



# Memorandum

**TO:** HONORABLE MAYOR  
AND CITY COUNCIL

**FROM:** Matt Cano

**SUBJECT:** CITYWIDE CAPITAL IMPROVEMENT  
PROGRAM ANNUAL REPORT

**DATE:** October 12, 2021

Approved

Date

10/14/2021

## **RECOMMENDATION**

Accept the annual report on the Citywide Capital Improvement Program for Fiscal Year 2020-2021.

## **OUTCOME**

The Citywide Capital Improvement Program (CIP) Annual Report provides the Council a comprehensive review of major public works project and program activity during FY 2020-2021.

## **BACKGROUND**

Since early 2000's, the CIP Report has provided Council with periodic updates on the status of the Citywide CIP. The FY 2020-2021 CIP Report focuses on active major and minor public works projects and is currently presented as an annual fiscal year-end report.

## **ANALYSIS**

This report is intended to provide a summary of the FY 2020-2021 CIP. Project information is sourced from the Capital Project Management System as of June 30, 2021 and has been coordinated with all project delivery partner departments.

In summary, from July 1, 2020, through June 30, 2021, the Citywide capital program actively worked on 266 projects totaling approximately \$1.1 billion in value. This volume of work is consistent with the prior fiscal year. Of those 266 projects, 186 are defined as major public works projects, also known as Major Projects (above \$620,000), for a total value of approximately \$1.1B and 80 are defined as minor public works contracts, also known as Minor Projects (under \$620,000), for a total value of approximately \$32.3M. The volume of work reflects the various phases that CIP projects go through from start to finish. Of the 266 projects, 64 projects valuing

\$195.2 million were completed and put into use during FY 2020-2021. The CIP received an average of 4.2 bids with an average bid variance of 17% below the engineer's estimate for major public works contracts. Minor public works contracts also saw an average of 4.2 bids with an average bid variance of 19% below the engineer's estimate which is outside the industry average of +/-5%. The variance is likely a result of the ever-changing economic situation caused by COVID-19.

In FY 2020-2021, the City implemented and continued these new programs and policies which helped to shape our infrastructure:

- Measure T provides \$650 million in general obligation bond funding for important infrastructure projects throughout the City. Measure T funding in the amount of \$168.8 million was programmed in the 2020-2021 Adopted Capital Budget. As of September 2021, the following milestones have been reached:
  - Completed 152 miles of local and neighborhood street resurfacing
  - Started construction on Airport Rescue Firefighter Facility/Fire Station 20, Fire Station 37, and Emergency Operations Center
  - Purchased properties for Fire Station 8, Fire Station 32, Police Training and Academy Facility
  - Completed roughly 11,000 LED street light conversions and 4,000 conversions for city facility lights.

More information on the Measure T program can be found in the bi-annual report submitted to Council on June 15, 2021.

On March 31, 2020, the County of Santa Clara County Health Department released a Shelter-In-Place order prohibiting all construction activity. During the beginning of FY 2020-2021, Contractors had to implement safety requirements to comply with the County shelter in place order and staff ensured compliance prior to commence of work. Staff also monitored and managed restarting projects to ensure divisions in the department weren't overwhelmed with the workload.

## **CONCLUSION**

The Citywide CIP Annual Report is information only and provides Council a review of major and minor public works project and program activity during FY 2020-2021.

## **EVALUATION AND FOLLOW-UP**

The Citywide CIP Annual Report documents the progress of the Citywide CIP Program activity in FY 2020-2021. This program is committed to the delivery of quality projects that are on time and on budget. No additional follow-up is needed at this time.

### **CLIMATE SMART SAN JOSE**

The recommendation in this memo has no effect on Climate Smart San José energy, water, or mobility goals.

### **PUBLIC OUTREACH**

This memorandum will be posted to the City's website for the October 26, 2021, City Council Agenda. Individual capital projects each have their own public outreach component as necessary.

### **COORDINATION**

This Annual CIP Report has been coordinated with the Airport, Environmental Services, Parks, Recreation and Neighborhood Services, and Transportation Departments as well as the Offices of the City Attorney, City Manager, and Economic Development and Cultural Affairs.

### **COMMISSION RECOMMENDATION/INPUT**

Capital projects identified in this report may have included suggestions, recommendations, or actions from a City Commission. Projects with specific City Commission action will be individually reported through the appropriate department action.

### **CEQA**

Not a Project, File No. PP17 009, Staff Reports, Assessments, Annual Reports, and Informational Memos that involve no approvals of any City action.

/s/  
MATT CANO  
Director of Public Works

For questions, please contact David French, Division Manager, at (408) 975-7276.

Attachment: Citywide Capital Improvement Program Status Report 2020-2021





**Citywide  
Capital  
Improvement  
Program  
Status Report  
2020-2021**

— SAN JOSE —  
**PUBLIC WORKS  
DEPARTMENT**



# Citywide Capital Improvement Program Status Report

## FY 2020-21

The 2020-21 Adopted Capital Budget, part of the \$3.7 billion 5-year Capital Improvement Program, totaled \$1.4 billion. It included significant investments to sustain, enhance and develop a wide array of public infrastructure to improve reliability, enhance recreational experiences, advance public safety and ensure that San José is well positioned for further economic growth and opportunity. This Citywide Capital Improvement Program Status Report highlights some of the key projects from fiscal year (FY) 2020-21 (July 1, 2020 through June 30, 2021) that have had a positive impact on the community, including:

- Rehabilitating and enhancing parks and recreation facilities
- Upgrading and revitalizing the San José Santa Clara Regional Wastewater Facility
- Investments in city infrastructure, including upgrades to emergency and disaster response facilities, road reconstruction, flood protection, water quality protection, and other improvements to critical infrastructure through the Measure T bond

In FY 2020-21 the City implemented and continued these new programs and policies which helped to shape our infrastructure:

- Measure T provides \$650 million in general obligation bond funding for important infrastructure projects throughout the City. Measure T funding in the amount of \$168.8 million was programmed in the 2020-2021 Adopted Capital Budget. As of September 2021, the following milestones have been reached:
  - Completed 152 miles of local and neighborhood street resurfacing
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  - Purchased properties for Fire Station 8, Fire Station 32, Police Training and Academy Facility
  - Completed roughly 11,000 LED conversion for street lights and 4,000 for city facility lighting

More information on the Measure T program can be found in the bi-annual report submitted to Council on June 15, 2021.

