



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/20/2025

ITEM NO: 9

DATE: May 15, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Award Construction Contract for the 2025 Street Repair and Resurfacing Project (CIP No. 811-9901) to O'Grady Paving, Inc., in the amount of \$1,713,071; Authorize the Town Manager to Approve Change Orders Up to 10% of the Contract Amount; and Approve the Project Construction Plans

RECOMMENDATION:

Staff recommends that the Town Council take the following actions regarding the 2025 Street Repair and Resurfacing Project (CIP No. 811-9901):

- a. Authorize the Town Manager to execute a public works contract with O'Grady Paving, Inc. (Attachment 1) for the base bid plus bid alternates 1, 2, and 3 in the amount of \$1,713,071;
- b. Authorize the Town Manager to execute change orders in an amount not to exceed ten percent (10%) of the contract award amount;
- c. Approve the project construction plans as required by Government Code 830.6 – Design Immunity; and
- d. Find this project Categorically Exempt under Section 15301(c) (Existing Facilities) of the California Environmental Quality Act.

STRATEGIC PRIORITIES:

This project supports the Core Goal of **Quality Public Infrastructure**. It also supports the strategic priority to implement transportation demand management and traffic calming efforts to mitigate traffic congestion where possible, while ensuring safety for all users and making bicycle and pedestrian improvements.

PREPARED BY: Saurabh Nijhawan
Senior Civil Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, Finance Director, and Parks and Public Works Director

FISCAL IMPACT:

The FY 2024-25 CIP Budget for the Street Repair and Resurfacing Project (CIP No. 813-9901) is sufficient for the construction contract, including contingency and project delivery costs.

BACKGROUND:

The adopted Fiscal Year (FY) 2024/25-2028/29 Capital Improvement Program (CIP) Budget designates funding for the 2025 Street Repair and Resurfacing Project (CIP No. 24-811-9901).

The Town of Los Gatos has 112 centerline miles of streets. In 2025, the Town partnered with the Metropolitan Transportation Commission (MTC) to conduct a town wide visual street inspection as part of the Pavement Management Assistance Program (P-TAP 25). Inspectors assigned scores to each street and enter the results into a pavement management software program. The software models future street conditions based on budget scenarios. The projections help local jurisdictions make informed funding decisions regarding paving needs and funding. The pavement assessment scored the Pavement Condition Index (PCI) at 82, placing the Town's Street network in the 'Good' condition. The report also makes recommendations regarding future funding needed to maintain that condition. The complete study and its recommendations are attached to this staff report (Attachment 2).

The goal of this annually funded project is to enhance safety for all travel modes and maintain the roadway infrastructure. It is important for the Town to perform annual street maintenance projects to improve the Town's roadways and prevent street pavement from deteriorating to more extensive and costly repair conditions. For the 2025 Street Repair and Resurfacing Project, the focus is on repair through milling and placing a new hot mix asphalt overlay.

DISCUSSION:

The 2025 project was advertised for bid on Friday, March 28, 2025. On April 22, 2025, bid packages were opened, and eleven contractors submitted bids. A summary of bid results is presented in Table 1 with O'Grady Paving Inc. as the apparent low bidder. A detailed list of bid results is in Attachment 3.

Table 1. Bid Summary for 2025 Street Repair and Resurfacing Project (CIP No. 811-9901)

Contractor	Base Bid	Alternate #1	Alternate #2	Alternate #3	Total
O'Grady Paving Inc.	\$ 1,435,076.00	\$ 148,944.00	\$ 119,481.00	\$ 9,570.00	\$ 1,713,071.00
Jv Lucas Paving	\$ 1,592,545.00	\$ 153,223.20	\$ 114,678.00	\$ 8,700.00	\$ 1,869,146.20

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Contractor	Base Bid	Alternate #1	Alternate #2	Alternate #3	Total
DeSilva Gates Construction LLC	\$ 1,613,873.00	\$ 134,855.00	\$ 139,270.00	\$ 8,700.00	\$ 1,896,698.00
G. Bortolotto and Company, Inc.	\$ 1,637,340.00	\$ 159,114.00	\$ 139,647.50	\$ 13,050.00	\$ 1,949,151.50
MCK Services, Inc	\$ 1,655,928.75	\$ 128,156.50	\$ 158,562.50	\$ 69,600.00	\$ 2,012,247.75
Radius Earthwork Inc	\$ 1,729,262.00	\$ 140,428.45	\$ 129,405.60	\$ 16,443.00	\$ 2,015,539.05
A. Teichert and Son, Inc. dba Teichert Construction	\$ 1,761,546.00	\$ 98,557.00	\$ 125,733.00	\$ 60,900.00	\$ 2,046,736.00
Granite Rock Company	\$ 1,743,095.00	\$ 199,474.00	\$ 147,055.00	\$ 8,700.00	\$ 2,098,324.00
Interstate Grading and Paving, Inc	\$ 1,759,704.50	\$ 144,980.00	\$ 162,880.00	\$ 70,470.00	\$ 2,138,034.50
Joseph J. Albanese, Inc.	\$ 1,788,521.00	\$ 202,368.10	\$ 147,533.90	\$ 10,440.00	\$ 2,148,863.00
Ghilotti Construction Company, Inc.	\$ 1,948,410.00	\$ 159,188.00	\$ 126,120.00	\$ 8,700.00	\$ 2,242,418.00

The following fiscal table for the 2025 Street Repair and Resurfacing Project (CIP No. 24-811-9901) displays FY2024-25 the current available project balance, proposed transactions requested with this staff report, and the resulting balance.

Street Repair and Resurfacing CIP No. 811-9901		
	Budget	Costs
Current Available Budget - GFAR (As of 5/1/2025)	\$1,950,722	
Current Available Budget - GFAR Restricted (As of 5/1/2025)	\$ 757,887	
Current Available Budget - Gas Tax Fund (As of 5/1/2025)	\$1,678,585	
Construction Contract - O'Grady Paving, Inc (requested with this staff report)		\$ 1,713,071
Construction Contingency - 10% (requested with this staff report)		\$ 171,307
Available Balance After This Council Action		\$ 2,502,816

Government Code 830.6 – Design Immunity states that neither a public entity nor a public employee is liable under this chapter for an injury caused by the plan or design of a construction of, or an improvement to, public property where such plan or design has been approved in advance of the construction or improvement by the legislative body. Staff requests

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that the Town Council approve the construction plans for this project. The project construction plans are provided in Attachment 4 and can also be found at the following link:

<https://www.losgatosca.gov/108/Capital-Improvement-Program>

CONCLUSION:

The proposed actions would allow the Town to proceed with executing an agreement for construction services with O'Grady Paving to complete the pavement repair and overlay work within the Town.

COORDINATION:

This memorandum has been coordinated with the Finance Department and the Town Attorney's Office.

ENVIRONMENTAL ASSESSMENT:

This is a project defined under CEQA as being Categorical Exempt pursuant to CEQA Guidelines Section 15301(c) (repairs and maintenance on existing facilities). A Notice of Exemption has been filed.

Attachments:

1. Construction Agreement with Exhibit A - Bid Summary
2. P-TAP 25 Final Report
3. Bid Results
4. Construction Plans and Specifications