



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 04/16/2024

DATE: April 11, 2024  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize Revenue and Expenditure Budget Adjustments in the Amount of \$15,615.98 to Recognize Excess Insurance Reimbursement for Damage to Howes Play Lot Structure

**RECOMMENDATION:**

Authorize revenue and expenditure budget adjustments in the amount of \$15,615.98 to recognize excess insurance reimbursement for damage to Howes Play Lot structure.

**BACKGROUND:**

Howes Play Lot is a neighborhood park situated between Thomas Drive and Howes Drive. The park is highly used by neighborhood families and school children as a stopping point between school and home travels. The park is equipped with a lighted pathway, large trees, benches, and play equipment. The play equipment consists of a tot swing, a tot slide, and youth playscape (intended for ages 5 to 12).

As a result of March 2023 storms, tree damage occurred throughout the Town including two large Stone Pine trees that fell on the play structure at Howes Play Lot, destroying 70 percent of the equipment. Following the storms, Town contractors removed the fallen trees. Inspection revealed that the tot slide and swings were not damaged, but the youth play lot was a complete loss and could not be salvaged.

On June 9, 2023, staff received a quote from Ross Recreation Equipment, Inc. for the replacement of the youth lot equipment, in an amount of \$121,678. Staff then submitted a claim to the Town's insurance carrier for reimbursement of costs related to the storm damage repairs at the Play lot.

**PREPARED BY:** Stefanie Hockemeyer  
Sr. Administrative Analyst

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

PAGE 2 OF 2

SUBJECT: Authorize Revenue and Expenditure Budget Adjustments to Recognize Excess Insurance Reimbursement for Damage to Howes Play Lot Structure

DATE: April 11, 2024

BACKGROUND (continued):

At the August 15, 2023 Town Council meeting, staff received authorization to execute a Purchase and Service agreement with Ross Recreation, Inc. to replace the play structure equipment. The value of the purchase order was \$121,678 and the Town Council approval included an expenditure budget adjustment in the amount of \$121,678 to use the funds. The insurance claim was still pending at that time, but staff requested to move forward because there was an estimated 27-week lead time for delivery of the playground equipment.

The play structure was successfully installed at Howes Play Lot.

DISCUSSION:

The insurance claim that staff submitted was approved and the reimbursement amount received was \$137,293.98, which is \$15,615.98 more than the anticipated amount that staff had reported in the August 15, 2023 staff report.

Staff is requesting that Council authorize an additional revenue and expenditure budget adjustment to recognize the excess insurance reimbursement of \$15,615.98, which will allow staff to utilize those funds before the end of the fiscal year to pay for additional repairs at Howes Play Lot.

CONCLUSION:

Authorize revenue and expenditure budget adjustments in the amount of \$15,615.98 to recognize excess insurance reimbursement for damage to Howes Play Lot structure.

FISCAL IMPACT:

Approval of the revenue and expenditure budget adjustments in the amount of \$15,615.98 will be in the Operating Budget for program 5301 (Parks) for additional repairs at Howes Play Lot.

ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and no further action is required.