On March 31, 2020, the County of Santa Clara County Health Department released a Shelter-In-Place order prohibiting all construction activity. The order allowed construction projects only involving Essential Government Function to continue. Out of the over 40 construction projects active at the time County issued the Health Order, the City only identified 17 projects as involving Essential Government Functions. During the beginning of FY 20-21, Contractors had to implement safety requirements to comply with the County shelter in place order and Staff ensured compliance prior to commence of work. Staff also monitored and managed restarting projects to ensure divisions in the department weren't overwhelmed with the workload.



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## SECTION 1 - PROGRAM OVERVIEW



The City of San José's Capital Improvement Program (CIP) includes capital improvement projects, which are major improvements or expansions to City facilities or infrastructure.

Typical major CIP projects include new construction, replacement, and/or renovation of:

- Community centers, libraries, playgrounds, trails, fire stations and corp. yards
- Sidewalks, bikeways and roads
- Water, storm, and sewer lines
- Public art projects
- San José-Santa Clara Regional Wastewater Facility (RWF)
- San José McEnery Convention Center facilities
- Norman Y. Mineta San José International Airport facilities (SJC)

The CIP also includes services that indirectly lead to the construction of capital improvements, such as feasibility studies and master planning efforts, as well as real estate transactions.

The CIP was approved by the City Council as the 2020-21 Adopted Capital Budget and 2021-25 Capital Improvement Program. Projects were recommended for funding in the proposed CIP in consideration of approved budgets, policy, guidelines, public safety and/or economic development urgency, approved master plans, and external regulatory agencies.

While this report was prepared by the Department of Public Works, multiple departments in the City take lead and partnering roles in CIP delivery, such as the lead role the Environmental Services Department takes at the RWF.

To facilitate program delivery across multiple departments, the City works within six City Service Areas (CSAs).

- Community and Economic Development
- Environmental and Utility Services
- Neighborhood Services
- Public Safety
- Strategic Support
- Transportation and Aviation Services

2020-21 Adopted Capital Budget	2021-25 Capital Improvement Program
\$1.4 billion	\$3.7 billion

## SECTION 2 – CIP BY THE NUMBERS

Active Projects 20-21 by CSA

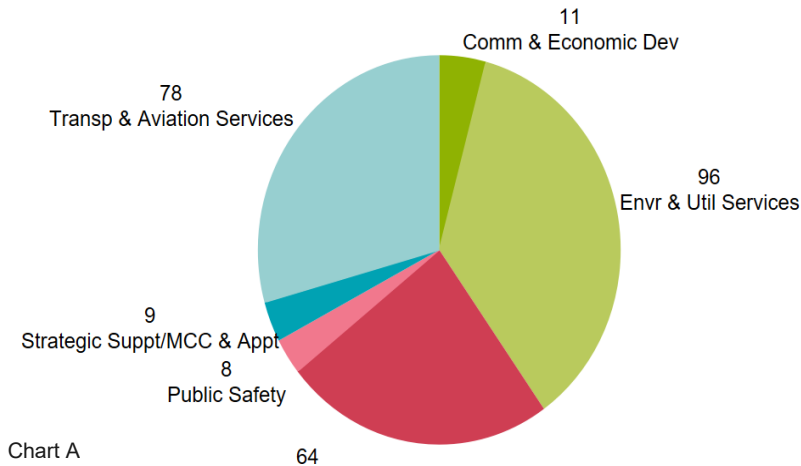


Chart A

The City tracks CIP projects through the Capital Program Management System (CPMS) database. CPMS is an internal and external tool, allowing City Staff to manage CIP projects, and the public to locate information about CIP projects. In addition to listing all projects citywide, CPMS can filter projects by Council District, or by CSA at <http://cpms.sanjoseca.gov>.

Completed Projects 20-21 by CSA

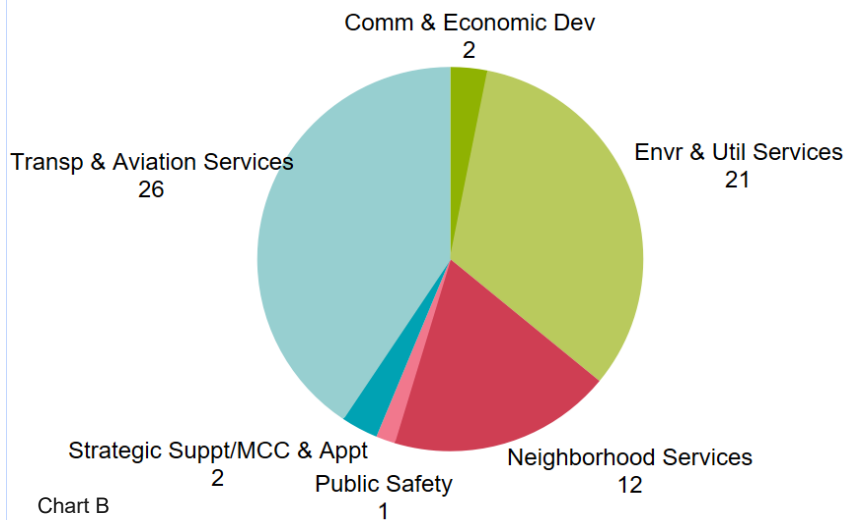


Chart B

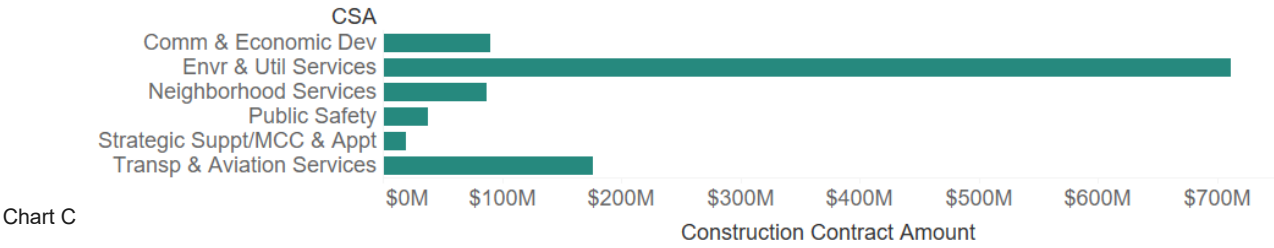
From July 1, 2020 through June 30, 2021, the City actively worked on 266 CIP projects totaling approximately \$1.1B in value. This volume of work reflects the various phases that CIP projects undergo from start to finish. These projects involved the work of several divisions within Public Works as well as partner departments (ESD, DOT, PRNS, and Airport).

