



## PUBLIC WORKS DEPARTMENT

CITY HALL  
10300 TORRE AVENUE • CUPERTINO, CA 95014-3255  
TELEPHONE: (408) 777-3354 • FAX: (408) 777-3333  
CUPERTINO.ORG

### CITY COUNCIL STAFF REPORT

Meeting: January 22, 2025

#### Subject

Award a construction contract to Golden Bay Construction in the amount of \$1,569,798, approve a first amendment to the design services contract with Pakpour Consulting Group to increase the contract by \$96,620 for a total not-to-exceed contract amount of \$310,483 and approve a budget modification in the amount of \$1,500,000 for the Stevens Creek Boulevard Class IV Bike Lane Project.

#### Recommended Action

1. Award a construction contract for the Stevens Creek Boulevard Class IV Bike Lane Phase 2A Project (budget unit 420-99-036, project number 2022-15) in the amount of \$1,569,798 to Golden Bay Construction, Inc.;
2. Authorize the City Manager to execute the construction contract with Golden Bay Construction, Inc. when all conditions have been met;
3. Authorize the Director of Public Works to execute any necessary construction change orders up to a construction contingency amount of \$156,980 (10%) for a total contract amount of \$1,726,778;
4. Authorize the City Manager to amend the Design Services Contract with Pakpour Consulting Group to increase the amount by \$96,620 for a total not-to-exceed contract amount of \$310,483 for the 2022-11 Stevens Creek Boulevard Class IV Bike Lane Phase 2B Design Project; and
5. Adopt Resolution No. 25-XXX approving budget modification #2425-377, approving an increase of grant revenue estimates of \$1,500,000 and a transfer out of \$693,000. This includes an increase of \$807,000 in Federal grant funds and a transfer of \$693,000 in SB1 Grant Funds from the Transportation Fund (270-85-821) into the Capital Improvement Program Capital Project Fund (420-99-036).

#### Reasons for Recommendation

##### *Background*

The 2016 Cupertino Bicycle Transportation Plan identified Stevens Creek Boulevard Class IV Bike Lane Project (Project) as the highest priority project. This Project includes upgrading the existing Class II buffered bike lane to a physically separated Class IV bike lane along Stevens Creek Boulevard from Tantau Avenue to Foothill Boulevard and related traffic signal upgrades.

No vehicle lanes are being removed or repurposed as a part of this project.

In July 2016, staff submitted a One Bay Area Grant (OBAG) Cycle 2 application to the Metropolitan Transportation Commission (MTC) for grant funding in the amount of \$807,000; however, due to limited funds and the competitive nature of the grant the Project was not awarded the grant at that time.

To facilitate implementation, the Project was broken into three phases. Phase 1 included Tantau Avenue to North Wolfe Road, Phase 2 includes North Wolfe Road to Mary Avenue, and Phase 3 includes Mary Avenue to Foothill Boulevard. Phase 1 was adopted into the Fiscal Year (FY) 2018-2019 Capital Improvement Program (CIP) and was designed, constructed, and completed on February 12, 2021.

Phase 2 was adopted into the FY 2020-2021 CIP with an approved budget of \$350,000 for design. On May 18, 2021, the City Council accepted the recommendation to award a design service contract to Pakpour Consulting Group in the amount of \$213,863 for the design of Phase 2.

To facilitate construction, Phase 2 was split into two segments. Segment one (Phase 2A) is from Wolfe Road to De Anza Boulevard, and segment 2 (Phase 2B) from De Anza Boulevard to Mary Avenue. In 2021, the FY 2021-2022 CIP was adopted with an approved budget of \$2,000,000 for the Phase 2A Construction.

In 2022, MTC informed staff that due to other agencies being unable to commit to obligating the OBAG funds for their projects, funding was now available for the City of Cupertino in support of this Project. On April 19, 2022, the City Council accepted the recommendation to adopt a resolution of local support, which is required to complete the application process and for the City to receive the \$807,000 of OBAG funding (with a required local match of \$93,000.)

As Phase 2A progressed into final design, with an engineer's construction estimate of approximately \$1,500,000, and with budget concerns regarding the California Department of Tax and Fee Administration audit, staff sought to acquire additional external funding to supplement the cost of this Project. On May 21, 2024, the City Council accepted the recommendation to adopt a resolution establishing a list of projects proposed to be funded by Senate Bill (SB) 1 funds. The Phase 2 project is budgeted to receive \$693,000 of SB 1 funds, with a required local match of \$32,000.

Phase 2B design will include traffic signal upgrades at Bandlely Drive and Stevens Creek Boulevard. The FY 2018-2019 CIP was adopted with an approved budget of \$150,000 toward design and construction of these improvements in order to enhance pedestrian and vehicle safety at this intersection. Approximately \$24,000 of this \$150,000 budget has

been received from developers in-lieu fees, with the remaining \$126,000 anticipated from approved developments that have not yet submitted applications or paid fees.

Initiation of Phase 3 will be proposed in a future FY CIP.

