



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/16/24

DATE: April 1, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for Construction of the Corporation Yard Building Replacement Completed by S&H Construction, Inc., and Authorize the Town Clerk to File for Recordation

RECOMMENDATION:

Authorize the Town Manager to execute a certificate of acceptance and notice of completion for construction of the Corporation Yard Building Replacement completed by S&H Construction, Inc., and authorize the Town Clerk to file for recordation (Attachment 1).

BACKGROUND:

This phased project began in the summer of 2020 with phase one for the design and construction for the remodel of the engineering building and adjacent warehouse spaces at 41 Miles Avenue to accommodate engineering and maintenance staff. The project was completed in May 2021.

Phase two began in 2022 for the design and construction of a replacement building at 41 Miles Avenue to be utilized for storage for Parks and Public Works equipment and Police evidence.

At the August 2, 2022 Town Council meeting, Council authorized the Town Manager to execute a Construction Agreement with S&H Construction Inc. for the construction of the storage building for a total agreement amount not to exceed \$999,180 including 30% for unanticipated services.

PREPARED BY: Dan Keller
Facilities & Environmental Services Manager

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

SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the Corporation Yard Building Replacement and Authorize the Town Clerk to File for Recordation

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DISCUSSION:

S&H Construction, Inc. began work in fall 2022 and has satisfactorily completed all contracted work items, for a final construction cost of \$817,468.

Five percent of the faithful performance bond will remain in effect for a period of two years as a guarantee for any needed repair or replacement caused by defective materials and/or workmanship for the project. The execution and recordation of the Certificate of Acceptance is now required to finalize the Town's acceptance of the project and to release the retention funds withheld from the contractor.

CONCLUSION:

This Council action would close the active contract period with S&H Construction, Inc. and begin the warranty period for their work.

FISCAL IMPACT:

There were sufficient funds available in the CIP Budget for the Corporation Yard Building Replacement Project as displayed in the fiscal table.

Corporation Yard Building Replacement Project CIP No. 821-2302		
	Budget	Costs
GFAR	\$ 2,651,781	
Total Budget	\$ 2,651,781	
		Costs
Construction & Consultant Expenses		\$ 1,576,281
Construction Agreement with S&H Construction, Inc. (Requested with this Staff Report)		\$ 817,468
Total Costs		\$ 2,393,749
Available Balance		\$ 258,032

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ENVIRONMENTAL ASSESSMENT:

This is not a project defined under CEQA, and not further action was required.

Attachment:

1. Certificate of Acceptance and Notice of Completion