



PUBLIC WORKS DEPARTMENT

CITY HALL
10300 TORRE AVENUE • CUPERTINO, CA 95014-5732
TELEPHONE: (408) 777-3354
CUPERTINO.GOV

CITY COUNCIL STAFF REPORT

Date: May 5, 2026

Subject

Award a construction contract for the 2026 Pavement Maintenance Phase 1 Project to O'Grady Paving, Inc. in the amount of \$1,869,804; authorization of contract execution and change orders up to \$2,150,274.

Recommended Action

1. Award a construction contract for the 2026 Pavement Maintenance Phase 1 Project number 2026-101 in the amount of \$1,869,804 to O'Grady Paving, Inc.
2. Authorize the City Manager to execute the construction contract with O'Grady Paving, 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 \$280,470 (15%) for a total contract amount not to exceed \$2,150,274.

Background

The City of Cupertino performs annual maintenance on its road assets including preventative maintenance and rehabilitation. The 2026 Pavement Maintenance Phase 1 will rehabilitate twelve street segments by milling the existing road surface and placing a new layer of asphalt. The project also includes removal and replacement of non-compliant ADA ramps located on streets to be rehabilitated and performing asphalt dig-out repairs at various locations in preparation for preventative maintenance treatments to occur this Fall as part of the 2026 Pavement Maintenance Phase 2 Project.

Reasons for Recommendation

On March 6, the City publicly advertised the Project. The bid documents issued by the City are available at <https://apps.cupertino.org/details/836>. Project streets were selected based upon Pavement Condition Index (PCI) and maintenance history. See Attachment B for the Project street list. A location map is provided as Attachment C.

On April 7, the following 10 bids were received:

Bidder	Bid Amount
<i>Engineers Estimate</i>	\$2,478,000
O'Grady Paving, Inc.	\$1,869,804
Rapid Grading Services	\$1,922,218
Radius Earthwork, Inc.	\$1,951,096
G. Bortolotto & Company, Inc.	\$1,977,444
Zara Construction, Inc.	\$2,128,753
Interstate Grading and Paving, Inc.	\$2,142,179
Precision Grade, Inc.	\$2,361,798
MCK Services, Inc.	\$2,429,223
QLM, Inc.	\$2,760,757

The Department of Public Works reviewed the bids for completeness, responsiveness and compliance with bids specifications. The apparent low bid received from O'Grady Paving, Inc was deemed to be the lowest responsive and responsible bid per the Instructions to Bidders and Cupertino Municipal Code Section 3.23.

The Contractor, O'Grady Paving, Inc., has experience and qualifications to complete the project. O'Grady Paving Inc, has successfully completed projects of similar size and scope. Based on the contractor's experience and performance with other agencies, staff recommends awarding the contract (Attachment A) to O'Grady Paving, Inc., for the contract amount of \$1,869,804, include a 15% construction contingency in the amount of \$280,470 for a total contract amount not to exceed \$2,150,274. Construction contingency allows for unforeseen conditions and is a typical contracting best practice.

Sustainability Impact

Maintaining and preserving the local streets and roadway system will reduce drive time and traffic congestion, improve bicycle safety, and create a safer and more appealing pedestrian experience. This leads to reduced vehicle emissions, helping the City achieve air quality and greenhouse gas emission reduction goals.

Fiscal Impact

Award of this contract will result in a fiscal impact of up to \$2,150,274, including the base contract and potential contingency. Sufficient funds are budgeted in 270-85-821 900-921 (Capital Outlay Annual Outlay Project) including approximately \$438,330 in Vehicle Registration Fee revenue distributed to the City by the Santa Clara County Valley Transportation Authority (VTA). The balance of the contract will be funded by Measure B revenue also distributed by VTA.

//

//

//

//

Project Funding Status	Amount
Capital Outlay Annual Asphalt Project (GL# 270-85-821 900-921) <i>includes \$438,330 of vehicle registration fee revenues received from VTA</i>	\$6,631,379
Capital Outlay SB1 Roads (GL# 270-85-821 900-971)	\$2,143,527
Funding Available for 2026 Pavement Maintenance Program	\$8,774,906

Funding Impact	Amount
2026 Pavement Maintenance Program Phase 1 – Contractor (GL# 270-85-821 900-921) <i>(this item)</i>	-\$2,150,274
2026 Pavement Maintenance Program Phase 2 – Contractor (pending award, separate agenda item 5/5/2026) (GL# 270-85-821 900-971)	-\$2,143,527
2026 Pavement Maintenance Program Phase 2 – Contractor 4/21/2026, (pending award, separate agenda item 5/5/2026) (GL# 270-85-821 900-921)	-\$715,632
Construction Management – Ghirardelli Associates, Service Order #1 (pending award, separate item 5/5/2026) (GL# 270-85-821 900-921)	-\$588,538
Total - Funding Impact	-\$5,597,971

Project Funding Remaining	3,176,935
----------------------------------	------------------

City Work Program (CWP) Item/Description

None

Council Goal

Quality of Life, Transportation

California Environmental Quality Act

This project is exempt from CEQA Guidelines 15301(c) (repair and maintenance of existing highways and streets, sidewalks, gutters, bicycle and pedestrian trails, and similar facilities).

Prepared by: Jo Anne Johnson, Public Works Project Manager

Reviewed by: Chad Mosley, Director of Public Works

Floy Andrews, Interim City Attorney

Approved for Submission by: Tina Kapoor, City Manager

Attachments:

A – Draft Contract

B – Project Street List

C – Project Location Map