*Construction Contract*

Staff completed the final design of Phase 2A and advertised the Project for public bid on November 5, 2024. The bid documents issued by the City are available at <https://apps.cupertino.org/details/745>. The engineer’s estimate for this project was \$1,500,000. On December 5, 2024, the following bids were received:

Bidder	Total Base Bid Amount
Golden Bay Construction, Inc.	\$1,569,798.00
Sposeto Engineering, Inc.	\$1,642,469.00
Granite Rock Company	\$1,654,934.00
Joseph J. Albanese, Inc.	\$1,693,385.00
Ray’s Electric	\$1,744,107.00

The Public Works Department reviewed Golden Bay Construction, Inc.’s bid proposal and determined their bid to be the lowest responsive and responsible bid per the Instruction to Bidders and Cupertino Municipal Code. Therefore, staff recommends awarding the construction contract to Golden Bay Construction, Inc., for the contract amount of \$1,569,798 and include a 10% construction contingency in the amount of \$156,980, for a total contract amount not to exceed \$1,726,778. Construction contingency covers other costs that could be incurred due to unforeseen circumstances and is a typical contracting best practice.

*Design Services Contract*

As mentioned earlier, the City Council awarded a design services agreement to Pakpour Consulting Group in the amount of \$213,863 to design Phase 2, which includes Phase 2A and Phase 2B. During design of Phase 2A, additional work involving potholing for underground utilities was required for the traffic signal upgrades. To meet our timeline for grant funding, staff reallocated Phase 2B funds towards Phase 2A to perform this additional work. This additional work will help to streamline the construction schedule and reduce the potential for change orders due to unforeseen underground utilities. Staff recommend amending the design services contract with Pakpour Consulting Group to increase the contract amount by \$96,620 for a total not-to-exceed amount of \$310,483 to complete the design of Phase 2B.

Next Steps

If approved, construction is anticipated to begin in March 2025, with completion estimated in September 2025.

If this item is not approved, the City will lose the competitive OBAG funds of \$807,000. The SB 1 funds, in the amount of \$693,000, can be reallocated to other eligible paving and safety related City projects.

Sustainability Impact

This project will enhance safety for bicycle transportation by installing concrete barriers within the existing striped buffer to create a physical separation between the existing Class II bike lane and vehicular traffic. This project promotes bicycling as a form of active transportation to help meet the City’s greenhouse gas emissions reduction goals.

Fiscal Impact

The Stevens Creek Boulevard Class IV Bikeway Phase 2A project budget (420-99-036) has a total City-funded approved project budget of \$2,500,090. The total expenditures after completion of Phase 2A construction of the project are projected to be \$2,222,261, with remaining funds of \$277,829. The project costs will be offset in part by external funding reimbursements of \$1,500,000 from the OBAG and SB 1 funding. A transfer of SB1 funds is recommended from fund 270 to fund 420. Historically, the City has budgeted all SB1 dollars in fund 270. Subsequent to budget adoption, this project was approved for SB1 funding, necessitating the requested transfer of funds. Additionally, OBAG grant revenues which were not previously budgeted, are now being requested for allocation to this project.

Fiscal Summary Table

<b>Current Funding Status (Budget)</b>	<b>Amount</b>
City Approved Funds FY 21 – Design Phase	\$350,000
City Approved Funds FY 19 – Bandley Intersection (Phase 2B)	\$124,432
External Funds FY 19 – Bandley Intersection (Developer In-Lieu fees) (Phase 2B)	\$25,658
City Approved Funds FY 22 – Construction (Phase 2A)	\$2,000,000
<b>Design and Construction Phase 2 – Subtotals:</b> (budget unit 420-99-036)	<b>\$2,500,090</b>

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<b>Projected Funding Impact (Expenses)</b>	<b>Amount</b>
Design Phase Expenditures to date	(\$213,863)
Design Phase (for Phase 2B Design completion)	(\$96,620)
Construction Contract (\$1,569,798 base contract and \$156,980 contingency) – <i>This Action</i>	(\$1,726,778)
Construction Management	(\$185,000)
<b>Subtotal:</b>	<b>(\$2,222,261)</b>

<b>Summary</b>	<b>Amount</b>
Current Project Budget (420-99-036)	\$2,500,090
Projected Funding Impact	(\$2,222,261)
<b>Remaining Funds:</b>	<b>\$277,829</b>

<b>Construction Phase 2A External Funding</b>	<b>Amount</b>	<b>Local Match</b>	<b>Total Amount</b>
One Bay Area Grant (OBAG)	\$807,000	\$93,000	\$900,000
Senate Bill 1 (SB1)	\$693,000	\$32,000	\$725,000
Total	\$1,500,000	\$125,000	\$1,625,000

These grant funds will offset Phase 2A expenditures. The City anticipates receiving the full amount of grant funds upon completion of Phase 2A. Staff will complete Phase 2B design and will pursue proposals for construction of Phase 2B in 2026. Staff will return to City Council for necessary budget requests for Phase 2B after construction bids are received for that phase.

City Work Program (CWP) Item: No

CWP Item Description: N/A

Council Goal: N/A

California Environmental Quality Act (CEQA)

This project is categorically exempt from CEQA under CEQA Guidelines Section 15301 (c), for minor alteration of existing bicycle lanes, signal poles, and existing facilities. Public Resources Code section 21080.25 (construction of bicycle facilities).

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Prepared by: Jason Wong, Senior Civil Engineer

Reviewed by: Chad Mosley, Director of Public Works

Reviewed by: Tina Kapoor, Interim Assistant City Manager

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Draft Construction Contract

B – Draft Resolution