Of the 266 CIP projects active in FY 2020-21, 186 are defined as major public works projects (Major Projects) above \$620,000 for a total value of approximately 1.1B, and 80 are defined as minor public works contracts (Minor Projects) under \$620,000 for a total value of approximately \$32.3M. The number of active projects fluctuates from year to year; however, this FY the number of Major and Minor Projects remained relatively the same from the prior fiscal year. Chart A represents the total active CIP projects by CSA.

Of the 266 projects, 64 projects (valuing \$195.2M) were completed and put into use during FY 2020-21. Of the 64 projects, 38 were Major Projects (valuing \$183.9M) and 26 were Minor Projects (valuing \$11.2M). Chart B represents the total completed CIP projects by CSA. Chart C illustrates the total dollar value of the active CIP projects by CSA.



### Active Projects 20-21 by CSA - Value



### Performance Measures

A set of consistent and comprehensive performance measures along with targets and goals have been established for the CIP. Measures have been established in two key areas: schedule and project delivery cost. As identified in the 2021-2022 Adopted Capital Budget, 62 of 64 (97%) projects delivered in 2020-21 are estimated to be delivered within two months of approved baseline schedules, meeting the 85% target, and an estimated on-budget performance of 96%, exceeding the 90% “on-budget” performance target (43 of 45 projects). Actual on-time and on-budget performance for FY 2020-21 will be reported in the 2022-23 Proposed Capital Budget.

The department did approve 14 baseline schedule resets during the FY. Project baseline schedule and budget reset requests are typically only considered for significant issues such as dramatic changes in scope or funding status. Without the approval of the 14 baseline schedule resets, the on-time percentage for the FY would have been 75%. The reasoning for the approval of the resets ranges from utility conflicts, scope change, and other unforeseen issues. However, 43% were due to the Counties Shelter-in-Place Order.

### Bidding Environment

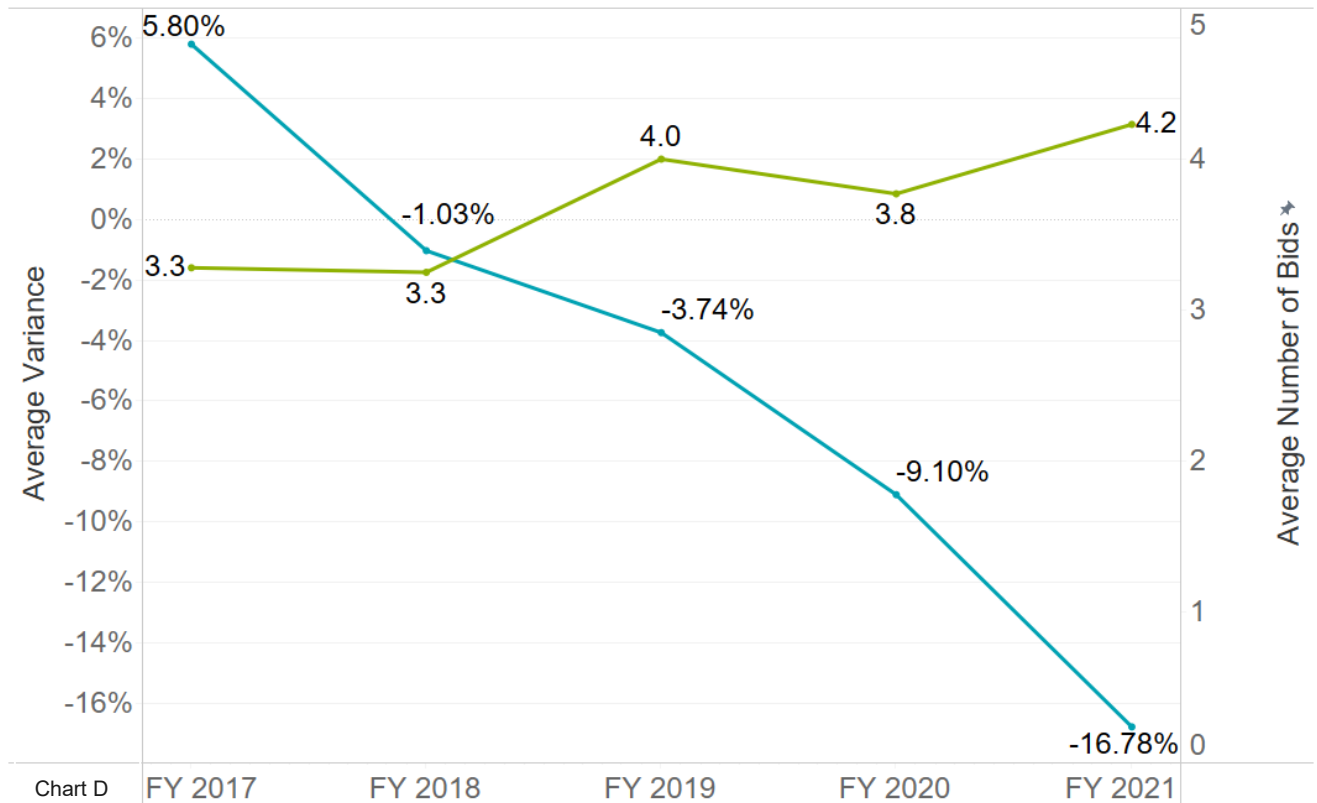
During FY 2020-21, 71 construction contracts totaling \$133.4M were awarded. Of those 71 contracts, 39 were Major Projects (valued \$120.9M). In accordance with the City Charter, the primary means of procuring a Major Project is formal public bidding in which, following public notice, the City will award the contract to the lowest responsive bidder that is responsible. Utilizing the formal bidding process, the program received an average of 4.2 bids per project for Major Projects with an average variance of 17% below the engineer’s estimate.

Additionally, the process for awarding Minor Projects (under \$620,000) is defined in Title 27 of the San Jose Municipal Code as opposed to in the City Charter. For Minor Projects, the City awarded 32 Minor Projects valued at \$12.5M. The program received an average of 4.2 bids per project with an average variance of 19% below the engineer’s estimate.

Chart D reflects the 5-year average for major projects. The chart illustrates the increase in the number of average bidders but a significant drop in the variance between bids and engineer’s estimate.

