



DATE: May 19, 2020

TO: Mayor and City Council

FROM: Director of Public Works

SUBJECT: Adopt a Resolution Awarding a Contract to DeSilva Gates Construction LP for the FY20 Pavement Improvement Project, Project No. 05222, 05224, 05226, 05232, 05289, in a the Amount of \$9,406,497, and authorizing the Public Works Director to spend up to \$11,000,000 for Total Construction Costs

RECOMMENDATION

That Council approves Addendums No. 1, 2, & 3 consisting of revisions to the plans and specification for the FY20 Pavement Improvement Project, and adopts a resolution (Attachment II) awarding the contract for the project to DeSilva Gates Construction LP, in the amount of \$9,406,497, and authorizing the Public Works Director to spend up to \$11,000,000 for total construction costs.

SUMMARY

The FY20 Pavement Improvement Project calls for the rehabilitation of fifty-nine street sections and preventive maintenance of fifty-two street sections for a total of 111 street sections. (Attachment III). This project will pave forty-two lane-miles of streets. Overall, the City is responsible for the maintenance of 657 lane-miles of roadway. The proposed improvements will repair failed pavement sections and improve street surfaces.

On April 14, 2020, the project received seven bids. All but one bid was over the engineer’s estimate. At \$9,406,497, the low bid received is \$650,503 or 6.5% below the engineer’s estimate and provides an opportunity to add other street sections to take advantage of the available budget and reasonable unit prices. Staff will use the cost savings to include additional streets to the project.

Staff recommends award of contract to the responsible low bidder, DeSilva Gates Construction LP, in the amount of \$9,406,497 and authorizing the Public Works Director to spend up to \$11,000,000, for total construction costs, including potential administrative change order.

The project budget of \$12,045,000 is funded via the Gas Tax, Measure B, Measure BB,

Vehicle Registration Fees, and anticipated Road Repair and Accountability Act (RRAA) (SB1) funds.

At the January 22, 2020, Council Infrastructure Committee (CIC) meeting, staff presented the FY20 Pavement Improvement Project, including street selection criteria, treatment types, and budget allocations. The Committee inquired whether Panjon Street and El Portal Street were included in the project, which they are. The Committee did not have other suggested additions.

BACKGROUND

On April 23, 2019, staff recommended Council approve a project list for the SB1 FY20 Pavement Improvement Funding. A resolution was required to submit the application to the California Transportation Commission (CTC), to receive \$2,758,000 in funding for pavement improvement.

On July 9, 2019, staff recommended Council adopt a resolution authorizing the City Manager to execute Amendment No. 1 to the Professional Services Agreement (PSA) with Pavement Engineering, Inc., (PEI) for engineering services associated with the FY20 Pavement Improvement Project. The scope of work for PEI includes engineering review, pavement evaluation, measurement of field quantities, curb ramp design, and construction support.

At the January 22, 2020, Council Infrastructure Committee (CIC) meeting, staff presented the FY20 Pavement Improvement Project, including street selection criteria, treatment types, and budget allocations.

On February 25, 2020, Council approved the plans and specifications for the FY20 Pavement Improvement Project and called for bids to be received on March 24, 2020.

The annual pavement improvement project consists of up to four types of treatments:

Pavement Rehabilitation:

- 1) Standard overlay of the existing street pavement with new Hot Mix Asphalt surfacing
- 2) Cold-In-Place Recycling (CIR), which involves removing the top layer of asphalt, mixing the removed aggregates with a recycling agent and other additives on-site, replacing this pavement material onto the same roadway, then applying a Hot Mix Asphalt overlay.
- 3) Full Depth Reclamation (FDR), which consists of pulverizing and mixing distressed asphalt and underlying pavement materials with or without the addition of stabilizing agents, using the resulting material as a base for the renewed pavement structure and adding a new Hot Mix Asphalt cap.

Preventive Maintenance:

4) Varying combinations of crack sealing, 6" spot repair, and micro-surfacing.

Street selection for the annual pavement improvement projects are based on staff's analysis using several criteria described below:

- **Technology** – The Pavement Management Program (PMP)¹ evaluates current and predicts future roadway conditions. It provides logical and efficient methods of identifying street rehabilitation needs. It also determines the most cost-effective allocation of funds to the street segments needing preventive maintenance, rehabilitation or reconstruction. Staff utilized the PMP to compile an initial list of recommended streets. This list is then revised to consider other criteria and project budget allocation parameters.
- **Internal Reports** - Reports from the City's Maintenance Services staff on streets needing repair were considered.
- **Council Members Input** – Councilmember requests for selecting streets were considered.
- **Public Input** - Public requests for selecting streets were considered.
- **Geographic Location** – Selecting streets in close vicinity to help lower construction bids was considered.
- **Funding Availability** – Available funding and potential for obtaining outside grant funding was evaluated.

