



**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 04/21/2020

ITEM NO: 8

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DATE: April 16, 2020  
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 the Work of FBD Vanguard Constructions, Inc., and Authorize the Recording by the Town Clerk for PPW Job No. 411-811-003 Almond Grove Street Reconstruction Project Phase 2

**RECOMMENDATION:**

Authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion (Attachment 1) accepting the work of FBD Vanguard Construction, Inc., and authorize the recording by the Town Clerk for PPW Job No. 411-811-0003, Almond Grove Street Reconstruction Project Phase 2.

**BACKGROUND:**

On February 21, 2017, the Town Council approved the plans and specifications for bidding the Almond Grove Phase 2 Street Reconstruction Project for the rehabilitation of Almendra, Bayview, Bean, Glen Ridge, Massol, Nicholson, Tait and Wilder Avenues. The project removed and replaced the deteriorated concrete pavement along with curbs, gutters and driveway approaches. Additionally, the project reconstructed sidewalks and installed accessibility ramps as needed to comply with federal ADA laws.

At the April 18, 2017 meeting, the Town Council awarded a construction contract to Vanguard Construction in the amount of \$6,940,332 plus a 15% construction contingency of \$1,041,049 and Additive Alternate Bid Item No. 1 in the amount of \$380,000 with a 15% construction contingency of \$57,000 for a total contract amount of \$7,320,332 and a construction contingency of \$1,098,049. The total project budget including contingencies was \$8,418,382.

**PREPARED BY:** Lisa Petersen  
Assistant Parks and Public Works Director/Town Engineer

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

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DISCUSSION:

The Almond Grove Street Reconstruction Project Phase 2 has been completed in accordance with the approved project plans, specifications, and within the allocated construction budget.

The major street paving work was completed in June of last year and a ribbon cutting ceremony was held on Wilder Avenue on June 22, 2019 to show appreciation for the community's patience and participation in the project. Since that time, all additional contract items and various corrective actions have been completed. Staff is now recommending the formal project acceptance.

The Town will retain five percent of the faithful performance bonds to remain in effect for a period of two years as a guarantee for any needed repair or replacement caused by defective materials and workmanship. The execution and recordation of the Certificate of Acceptance is now required to finalize the Town's acceptance of the project.

CONCLUSION:

Staff recommends that the Town Council authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion accepting the work of FBD Vanguard Construction, Inc., and authorize the recording by the Town Clerk for PPW Job No. 411-811-0003, Almond Grove Street Reconstruction Project Phase 2.

FISCAL IMPACT:

The project has been completed within the total allocated construction funding. The final construction cost for the project was \$10,326,462. The funds remaining after project completion of \$2,026,999 will be returned to the General Fund Allocated Reserve (GFAR) for programming on future projects.

Of the allocated construction contingency for the project, 56% or \$612,575 was used to complete the project. Contingency funds were expended to address a number of unforeseen issues, including the advanced deterioration of sidewalks in many areas, poor subgrade, addition of street trees, concrete panel cracking not covered by the contract, and repairs and replacements of deteriorated storm drain facilities.

The Parks and Public Works Department continues to plan and track costs associated with capital improvement projects. Where projects can be delivered within the workload of staff already budgeted in the Department's operating budget, no costs will be associated with the project. This project required the use of temporary staffing not included in the department

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FISCAL IMPACT (continued):

budget in order to meet schedule and workload commitments. The cost of these temporary employees has been charged to the project and is shown in the below fiscal table.

<b>Almond Grove Street Rehabilitation Project 811-0003</b>		
	<b>Budget</b>	<b>Costs</b>
GFAR	\$ 14,062,090	
<b>Total Project Budget</b>	<b>\$ 14,062,090</b>	
Project Construction		\$ 10,326,462
Consultation Services		\$ 1,134,017
Staff Costs		\$ 963,294
Advertising		\$ 6,143
Blueprint/Copy/Postage		\$ 6,069
Misc. Project Expenses		\$ 189
Meeting Expenses		\$ 91
Supplies & Equipment		\$ 13
<b>Total Project Costs</b>		<b>\$ 12,436,278</b>
<b>Project Savings Including Total Staff Costs</b>		<b>\$ 1,625,812</b>
Staff Costs Not Charged to Project		\$ 401,187
<b>Total Project Savings</b>		<b>\$ 2,026,999</b>

ENVIRONMENTAL ASSESSMENT:

This is a project as defined under CEQA but is Categorical Exempt (Section 15301c). A Notice of Exemption was previously filed.

Attachment:

1. Certificate of Acceptance and Notice of Completion