

On July 20, 2022, the City advertised the Annual Street Resurfacing and City Alley Resurfacing project. On August 11, 2022, three (3) bids were received and opened in a virtual public bid opening via RingCentral. The bid result summary is provided in Attachment 2. The lowest responsive and responsible bidder is O’Grady Paving, Inc. for a Base Bid of \$5,711,830.95.

The funding summarized above is sufficient to award the Base Bid (\$5,711,830.95), Additive Alternative 2 (\$123,600.00), and Additive Alternate No. 3 (\$170,825.00), along with a 15% as-needed contingency.

The Complete Streets Commission have voted unanimously in support of Additive Alternates 2 and 3 and both projects have undergone extensive public outreach from planning through final design.

¹ The next final draft of the CSMP is scheduled to come back to Council for a final review in October 2022.



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Staff does not recommend awarding Additive Alternate 1—Jardin Drive student drop-off zone—to help solve the high school’s student-drop-off traffic problem along Almond Avenue owing to the high cost to the City (\$334,693.90) for a solution that is not guaranteed to solve the problem. However, the Streets Division recently installed a more economical drop-off zone on Jardin Drive as a trial for the current school year. Public Works and Police staff are deeply invested in assisting the high school with solving the student drop-off congestion problem through educating parents and student, traffic monitoring and enforcement, and other means.

Public notices will be sent to residents as soon as the Annual Street Resurfacing and City Alley Resurfacing project is awarded by the Council. Residents will be provided with information to follow the project details, schedule, and updates on the City website. The Contractor will also be required to distribute notification letters to affected residents and post street signages at least 48-hours prior to start of work.

Recommendation

Adopt a resolution to A) award the Base Bid, Additive Alternate No. 2, and Additive Alternate No. 3 for the Annual Street Resurfacing and City Alley Resurfacing Project to O’Grady Paving, Inc. and authorize the City Manager to execute a contract in the amount of \$6,006,256, B) authorize the City Manager to execute change orders up to 15% (\$900,938) of the construction contract, and C) authorize the Interim Finance Director to amend the FY 2022/23 CIP budget, as follows:

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