



## PUBLIC WORKS DEPARTMENT

CITY HALL  
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### CITY COUNCIL STAFF REPORT

Meeting: February 4, 2025

#### Subject

City Bridge Preventive Maintenance Project grant acceptance and budget adjustment.

#### Recommended Actions

1. Adopt Resolution No. 25-XXX accepting \$1,893,195 in Federal grants from the Federal Highway Administration's Bridge Preventive Maintenance Program for the City Bridge Preventive Maintenance Repairs Project.
2. Adopt Resolution No. 25-XXX approving budget modification #2425-373 approving an increase of Federal grant revenue estimates of \$1,893,195 and an appropriation of \$1,176,105 in the Transportation Fund (270-90-960).

#### Executive Summary

The City of Cupertino was awarded \$1,893,195 in grant funding from the Federal Highway Administration (FHWA), which will not be received until after funds are expended by the City. The City must fully fund the Bridge Rehabilitation CIP project to complete construction. Upon completion of work, the City will request reimbursement to offset these expenditures. The budget modification requested will facilitate this pass-through accounting.

#### Reasons for Recommendation

##### *Background*

In 2015, the City Council adopted the Fiscal Year (FY) 2014-2015 Capital Improvement Programs (CIP) Budget which included this Bridge Rehabilitation – Minor Project. This project was initiated to address maintenance work recommendations issued by Caltrans biennial bridge inspection reports and included two bridges along Stevens Creek, one at Homestead Road and one at Stevens Creek Boulevard. The approved project funding was \$165,000.

Staff submitted a grant application to Caltrans applying for Federal funding under the FHWA's Bridge Preventive Maintenance Program (BPMP). Caltrans approved the City's application and awarded a grant amount up to \$571,151 (88.53% of project total), which requires a local match of \$73,999 (11.47% of project total), for a project total of \$645,150.

For these types of FHWA grants, the City is required to pay a local match equivalent to 11.47% of the project total.

In 2017, Caltrans biennial bridge inspection reports recommended maintenance work to an additional four bridges: McClellan Road at Stevens Creek (which was removed from the project scope), Stevens Creek Boulevard at Calabazas Creek, Miller Avenue at Calabazas Creek, and Tantau Avenue at Calabazas Creek. With the additional bridges added to the project, the project was renamed to “City Bridge Maintenance Repairs” and an additional \$535,000 was approved for project funding for a total project budget of \$700,000 under the City Council adopted FY 2016-2017 CIP Budget.

In 2022, staff completed the final design of the project with an engineer’s construction estimate of \$975,000. Staff submitted a request to Caltrans for additional funding for the project. The additional funding request was approved resulting in a grant total of \$1,287,447 (88.53% of project total), with a local match of \$166,803 (11.47% of project total), for a project total of \$1,454,250.

In 2023, staff advertised the project for bids and received only one bid at \$1,884,000. On July 6, 2023, the City Council accepted the recommended action to reject the bid for this project since it significantly exceeded the engineer’s estimate of \$975,000. Staff re-reviewed the project and revised the project scope to reduce the cost and requested additional funding from Caltrans/FHWA. Caltrans approved the additional funding, resulting in a grant total of \$1,382,674 (88.53% of project total), with a local match of \$179,141 (11.47% of project total), for a project total of \$1,561,815.

The City readvertised this project for bid on May 2, 2024. One bid was received by American Civil Constructors West Coast at \$1,647,475. On July 2, 2024, City Council approved the award for this construction contract and approved a budget modification for \$300,000 to cover the construction funding deficiency.

June 2024 Bidder[s]	Bid Amount
Engineers Estimate	\$975,000
American Civil Constructors West Coast LLC	\$1,647,475

#### *Discussion*

The City Council approved a total project budget of \$1,000,000 with the remaining funding coming from external FHWA grants under the Bridge Preventive Maintenance Program. The FHWA grant requires funding pay-outs to be on a reimbursement basis. Therefore, the City must incur and pay the project expenditures prior to invoicing Caltrans for FHWA reimbursement. A budget modification increasing the Federal grant revenue estimates to \$1,893,195 and appropriating \$1,176,105 in the Transportation Fund (270-90-960) is requested to account for the grant funding until reimbursement from Caltrans is received.

In December 2024, staff submitted another request to Caltrans requesting additional grant funds to cover the additional amount of the construction contract above the current FHWA grant funds. Caltrans approved the additional funding, resulting in a grant total of \$1,893,195 (88.53% of project total), with a local match of \$245,285 (11.47% of project total), for a project total of \$2,138,480.

#### Next Steps

If approved, the City and contractor anticipate completion of the repairs to the listed bridges by July 2025.

If the acceptance of this grant and budget modification is not approved, the City will cancel the incomplete portions of the project and lose the opportunity to utilize the grant funding approved by Caltrans for this project. The recommended repairs that have not been completed to date will remain outstanding and Caltrans may require repairs at a later date.

#### Sustainability Impact

No sustainability impact.

#### Fiscal Impact

Approval will increase the Federal grant revenue estimates of \$1,893,195 to budget unit 270-90-960 Bridge Preventive Maintenance Project Fund, increasing expenditure appropriations in the budget by \$1,176,105 for construction costs, construction management costs, and local match requirement for a total project budget of \$2,176,105. After reimbursements are received, the City funding allocation would be \$282,910.

#### Fiscal Summary Active Project Since Fiscal Year (FY) 2015

<b>Current Funding Status (Budget)</b>	<b>Amount</b>
City Approved Funds FY15	\$165,000
City Approved Funds FY17	\$535,000
City Approved Funds FY25	\$300,000
<b>Subtotal (budget unit 270-90-960):</b>	<b>\$1,000,000</b>

  

<b>Projected Funding Impact (Expenditures)</b>	<b>Amount</b>
Design Phase Expense (Completed)	(\$218,900)
Construction Contract (\$1,647,475 base contract and \$164,750 contingency)	(\$1,812,225)
Construction Management	(\$144,980)
<b>Subtotal:</b>	<b>(\$2,176,105)</b>

Summary	Amount
Current Project Budget (budget unit 270-90-960)	\$1,000,000
Projected Funding Impact	(\$2,176,105)

**Total Deficiency: (\$1,176,105)**

**Budget Modification Requested: \$1,176,105**

FHWA Grant (Revenues)	Federal Grant	Local Match	Total Amount
FY17 Funding Awarded	\$571,151	\$73,999	\$645,150
FY23 Additional Funding Awarded	\$716,296	\$92,804	\$809,100
FY24 Additional Funding Awarded	\$95,227	\$12,338	\$107,565
FY25 Additional Funding Awarded	\$510,521	\$66,144	\$576,665
Total	\$1,893,195	\$245,285	\$2,138,480

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(d) (rehabilitation of deteriorated structures to meet current standards of public health and safety).

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Prepared by: Jason Wong, Senior Civil Engineer

Reviewed by: Chad Mosley, Director of Public Works

Reviewed by: Chris Jensen, City Attorney

Reviewed by: Tina Kapoor, Deputy City Manager

Approved for Submission by: Pamela Wu, City Manager

Attachments:

A – Draft Resolution Grant Acceptance

B – Draft Resolution Budget Modification