



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 05/07/2024

DATE: May 1, 2024
TO: Mayor and Town Council
FROM: Laurel Prevetti, Town Manager
SUBJECT: Authorize the Town Manager to Execute a Fourth Amendment to the Agreement for Services with St. Francis Electric, Inc. for Traffic Signal and Streetlight Maintenance and Underground Service Alert Locating Services to Increase the Contract Amount for Fiscal Year 2023/24 in the Amount of \$55,000, for a Total Agreement Amount Not to Exceed \$1,008,948

RECOMMENDATION:

Authorize the Town Manager to execute a fourth amendment to the Agreement for Services with St. Francis Electric, Inc. for traffic signal and streetlight maintenance and underground service alert locating services to increase the contract amount for Fiscal Year 2023/24 in the amount of \$55,000, for a total agreement amount not to exceed \$1,008,948.

BACKGROUND:

The Town of Los Gatos contracts services for the routine maintenance and repair of traffic signals and streetlights, and underground utility locating services relating the electric services within the Town's jurisdiction. Traffic signal and streetlight contract services include repairs on an as-needed basis, periodic inspections, testing of the equipment, and lamp replacements. Underground utility locating services involve responding to Underground Service Alert (USA) requests to identify and mark the Town's underground infrastructure at construction sites prior to any digging operations. Staff has determined that contractual services are the most cost-effective delivery method due to technical expertise and specialty equipment required for this work.

On September 15, 2020, the Town Council authorized the execution of a five-year Agreement for Services (FY 2020/21 through FY 2024/25) with St. Francis Electric, Inc. to provide

PREPARED BY: Gary Heap
Town Engineer

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

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BACKGROUND:

traffic signal and streetlight repair and maintenance and USA locating services for a total agreement amount not to exceed \$675,000 (\$135,000 per year).

On August 3, 2021, the Town Council authorized a first amendment to the Agreement for an increase of \$8,567 for FY 2020/21 to cover the cost overage from a high number of USA requests received for various development and Town capital improvement projects for a total agreement amount not to exceed \$683,567.

On March 15, 2022, the Town Council authorized a second amendment to the Agreement for: a) an increase of \$67,000 for FY 2021/22 to cover cost overages for routine and response maintenance and USA requests; and b) an increase of \$50,000 per year to the base compensation of the agreement (\$150,000 total) for remaining three fiscal years. This resulted in a total agreement amount of \$900,567.

On May 12, 2023, the Town Council authorized a third amendment to the Agreement for: a) an increase of \$53,381 for FY 2022/23 to cover cost overages for response repair and maintenance services. This resulted in a total agreement amount of \$953,948.

Attachment 2 contains all of the amendments in reverse chronological order and the original agreement. The table below depicts the original contract and amendment amounts, increasing the total five-year contract amount not to exceed \$1,008,948.

Original Contract	\$675,000	Original Five Year Agreement
First Amendment	8,567	For FY20/21 Services
Second Amendment	67,000 150,000	For FY 2021/22 Services and For FY 2022/23 to FY 2024/25 Base Services
Third Amendment	53,381	For FY 2022/23 Services
Fourth Amendment (Proposed)	55,000	For FY 2023/24 Services
Total	\$1,008,948	----

DISCUSSION:

The service needs and resulting costs each fiscal year depend on the number of traffic signal and streetlight repair and maintenance calls and USA requests. The budget for response repair and maintenance services has been exhausted for this fiscal year, with pending invoices that

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DISCUSSION (continued):

need to be paid. The Town encountered numerous traffic signal repair issues during this current fiscal year due to traffic crashes that damaged equipment; more funds are needed to replace and maintain traffic signal cabinets, conduits, wiring, and poles for the remainder of the fiscal year.

When an incident occurs, such as a traffic signal controller being damaged or a street light knock-down, the Town attempts to recover the cost of the repair from the driver's insurance if the driver remains on scene. Those funds are then collected and transferred to the General Fund Appropriated Reserve (GFAR) so they can be used to fund the repairs conducted by St. Francis. The contract with St. Francis needs to reflect the amount of funds needed for the repairs.

This fourth amendment is for an additional \$55,000 for the response maintenance repairs needed for the remainder of FY 2023/24 to continue the contract services by St. Francis Electric without disruptions.

CONCLUSION:

Staff recommends Town Council authorization of the fourth contract amendment for the traffic signal and streetlight repair services would allow St. Francis Electric to continue providing the contract services in FY 2023/24. At this time, the amount allocated for FY 2024/25 should be sufficient to meet the service needs in the last year of this Agreement.

COORDINATION:

This report was coordinated with the Finance Department.

FISCAL IMPACT:

There are sufficient funds available in the FY2023/24 Parks and Public Works Street Program Operating Budget for the contract amendment.

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Fourth Amendment to Agreement for Services with St. Francis Electric, Inc.
2. Exhibit A to Attachment 1 Containing the Amendments in Reverse Chronological Order and the Original Agreement