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**City Manager's Report**  
**September 9, 2025 City Council Meeting**  
**Prepared by: Melissa Savage, City Engineer**  
**Item #: 12.4**

**Subject:** Consider approving a Request for Local Advance Construction Authorization for the Placerville Drive Bridge Replacement Project (CIP #41410) and authorizing the City Manager to execute the same.

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**Recommendation:** Adopt a Resolution approving a Request for Local Advance Construction Authorization for the Placerville Drive Bridge Replacement Project (CIP #41410) and authorizing the City Manager to execute the same.

**Purpose:** The purpose of this item is to take the necessary steps to align the project's federal funding with the project delivery schedule for the construction phase.

**Strategic Plan Strategy:** Strategy 4 - Update and Maintain City-Owned Infrastructure

**Background:** The Placerville Drive at Hangtown Creek Bridge Replacement Project involves replacement of the existing functionally obsolete two-lane bridge over Hangtown Creek, 0.3 miles west of Cold Springs Road. The City has been working to replace this bridge since it was initially approved as a federal Highway Bridge Program (HBP) project and authorized in 1997. The existing two-lane bridge is proposed to be replaced with a two-lane bridge which includes a two-way left turn lane. The new bridge will also include sidewalks on both sides of the street and Class II bicycle lanes, which aligns with the adjacent Placerville Drive Bicycle and Pedestrian Facilities Project. The approved bridge replacement project limits include HBP-approved bridge approaches which span from the intersection at Pierroz Road on the west side of the bridge to approximately 523 Placerville Drive on the east side of the bridge.

**Discussion:** The Placerville Drive Bridge Replacement project has completed the environmental phase, the final design and right-of-way phases are underway, and the construction phase is expected to begin in 2026.

In September of 2024, the Highway Bridge Program approved a cost adjustment for updated project costs in the final design, right of way, and construction phases of the project. At that time, they approved programming the construction funds in Federal Fiscal Year (FFY) 24/25. The project HBP funding is currently programmed for \$15,797,000 for the construction phase, which includes \$13,985,084 in HBP funds and a local match commitment of \$1,811,916. The project also includes \$679,000 in non-participating (local) costs.

Since the cost adjustment was approved, the City faced unanticipated project delays primarily related to PG&E utility relocations and right of way transactions that needed to be completed to perform the

relocation. Staff notified Caltrans Local Assistance in March 2025 and again in July 2025 of the project status and that we would not be able to make the August 15, 2025 deadline for submitting the request for construction funding. Caltrans Local Assistance informed staff that in accordance with the Local Assistance Program Guidelines (LAPG) for the Highway Bridge Program, failure to meet the deadline means that the HBP funding gets moved out to the last year of the FSTIP, which in this case is FFY 27/28. Caltrans also informed the City that the project is subject to additional programming policies because it is over \$15 million and is considered a “Mid-Level Cost Project.” In this category, the HBP funding shall be split over two federal fiscal years.

Staff met with Caltrans Local Assistance, the Caltrans HBP Managers, and the El Dorado County Transportation Commission on August 25, 2025 to discuss the path forward. Of utmost importance in the discussion of the timing of the funding is the fact that the City intends to construct both the Placerville Drive Bridge Replacement Project and Placerville Drive Bicycle and Pedestrian Facilities Project (CIP #41816) together, as one construction contract. If the Bridge project were delayed, the existing bridge would remain as an unsafe “pinch point” in travel lanes and there would be a significant and unsafe gap in the sidewalk and bike lanes until the bridge is replaced. Constructing the projects together also will result in cost savings due to economy of scales in the bid items. Staff also intends to construct the projects together to minimize impacts to businesses and residents in and traveling through this corridor.