The goal of the program for both major and minor projects is to keep the average bid variance within the industry average of +/- 5%. As reported, the variance between projects bids and the Engineer's Estimates for both Major and Minor Projects came in well below the industry average. In Fiscal Year 2019-2020, the low bids were primarily due to pavement and sewer projects. However, in FY 2020-21, data shows that in addition to pavement and sewer projects, the majority of other project types throughout the program also came in well under the target for both major and minor projects. Further information on the program bids are included below.

### Major Contract Bids

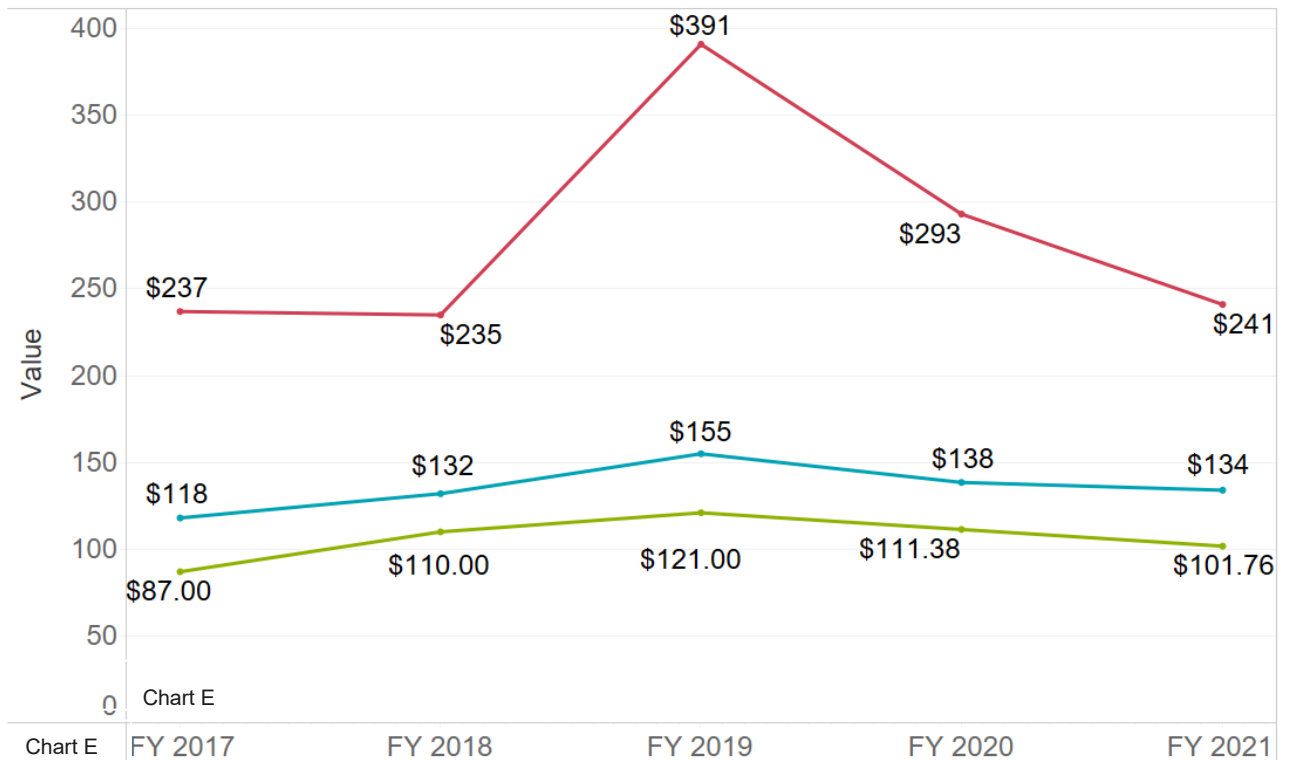


### Analysis

Staff prepared an analysis of the variances by project type and it was determined that similar to the previous FY, pavement projects, and sanitary projects contributed to the average variance falling far below the industry standard. A total of 25 construction bids (7 major projects, 18 minor projects) were conducted within the pavement program with an average variance of 26% below the engineer's estimate. A total of 13 construction bids (all major projects) was conducted within the sanitary sewer and traffic program with an average variance of 21% below the engineer's estimate. Staff concluded that the main reasons for the low bids were because of the impacts of COVID-19. Staff prepared estimates based on the increasing market trends of materials and on the average unit prices from recent bids received. However, based on the low bid amounts received during the FY and after conversations with Contractors, it appears that COVID-19 had created a more competitive bidding environment, resulting in lower-than-expected bids. This was mainly due to Contractors trying to acquire work because

of the uncertainty of available projects from potential impacts to the economy because of COVID-19.

Pavement Unit Price



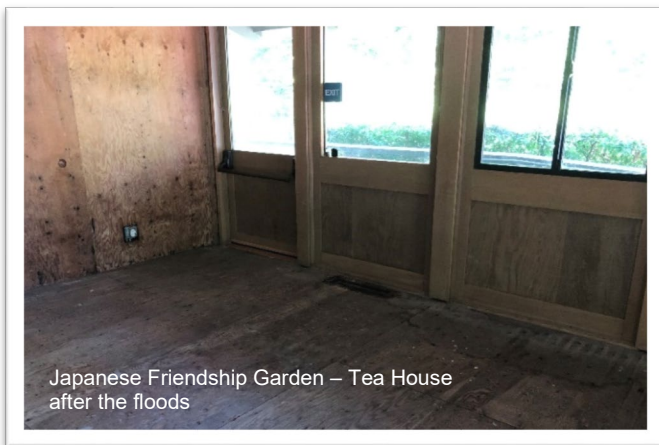
For example, Staff followed market trends by considering the significant increase in the California Statewide Crude Oil Price Index that bottomed out at a low of 109.00 in May 2020 and surged to the recent 403.90 in August 2021. However, as shown in Chart E, the pavement project bid prices did not mirror the rise of the California Statewide Crude Oil Price Index. After further analysis and discussions with contractors, it was determined that the easing of bid prices could be a result of economic uncertainty, the duration of the pandemic, and contractors' willingness to secure projects during the pandemic by submitting lower prices. It was also understood that a large amount of construction materials had been stockpiled by the material suppliers at the beginning of pandemic. With a large supply of material and a low demand, costs were being provided at a competitive price.

Other factors explaining the variance in the engineer's estimate are being evaluated and Staff will continue to work towards staying within industry standard. With the amount of future public safety projects, the architecture/building program will continue to monitor construction costs closely. In 2020, the price per square foot for a fire station was \$1,100/sf, including building and site improvements (i.e. parking, landscape, and utilities connections). Estimates for current projects starting construction in late 2022 are coming in at \$1,300/sf.

