



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 04/01/2025

ITEM NO: 3

DATE: March 27, 2025
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Certificate of Acceptance and Notice of Completion for the 2024 Annual Street Repair and Resurfacing Project (CIP No. 811-9901), Completed by O'Grady Paving, and Authorize the Town Clerk to File for Recordation

RECOMMENDATION:

Authorize the Town Manager to execute a Certificate of Acceptance and Notice of Completion (Attachment 1) for the 2024 Annual Street Repair and Resurfacing Project (CIP No. 811-9901), completed by O'Grady Paving, and authorize the Town Clerk to file for recordation.

BACKGROUND:

The 2024 Annual Street Repair and Resurfacing Project is an annual project for street rehabilitation activities throughout the Town to enhance safety for all travel modes and maintain the roadway infrastructure.

The project began bid advertising on Friday, April 12, 2024. On May 8, 2024, bid packages were opened and six contractors submitted bids. On June 4, 2024, the Town Council approved the staff recommendation to award the construction to O'Grady Paving in the amount of \$3,274,430. The council action also set aside a 10% contingency in the amount of \$327,443 for change orders.

DISCUSSION:

The construction project started in June 2024 and O'Grady Paving has since satisfactorily completed all contracted work items. The work completed included the repair of isolated areas for pavement, asphalt overlay, slurry seal, adjusting utility elevations, and replacing striping and

PREPARED BY: Gary Heap
Town Engineer

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Finance Director

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signage. Additional work included upgrading some bike lanes to improve safety. The work locations are shown on the project plans linked here:

<https://www.losgatosca.gov/DocumentCenter/View/39481/2024-Annual-Resurfacing-Project---Street-List?bidId=>

Two change orders were executed for this project. Change Order 1 was valued at \$37,922.50 and allowed for pedestrian and vehicular signage and striping improvements requested by the Town Traffic Engineer. The improvements were recommended based on community feedback and Safe Routes to School requirements. Change Order 2 for \$281,146.00 paid for additional striping, base repair, and overlay for ongoing pavement issues in locations beyond the project plans. Many of these locations were unforeseen and came about due to weather failures. The change orders were absorbed by the project's 10% contingency fund.

The final project design and construction cost was \$3,696,929. Staff recommends accepting the project at this time.

Five percent of the faithful performance bonds 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 required to finalize the Town's acceptance and to release the retention funds withheld from the contractor.

CONCLUSION:

This action formally accepts the contractor's work meets the Town's standards and requirements. The completion of the required work finalizes all contractual obligations, allowing for the release of retention and recordation of

COORDINATION:

This project has been coordinated with the Finance Department.

FISCAL IMPACT:

The fiscal table below reflects a multi-year project that crosses FY 2023/24 and FY 2024/25. The table reflects the updated project budget and costs accrued to date. There may be additional miscellaneous charges for the final closeout of the project. The project balance carries forward to the next Annual Street Repair and Resurfacing Project. The table also reflects associated personnel costs from operating budget program 5201.

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2024 Annual Street Repair and Resurfacing Project CIP Project 811-9901		
	Budget	Costs
GFAR	\$ 4,847,044	
Gas Tax	\$ 3,298,619	
Total Budget	\$ 8,145,663	
Project Design and Construction		\$ 3,696,929
Consultation Services		\$ 61,540
Total Expenditures		\$ 3,758,469
Remaining Budget Carries Forward to the next Annual Street Repair Project		
		\$ 4,387,194
Staff Costs		
Operating Budget		135,077
Total Staff Costs		\$ 135,077

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Certificate of Acceptance and Notice of Completion
2. Verification of Work