During the meeting, the HBP Managers provided guidance to the City on a potential option to expedite the project funding. They said that the City can request Local Advance Construction (AC) Authorization for FFY 25/26. When a local agency requests Advance Construction it is a commitment and understanding that there is currently insufficient federal funds available for the work, the local agency moves forward with local funding, and that federal reimbursement is not guaranteed. The letter requesting Local Advance Construction must be submitted to Caltrans Local Assistance by September 12, 2025 for FFY 25/26.

The HBP Managers advised that following the release of the October 2025 funded bridge project list, the City can request Expedited Project Selection Procedures (EPSP) in March 2026 to convert the Local AC funds to federal HBP funds for authorization in April 1, 2026. The LAPG policies for prioritization of projects indicates that if a project is already authorized under Local AC authorization, then the project is considered a higher priority for HBP funding than projects that are not.

And since this project is a “Mid-Level Cost Project” we can only request half of the HBP funds in FFY 25/26. We would have to request EPSP conversion for the second half of the HBP funds in FFY 26/27 (October 1, 2026).

Following the meeting on August 25<sup>th</sup>, staff looked at the critical path milestone schedules for both the Bridge and Bike/Ped projects in detail to determine if this option is possible, and most importantly, we evaluated how we can minimize risk to the City. The funding milestone schedule below demonstrates how we can achieve successful implementation of both projects:

- September 12, 2025 – Request Local AC for the Bridge project
- January 2026 – Submit Request for Authorization (Local AC)
- February 2026 – Received federal authorization (E76) for the Bridge project
- March 2026 – Request EPSP (converting half of the Local AC funds to HBP funds)
- April 2026 – Submit the Allocation Request for Active Transportation Project (ATP) Funds for the Bike/Ped project (for approval by the CTC in June 2026)

- May 2026 – Receive E76 for the first half of the HBP funds
- July 2026 – Receive federal authorization of ATP funds for the Bike/Ped project
- August 2026 – Advertise both the Bridge and Bike/Ped projects for Construction
- August 2026 – Request EPSP (converting the second half of the Local AC funds to HBP funds)
- November 2026 – Receive E76 for the second half of the HBP funds
- December 2026 – Award a Construction Contract (must be done within 6 months of ATP allocation)
- Winter/Spring 2027 – Begin Construction

Based on this schedule, all Local AC funds would be converted to HBP funds before the contractor ever begins work, thereby eliminating the need for the City to expend any additional local funds before the HBP funds are converted.

Staff is respectfully requesting approval to submit a request for Local Advance Construction (AC) Authorization for FFY 25/26 and authorizing the City Manager to execute the letter.

Staff has evaluated the risks and other potential options on how to move forward. If in March 2026, the HBP doesn't have sufficient funding available to convert the first half of funds to HBP funds, the City will need to decide how to move forward. There will be two options:

1. Continue forward and request EPSP conversion again in October 2026 (FFY 26/27) – in this scenario, the City would have to rely on local funds for half of the project costs during construction in 2027. This would likely involve obtaining a bridge loan or utilizing additional Measure L funds to cover project costs until the federal funds are converted.
2. Delay the Bridge Project until FY 27/28 when the funding is available (but it will still be split over two federal fiscal years). This would require constructing the Bike/Ped project first, since the ATP funds have a Timely Use of Funds requirement and that project cannot be delayed.

**Options:**

1. Approve a Request for Local Advance Construction Authorization for the Placerville Drive Bridge Replacement Project and authorizing the City Manager to execute the same.
2. Provide other direction to staff.

**Environmental:** On November 9, 2022, the City Council adopted a Mitigated Negative Declaration and Mitigation Monitoring and Reporting Program prepared for this project pursuant to the provisions of the California Environmental Quality Act (CEQA) finding that there is no substantial evidence that the proposed project will have a significant effect on the environment.

**Cost:** Other than staff time associated with preparing the letter and submitting it to Caltrans Local Assistance, there is no cost associated with this item.

**Budget Impact:** This item has no direct budget impact.



M. Cleve Morris, City Manager



Melissa Savage, City Engineer

Attachments:

A: Resolution

B: Letter Requesting Local AC