### CPMS NextGen Project

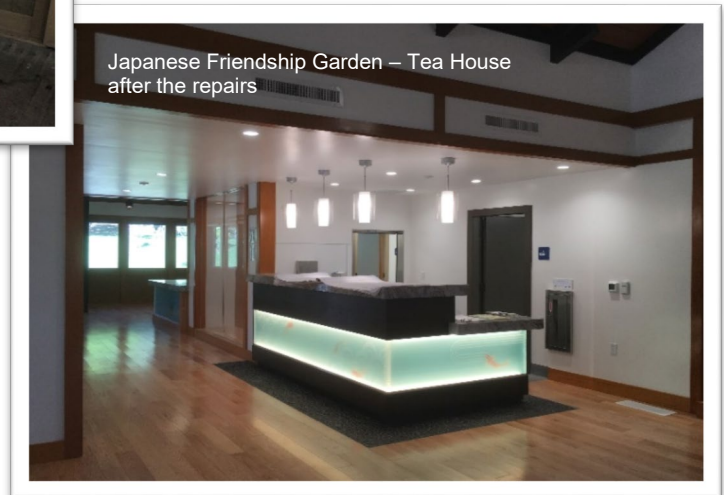
As reported, the City tracks all CIP projects through the CPMS database which was developed by Staff over twenty years ago. CPMS has been used primarily as a reporting tool. However, a major effort is in progress by the Department of Public Works to enhance CPMS to make it a well-rounded project management and reporting tool. Branded CPMS NextGen, the enhancements include improving the user experience through an updated interface, enhanced automation, process refinement, improved data collection, and engaging third party software to provide project managers with necessary tools to manage CIP projects. As these upgrades are folded in, more nuanced data points will enable staff to further analyze various aspects of the CIP. This is a multi-year effort of which is approximately 25% complete.

## SECTION 3 – EMERGENCY RESPONSE



### FEMA Program

The winter storms of 2017 caused significant damage to several municipal facilities in the Alum Rock area and along the Coyote Creek corridor. Both events were declared disasters, which allowed the City to seek FEMA reimbursement for repairs to damaged City-owned and



operated properties. There are 22 total projects in this FEMA program with an approximate value of \$20.8M.

Out of the 22 projects, 14 projects have been completed with one project, Japanese Friendship Garden – Tea House, completed during FY 2020-21. Of the remaining 8 projects to be constructed, one is scheduled to be completed in FY 2021-22 and 7 are scheduled to be completed in FY 2022-23.

### Emergency Interim Housing Program

In response to the COVID-19 emergency and the City's shelter crisis declaration, the City of San José is developing emergency interim housing for at-risk and unsheltered people, reducing the risk of the spread of COVID-19 to them and to others, and providing future bridge housing after this immediate public health emergency recedes. Since March 2020, the City constructed three emergency interim housing sites to serve as transitional housing for unhoused residents. Each site has different accommodations with similar amenities including:



- Admin building – shared double kitchen, Pantry, restroom, lounge, computer lab, shared office space/check-in. meeting room
- Hygiene building – shared laundry room, utility room, two private offices, two case management meeting rooms, restroom
- Other Amenities: Site is fully ADA, resident gardens, dog run, smoking area, outside lounge areas, guard station/cabin at entry, trash enclosure, on-site parking, bed bug eradication station, outdoor amenities

The three sites with the details of the project and the accommodations are listed below:

**Rue Ferrari**

Location: 5898 Rue Ferrari, corner of Rue Ferrari, Silicon Valley Blvd. and Highway 101  
 Accommodations: 46 singles & 36 couples = 118 individuals total

**Construction Award Amount:** \$9,938,400

**Beneficial Use Date:** 1/29/2021



**Evans Lane**

Location: 2090 Evans Lane, near the corner of Curtner Avenue and Almaden Expwy by the Highway 87  
 Accommodations: 48 families + manager, approx. 140 person cap

**Construction Award Amount:** \$5,200,440 (\*the construction price was lower due to the donation of the housing units)

**Beneficial Use Date:** 5/24/21

**Monterey/Bernal**

Location: Southeast Corner of Monterey Rd and Bernal Rd.  
 Accommodations: 78 single-room occupancy units

**Construction Awarded Amount:** \$5,918,000

**Beneficial Use Date:** 9/28/2020

Even though, the Emergency Housing projects are not included in the CIP Budget, they are included in the Operating Budget and have been critical projects as part of the emergency response.

## SECTION 4 - BUILDING OUR CITY TOGETHER WITH OUR COMMUNITY

Building our City together with our community is extremely important emphasis of the CIP program. Contracting with local businesses helps promote the hiring of local workers and has a positive impact on the local economy. The Department of Public Works tracks its contract awards to local & local/small businesses throughout the year for both Major and Minor Projects. This data is collected through the submission of a voluntary form at the time of bid. The San Jose Municipal Code defines local business as a business having either the principal business office or a satellite office with at least one (1) full time employee located in Santa Clara County. The San Jose Municipal Code defines small business as a business that is a local business having thirty-five (35) or fewer total employees.

As mentioned in section two of this report, during FY 2020-21 there were 39 Major Projects awarded totaling \$120.9M. Eleven of those projects (worth \$18.9M) were awarded to local contractors; of those eleven projects, six projects (worth \$10.0M) were awarded to local contractors who are also small businesses.

Additionally, there were 32 Minor Projects awarded totaling \$12.5M. Twelve of those projects (worth \$4.6M) were awarded to local contractors; of those twelve, five projects (worth \$2.6M) were awarded to local contractors who were also small. As illustrated in Chart G, the program had an increase in the number of minor projects awarded to local contractors, with the number of minor projects awards to local contractors who are also small the same as last FY.

Chart F illustrates the year over year local and local/small performance for both Major and Minor Projects. Chart G reflect the 5-year comparison of local and local/small contract awards for Major Projects only.