The Pavement Condition Index (PCI) is an overall rating of road conditions. The PCI of each arterial and collector street segment is evaluated by an independent third-party every other year, and each residential street segment is evaluated every five years.

<u>PCI Rating</u>	<u>Description</u>
100	This rating is given to newly constructed or rehabilitated roadways.
85 - 99	Highly functional roadway. No action required.
70 - 85	Roadway can be maintained ("preventive maintenance") with crack sealing, slurry seals, micro-surfacing, and some minor, localized pothole repairs. As the roadway pavement ages, preventive maintenance may not be effective after a few maintenance cycles.

¹ The PMP is a Metropolitan Transportation Commission (MTC) recommended software program.

40 - 70	Extensive "dig-outs," grinding, fabric, or asphalt overlays may be required to maintain (or "rehabilitate") roadway.
0 - 40	Roadway requires complete reconstruction using full depth reconstruction, cold in place recycling, or hot in-place recycling methods. If a street deteriorates beyond certain points, it becomes progressively more expensive to bring that street back to the desired standard.

As part of the 2018 Capital Improvement Program (CIP) agenda item at the November 29, 2017 CIC meeting, the committee reviewed and agreed to the following budget allocations for annual pavement improvement projects:

- Minimum 20% for preventive maintenance (streets with PCI of 70-85).
- Minimum 15% for streets located in Industrial Hayward as recommended by the Economic Development Strategic Plan in 2014.
- Minimum 10% for deteriorated streets (streets with PCI of 0-30).

DISCUSSION

Based on prices from the lowest bidder using the criteria described above, the project parameters are as follows:

Project Budget Allocation	Goal	Current Performance	Difference
Preventive Maintenance Treatment	20% minimum	28%	+ 8%
Streets Located in Industrial Hayward	15% minimum	25%	+ 10%
Streets with PCI Less than 30	10% minimum	18%	+ 8%

This selection requires both judgement and experience. Staff has engaged an experienced consultant, Pavement Engineering, Inc., to confirm the selection of streets sections, the approximate level of treatment for each and to provide engineering support services.

Bike lane striping will be installed for the following locations:

Class II Bike Lanes:

- Huntwood Way, from Whipple Road to Schafer Road (2.8 miles).
- Clawiter Road, from Eden Landing Road to Industrial Boulevard (1.1 miles).

On March 17, 2020, Staff published Addendum No. 1 which changed the bid opening date to April 14, 2020.

On March 24, 2020, Staff published Addendum No. 2 which included minor revisions to the specifications and provided clarification to questions by contractor.

On April 3, 2020, Staff published Addendum No. 3 which includes minor revisions to the plans, specifications and provided clarification to questions by contractor.

On April 14, 2020, seven (7) bids were received for the FY20 Pavement Improvement Project (Attachment IV). DeSilva Gates Construction LP, of Dublin, submitted the lowest bid in the amount of \$9,406,497 which is 6.5% lower than the Engineer's Estimate of \$10,057,000. O'Grady Paving, Inc., of Mountain View, submitted the second lowest bid in the amount of \$10,151,576, which is 0.9% over the Engineer's Estimate.

The low bid received provides an opportunity to increase the project scope. Staff will use the cost savings to include additional streets to the project. All bid documents and licenses for the apparent low bidder, DeSilva Gates Construction LP, are in order. Staff recommends award of the contract to the responsible low bidder DeSilva Gates Construction LP, in the amount of \$9,406,497 and authorizing the Public Works Director to spend up to \$11,000,000 in total construction costs, including potential administrative change order.

Paving on Huntwood Avenue will consist of 2.2 miles of preventive maintenance & 0.6 miles of rehabilitation. On January 22, 2020, during the CIC meeting, the Committee inquired about installing fiber optic on 2.8 miles of Huntwood Avenue. Based on staff's engineering cost estimate, installing fiber optic on Huntwood Avenue would add over \$1,000,000 to the project. The funding sources for the paving project (Gas Tax, Measure B, Measure BB, Vehicle Registration Fees, and RRAA) are not eligible to be used for fiber optic installation. For these reasons, installation of a fiber optic line in this section of Huntwood Avenue was not included in the project.