LBE/SBE Awarded

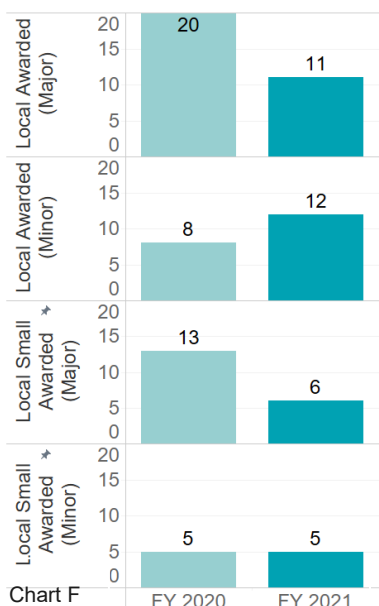


Chart F

Percent of LBE/SBE Major Contract Awards

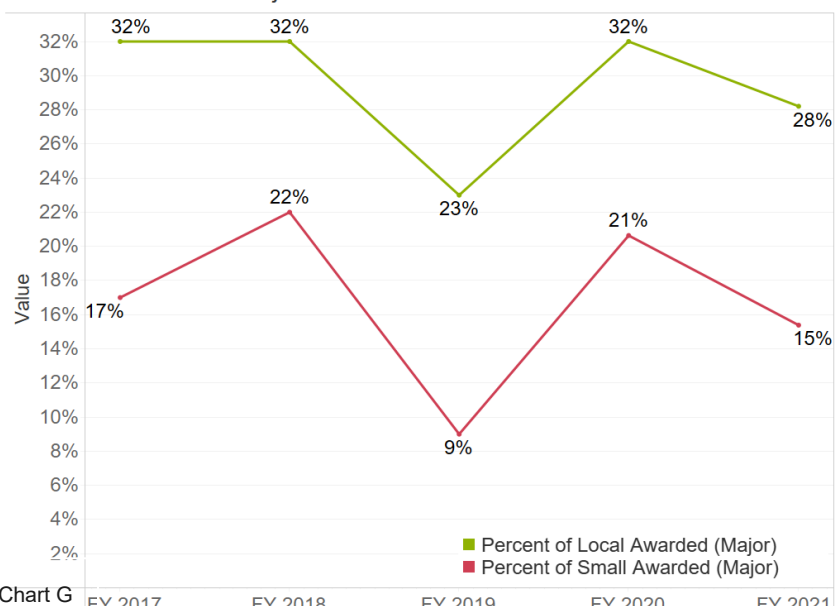


Chart G

Overall, the program saw a decrease in the percentage of contracts awarded to local and local/small contractors for both Major and Minor Projects from the previous fiscal year. These numbers are also below the five-year average. Analyzing the data, Staff identified that both sewer and concrete projects were project types that had the lowest percentage of local and local/small contract awards. The small number of contract awards could be due to a limited number of local and local/small contractors that have the ability or can meet the experience requirement to perform the specialty work. In an effort to clearly identify the issue, Public Works procurement staff sent surveys to potential bidders in hopes of obtaining specific information for the lack of participation, however, little to no responses were received through that effort. Additionally, last FY, the City began giving local and local/small preference to qualifying contractors on Minor Projects to help increase the award frequency to those contractors. Consistent with last year's CIP Report, the preference was applied on numerous occasions, however, the application did not result in the change of the apparent low bidder.

Public Works is continuously working to improve engagement by local and small contractors through the Public Works Contracting Program.

## **SECTION 5 – PUBLIC WORKS CONTRACTING PROGRAM**

### Public Works Construction Academy

The Public Works Construction Academy is designed to inform contractors of contract opportunities through “Opportunity Awareness Events” as well as educate them on how to bid on and manage a public works contract through “Construction Contracting Seminars”. In 2021, The Public Works Department hosted two opportunity awareness events. These events were attended by 45 vendors of various trades and specialties. The Department also hosted a construction contracting seminar series in the Spring of 2021. The seminar series was attended by 33 vendors of which 36% were local businesses and 30% were local businesses who were also small. It is worth mentioning that of the 33 participants, only four were general construction contractors with the remaining being a mix of design consultant, suppliers and specialty trades that would be best suited as sub-contractor and not a prime contract holder. The Department plans to continue to conduct live opportunity awareness events, while converting the construction contracting seminar series into an interactive online module that will be available to contractors through the City's website at any time.

### Minor Contract Prequalification Program

In early 2019, the Department of Public Works launched the Minor Contract Pre-Qualification Program with the goal of increasing opportunities for local and small contractors to bid on Minor Projects. Throughout its lifespan, the program consisted of six pre-qualification pools which included streets, electrical, mechanical, plumbing, general building and general parks contractors. Spread over the six pools, the program pre-qualified twenty-seven contractors, of which 59% were local businesses, and of those, 38% were local businesses who are also small. However, the Department learned that more often than not, the pre-qualified local and small contractors did not submit quotes for subsequent Minor Projects. Additionally, approximately 99% of the twenty-seven contractors that were pre-qualified were already

bidding on City of San Jose solicitations. Another goal of this program was to utilize the Construction Contracting Seminars as a pipeline to feed the pre-qualification program, however, only one graduate from the seminar series became pre-qualified, and that vendor was already participating on public works contracts. Analyzing all the lessons learned, along with the large investment of staff time to conduct and administer the pools, the Department has decided to modify its approach. The Department now maintains lists of contractors who it will then invite to submit a quote on Minor Projects. These lists are primarily made up of local contractors which includes the contractors who participated in the Construction Contracting Seminars. In contrary to having to be pre-qualified on an annual basis before being invited to submit a quote, contractors will submit examples of past completed projects along with their quote, so the City can evaluate experience on a project by project basis. This approach is much more efficient for both city staff and contractors. Additionally, contractors can be added to the list throughout the year instead of waiting for the City to conduct a pre-qualification process which occurred on an annual basis.

### Evolving Strategy

As the department continues to evaluate the results of these efforts, the department will need to utilize lessons learned and pivot its strategy when needed. As mentioned above, modifications will be made to the Public Works Construction Academy, and new additions to the programming are currently being planned. During this pivot, the Department will continue to involve the Small Business Advisory Task Force in its planning efforts. The department plans to present its new programming to the Community and Economic Development Committee in January 2022.

## **SECTION 6 - ONGOING POLICY WORK**

The Office of Equality Assurance (OEA) is only division within Public Works consisting of approximately eleven staff persons, and is charged with the significant responsibility of administering and enforcing the City's prevailing, living, and minimum wage ordinances and policies. It is also involved in all City labor issues, including leading the development and administration of council policy priorities. One such council priority is the Project Labor Agreement (PLA) that was approved in 2019. Below is a summary of the projects that have been awarded to date as part of the PLA.

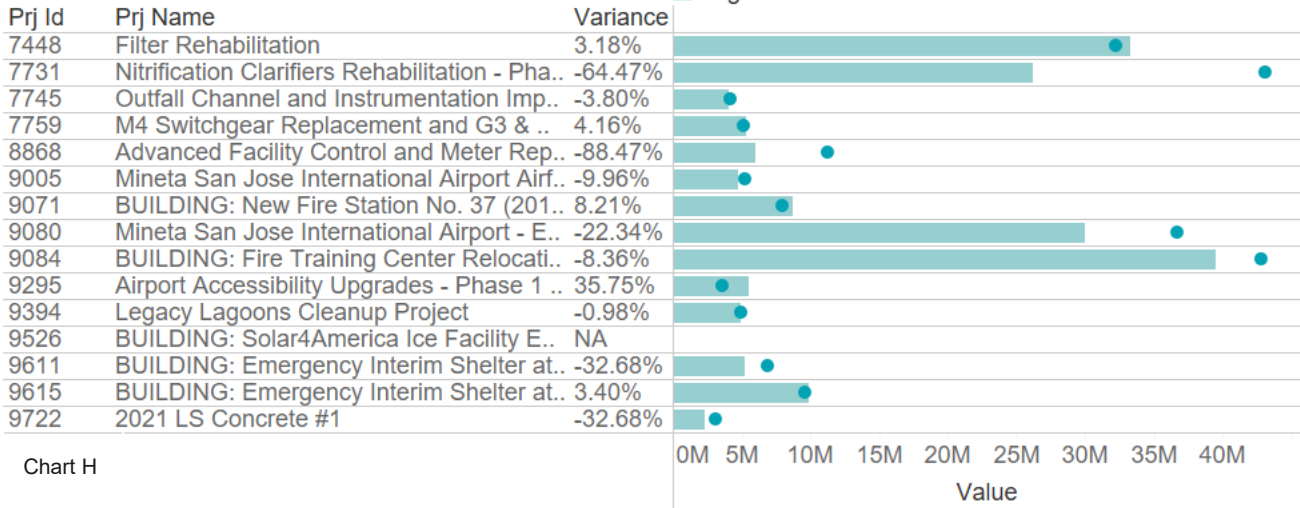
### Citywide Project Labor Agreement

In March 2019, the City entered into a Citywide Project Labor Agreement (PLA) with Santa Clara and San Benito Building Trades Council for public works construction contracts awarded by the City if engineer estimate is for over \$3M, as adjusted annually for inflation. Fifteen projects, with a total construction amount of approx. \$296.5M, are currently subject to PLA requirements which includes the Nitrification Clarifiers Rehab Project, New Fire Station No. 37, the three Emergency Interim Shelter projects, and Solar4America Ice Facility Expansion. Those projects procured through competitive bidding had an average variance of 11% below the engineer's estimate. Chart H illustrate the bid variance of all PLA projects.



# Active PLA Projects 20-21 - Variance

■ Construction Contract Amount  
 ■ Engineer's Estimate



\* Nitrification Clarifiers project engineer's estimate was decreased 10% from the estimate published in the council memorandum as the published estimate was increased 10% due to the application of the PLA. No other project increased its estimate because of the application of the PLA.

\*\* Solar4America Ice Facility Expansion has no bid data due to this project not being bid out by the City.

Rule 20B Underground District -  
Delmas/West San Fernando

*The Community and Economic Development CSA projects include those projects implemented by the Office of Economic Development and public art projects.*



The Delmas/Park Rule 20A and 20B (in-Lieu Fee) Underground Utility District (District) Ordinance Number 28231 was adopted on January 15, 2008 by the City Council. The ordinance requires the utility companies to remove their overhead facilities and related poles from the District. The Rule 20A portion of the District was completed by PG&E in November 2015.

The Rule 20B portion of the District is along West San Fernando Street, from Delmas Avenue to Highway 87, and Park Avenue, from Montgomery Street to Highway 87. The Rule 20B Underground District – Delmas/Park project will install joint trenches (conduits), boxes, vaults, and cabinets for PG&E, AT&T, and Comcast and remove approximately 1,000 linear feet of overhead wires and associated poles within the Rule 20B area. The utilities, at their expense, will install their cables and make the connections to their existing systems and the eighteen properties within the District using the new underground system installed by the City.

The Contractor for this project, Lewis & Tibbitts, Inc., is a Local Contractor.

**Construction Award Amount:** \$1,572,274

**Beneficial Use Date:** (Scheduled) December 17, 2021

Total # of Active Projects in CSA: 8

Total Completed Projects in CSA: 1

5 Year CIP Dollar Value: \$19,690,939

*The Neighborhood Services CSA includes capital project development for parks, trails, libraries, and community facilities.*



**Tamien Park, Phase II** is the second phase of development for the 3.5 acre park located at the intersection of Lick Avenue and Goodyear Street. The property was acquired from the Santa Clara Valley Transportation Authority (VTA) in 2011. Phase II includes demolition of existing hardscape paving, earthwork, grading, site drainage, a natural turf soccer field, all-weather track, soccer viewing area, two shade structures, adult fitness area, planting areas, fencing, concrete sidewalk, signage, site furnishings, irrigation, lighting and entry pilasters. Seven community meetings were held regarding this project from 2015-2019. A grand opening was celebrated on June 5, 2021.

The Contractor for this project was Suarez & Munoz Construction, Inc.

**Construction Awarded Amount:** \$1,992,500

**Beneficial Use Date:** May 26, 2021

Total # of Active Projects in CSA: 64

Total Completed Projects in CSA: 12

5 Year CIP Dollar Value: \$363,752,585



*The Environmental and Utility Services CSA includes the sanitary sewer system, storm sewer system, water pollution control and water utility capital programs.*



In 2014, the City embarked on a \$2.1-billion 30-year Capital Improvement Program (CIP) to modernize the RWF, using design-build for a portion of the program. The RWF Cogeneration Facility is one of the largest in the U.S. The 14-MW facility provides reliable on-site power and heat, replacing aging cogeneration equipment at the wastewater facility. RWF's first use of Progressive Design-Build maximized innovation, resulting in a biogas engine with digester gas treatment, natural gas blending, oxidation catalyst (OC), and selective catalyst reduction (SCR) to operate. The design was based on a lean-burn engine tuned to maximize electrical output for biogas use that could also blend natural gas. A biogas-based engine was the successful key outcome; it allowed for 27 percent more capacity and the flexibility to use no natural gas, which supports the City's efforts to meet its greenhouse gas goals. The new Cogeneration Facility can produce the majority of the power necessary to meet the daily average demands of the RWF. The new Cogeneration Facility significantly reduces emissions and contaminants resulting from the combustion process, which helps the city of San José achieve its climate action goals. It also makes the wastewater facility more resilient. The Cogeneration Facility powers the RWF daily and supports the emergency system that enables the wastewater facility to operate even if an earthquake or other disaster disrupts the local power grid.