Striping on Huntwood Avenue, between Tennyson Road and Whipple Road, will consist of matching existing conditions of 4 lanes and Class II bike lanes. However, Transportation Division Staff is reviewing the possibility of reducing Huntwood Avenue from 4 lanes to 2 lanes and installing Class IV bike lanes. Data collected on four-lane Huntwood Avenue, between Tennyson Road and Whipple Road, revealed an average daily traffic (ADT) volume of approximately 12,000 vehicles. Road diets of four-lane roadways to two-lane roadways are recommended without a feasibility study for volumes less than 20,000 vehicles. Because Hayward's Bicycle and Pedestrian Master Plan recommends a Class IV Separated Bicycle Facility for this segment, it is the intent of the Transportation Division Staff to present this as a work session item to Council, conduct public outreach with the Huntwood Avenue neighborhood to gain consensus for the support of a road diet and implementation of a Class IV bicycle facility, and return to Council for approval of any road diet implementation. The idea of a road diet was presented to and supported by the South Hayward Neighborhood Collaborative (SHNC) in February 2020. The consensus from SHNC was a support for allocation of reclaimed space for other transportation modes, shorter pedestrian crossing, and traffic calming measures – all of which are results of the implementation of a road diet.

Paving on Clawiter Road, between Eden Landing Road and Industrial Boulevard consists of two railroad crossings. Staff is working with Union Pacific Railroad (UPRR) & California

Public Utilities commission to obtain an encroachment permit. This process may take up to 12 months, after the project is complete. If so, the portion of work within UPRR right of way will be paved in a future project.

This project is categorically exempt under Section 15301(c) of the California Environmental Quality Act Guidelines for the operation, repair, maintenance, or minor alteration of existing facilities.

ECONOMIC IMPACT

The project is funded by City's Capital Improvement Program and State RRAA (SB1) funds.

FISCAL IMPACT

The construction contract breakdown is as follows:

DeSilva Gates Construction LP's bid	\$9,406,496.80
Bid cost savings (lowest bid – engineer's estimate)	\$650,503.20
Administrative Change Order Budget	<u>\$932,000.00</u>
Total Construction Cost:	\$11,000,000

The project funding sources are as follows:

• 210 - Gas Tax	\$1,474,000
• 212 - Measure BB – Local Transportation	\$3,852,000
• 215 - Measure B – Local Transportation	\$3,655,000
• 218 – Vehicle Registration Fee	\$606,000
• 211 – RRAA (SB1)	\$2,758,000
• Earmarked Funds for Alameda County Public Works for the Hesperian Boulevard Corridor Improvement Project*	<u>-\$300,000</u>

Total: \$12,045,000

*The Hesperian Boulevard Corridor Improvement Project is led by Alameda County Public Works. A small portion of the work is within City right of way along southbound Hesperian Boulevard near A Street.

In view of the fact that this project is truly shovel ready, and the expectations that some level of federal stimulus funds may be made available during the COVID-19 health and economic emergency, staff will remain diligent to pursue any such funding for this project. However, this project currently has a good bid and staff recommends awarding the project using the current funding to avoid losing this bid should the economic stimulus funding is delayed.

STRATEGIC ROADMAP

This agenda item supports the Strategic Priority of Improve Infrastructure. Specifically, this item relates to the implementation of the following project(s):

Project 5, Part 5.a: Maintain Pavement Condition Index (PCI) at 70.

SUSTAINABILITY FEATURES

The project requires the contractor to recycle all construction and demolition debris as a result of the project.

This project is consistent with City's Complete Streets Policy and improves travel for all users including:

- Improved pavement for motorists
- Additional bike lanes and sharrows for bicyclists
- More visible pavement markings for pedestrians, including near school zones
- New or upgraded curb ramps to meet the recently revised Caltrans standards for pedestrians

The project satisfies the following General Plan policies:

- PFS-7.10 Recycled Products or Processes for Capital Projects
- HQL-2.5 Safe Routes to School
- HQL-2.6 Education on Sharing the Road
- M-1.7 Eliminate Gaps (in pedestrian networks)
- M-3.1 Serving All Users
- M-5.1 Pedestrian Needs
- M-5.6 Safe Pedestrian Crossings
- M-6.2 Encourage Bicycle Use

PUBLIC CONTACT

Immediately after the construction contract is awarded, a preliminary notice explaining the project will be posted and distributed to all residents and businesses along the affected streets. After the construction work has been scheduled, signs on barricades will be posted seventy-two hours prior to commencement of work indicating the date and time of work for each street. Residents will be advised to park their vehicles on side streets outside of the work area during the period when the streets are being treated.

NEXT STEPS

June 2020
October 2020

Start of Construction
End of Construction

Prepared by: Kathy Garcia, Deputy Director of Public Works

Recommended by: Alex Ameri, Director of Public Works

Approved by:

A handwritten signature in black ink, appearing to read "K. McAdoo". The signature is fluid and cursive, with a large initial "K" and a stylized "McAdoo" following.

Kelly McAdoo, City Manager