**Construction Awarded Amount:** \$98,500,000  
**Beneficial Use Date:** December 15, 2020

Total # of Active Projects in CSA: 94  
Total Completed Projects in CSA: 21  
5 Year CIP Dollar Value: \$1,583,241,094



*The Transportation and Aviation Services CSA is dedicated to the development and completion of surface and air transportation projects and centered on roads, bicycling and pedestrian movement.*



McLaughlin Avenue was identified as one of the corridors that required safety enhancements to reduce speeding vehicles and risk of fatalities. The scope for this project consists of installing median islands and trees along the corridor of McLaughlin Avenue between Story Road and Capitol Expressway. In addition to the improvement, new curb ramps, RRFB, and upgraded streetlights were installed at two intersection of the corridor: Umbarger Road and Idlewood Drive. The purpose for the enhancement with new striping is to reduce vehicular travel speed for calming traffic, promote safety for pedestrians/residents, provide pedestrian safety crossing, and also beauty the corridor.

The Contractor for this project, Wattis Construction Co. Inc., is a Local Contractor.

**Construction Award Amount:** \$1,682,160  
**Beneficial Use Date:** November 10, 2020

Total # of Active Projects in CSA: 78  
Total Completed Projects in CSA: 26  
5 Year CIP Dollar Value: \$1,356,623,777

*The Public Safety CSA consists of fire and police capital projects, including projects funded through Measure T, the Disaster Preparedness, Public Safety and Infrastructure Bond approved by San José voters in November 2018.*



The Fire Department Training Center and the Emergency Operations Center Relocation are being constructed as a joint facility. The project will be substantially developed upon the approximately 4.5-acre, vacant lot located on 1591 Senter Road, at the southwest corner of East Alma Avenue and Senter Road. An additional acre of development will extend onto the City of San Jose Central Service Yard (“CSY”) with demolition of the approximately 1-acre parking lot north of Building A.

Building 1 consists of a two-story 32,112 sq. ft. building to house the training classrooms for the Fire Department, Fire Department recruits, and the Emergency Management Systems (EMS) trainees.

Building 2, needed for the EOC during an event activation, will be built as an “Essential Services Facility” with a 1.5 seismic factor, in accordance with the California Essential Services Buildings Seismic Safety Act of 1986 and the 2016 Critical Operations Power Systems (COPS) - California Electrical Code (CEC) Section 708. In addition to the two primary buildings, the project also includes construction of a Training Tower and the seismic upgrade and remodel of the existing Building D4 of CSY.

The project was awarded to Zovich Construction and is currently in construction.

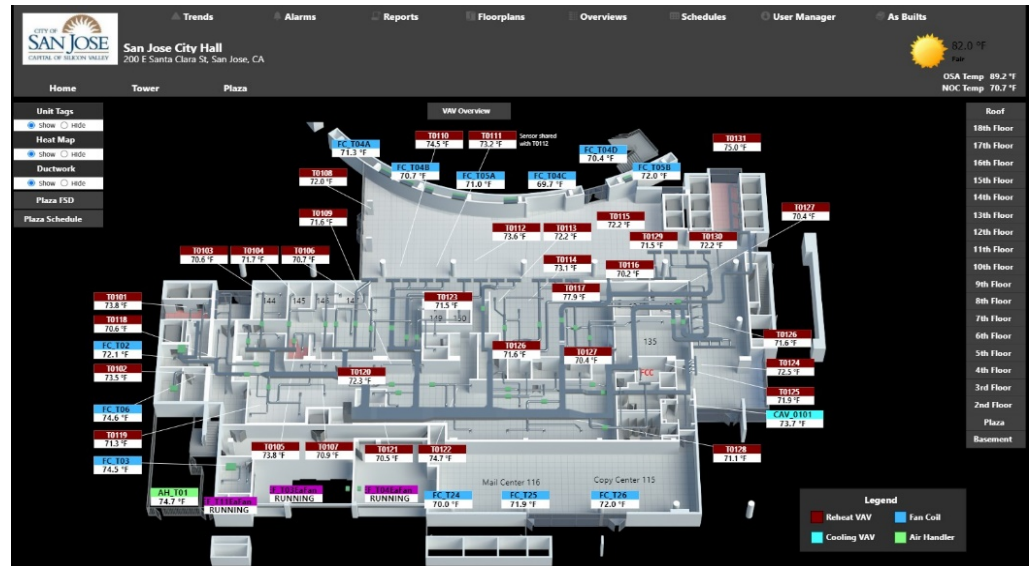
**Construction Award Amount:** \$54,105,000  
**Beneficial Use Date:** (Scheduled) February 2023

Total # of Active Projects in CSA: 7  
Total Completed Projects in CSA: 1  
5 Year CIP Dollar Value: \$235,150,328

Strategic  
Support

# City Hall Building HVAC Controls Upgrade Project

The Strategic Support CSA implements projects at City Hall and other city-owned facilities while managing the City's financial and technology systems.



The Honeywell Building Management System (BMS) was engineered and installed as part of the original City Hall building construction in 2005. Over time, the control system has become obsolete. In addition, the manufacturer has transitioned to no longer support the hardware components and provided limited software technical assistance, making it challenging to keep the system operating efficiently and reliably.

This project replaces the existing BMS server, Smoke Control Panel, and all smoke damper and HVAC controllers throughout the City Hall buildings. The new control system utilizes the industry's most advanced control software and hardware, the Niagara N4.0 platform, and Distech BACNET IP controllers. Indifference to the old control system, new Distech controllers support the new Title 24 requirements, which provide significant energy saving to the City Hall buildings.

As part of this project, (25) twenty-five existing energy meters are connected to the BMS for energy use monitoring.

The project is substantially completed on January 22, 2021, and the new BMS system is currently in use by the City Hall Campus. The Contractor for this project, Sunbelt Controls Corporation, Inc., is a local Contractor.

**Construction Award Amount:** \$5,290,000  
**Beneficial Use Date:** January 22, 2021

Total # of Active Projects in CSA: 9  
Total Completed Projects in CSA: 2  
5 Year CIP Dollar Value: \$ 96,161,444