



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/16/2026

ITEM NO: 10

DATE: June 16, 2026
TO: Mayor and Town Council
FROM: Chris Constantin, Town Manager
SUBJECT: **Authorize the Town Manager to Execute an Agreement for Professional Services with Sanbell for Engineering Design, Alternatives Analysis, Surveying, Easement Preparation, and Bid-Phase Support for the 709 University Avenue Drainage System Replacement Project in the amount of \$98,895**

RECOMMENDATION: Authorize the Town Manager to execute an Agreement for Professional Services with Sanbell for engineering design services alternatives analysis, surveying, easement preparation, and bid-phase support for the 709 University Avenue Drainage System Replacement Project (4628313; CIP No. 816-0423) in the amount of \$98,895.

FISCAL IMPACT:

There is sufficient funding for this agreement through the carryforward of FY2025-26 appropriations into the Town's adopted FY2026-27 Capital Improvement Program Budget, 709 University Avenue Drainage System Replacement Project (4628313; CIP No. 816-0423).

STRATEGIC PRIORITY:

This item does not directly support a Town's Strategic Priority but does align with the Town's Core Goal of Quality Public Infrastructure as it provides improvements to the existing storm drainage system between Winchester Boulevard and University Avenue.

PREPARED BY: Jason Lin
Special Projects Manager

Reviewed by: Town Manager, Assistant Town Manager, Town Attorney, and Administrative Services Director

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SUBJECT: Authorize The Town Manager to Execute an Agreement with Sanbell for the 709 University Storm Drainage Project (CIP No. 816-0423)

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BACKGROUND:

The FY 2025–2026 Capital Improvement Program includes funding for the 709 University Avenue Drainage System Replacement Project (709 University Project), which proposes to replace a segment of storm drain between Winchester Boulevard and University Avenue. The Town originally combined design efforts for both the Vasona Oak and 709 University drainage systems because the projects initially appeared to involve straightforward storm drain replacement. As investigation progressed, both projects proved to be more complex than initially anticipated, requiring their own scope, technical analyses, and timeline.

During initial investigation, inspection of the existing storm drain system crossing private property at 709 University Avenue identified sections of the pipe to be failing. Staff determined the deterioration was too extensive to be addressed through routine repairs. Follow-up field investigations confirmed that additional evaluation and design work would be required to determine feasible repair or replacement approaches.

The Town retained Sanbell through its on-call consultant list after informal bids identified them as the best-value, most qualified firm to evaluate drainage concerns at the 709 University and Vasona Oak sites. As part of the investigation, Town staff completed a closed-circuit television (CCTV) inspection of the line with support from Sanbell, and the results indicated more extensive deterioration in the pipe and bedding than originally anticipated. These findings expanded the need for engineering analysis, alternatives development, and further design refinement beyond the original scope.

Because Sanbell had already completed initial survey work and early design development for this project under the previous contract, the Town determined that continuing with Sanbell under a dedicated agreement for the 709 University Project would provide essential continuity and efficiency as the project moves into more detailed analysis and design.

The proposed agreement is below the threshold for the Town Manager's signature, but when combined with the initial work completed under a separate contract (\$49,956), the total amount being paid to Sanbell for this project exceeds \$100,000. As such staff is bringing this item forward for Town Council authorization.

DISCUSSION:

Although the work at 709 University and Vasona Oak was originally covered under a single agreement, the projects are now proceeding independently due to their differing scopes and technical needs. Staff is recommending that the 709 University and Vasona Oak projects proceed independently due to differing scope, technical analysis, and timeline. Because of these differing project needs, this current action establishes a separate agreement for the 709

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University Project. The Vasona Oak Drainage Project will be the subject of a separate agreement and Town Council approval.

Sanbell's expanded scope includes supplemental utilities research, survey support, and focused evaluation of potential alternatives, including replacing the pipe in its original location or relocating the system out of private property and into a different alignment within the Town's right-of-way. A technical memorandum will summarize feasibility considerations, preliminary hydraulic evaluation, and planning-level cost impacts.

After the Town selects a preferred alternative, Sanbell will prepare updated design documents, including interim submittals and a final bid-ready plan set with specifications and an engineer's estimate. The scope also includes preparing a storm drain easement legal description and plat should the selected alignment remain on private property. Limited bid-phase support is included to address contractor questions.

Sanbell has already completed initial survey efforts and early design development for the project, giving them familiarity with the drainage system constraints, existing conditions, and prior Town direction. Because Sanbell completed the initial investigation and early design development for this system, continuing with them qualifies as a single-source selection under Section XV of the Town's Purchasing Policy, which permits selecting a consultant when prior work provides a compelling reason to do so. Selecting Sanbell under a single-source agreement avoids duplicating previously completed work, maintains project continuity, and minimizes delays associated with re-procurement. This helps maintain project momentum and supports the Town's goal of advancing the project toward construction within the planned FY 2026–27 timeframe.

CONCLUSION:

The additional engineering design services proposed by Sanbell are necessary to fully evaluate feasible repair approaches and prepare the 709 University Avenue Drainage System Replacement Project for construction. Sanbell's prior involvement provides continuity and supports efficient delivery of the expanded scope. Staff recommend that the Town Council authorize the Town Manager to execute the proposed agreement with Sanbell in the amount of \$98,895.

COORDINATION:

This report was coordinated with the Finance Department and the Town Attorney.

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ENVIRONMENTAL ASSESSMENT:

Awarding of the engineering agreement is not a project defined under CEQA, and no further action is required. Environmental review for the underlying capital project will be completed as part of the design and permitting process. Preliminary evaluation indicates the project may qualify for a categorical exemption pursuant to CEQA Guidelines Sections 15301 (Existing Facilities) and/or 15302 (Replacement or Reconstruction); however, final CEQA determination will occur following completion of technical studies and environmental review.

Attachments:

1. Agreement for Professional Services with Sanbell
2. Original Sanbell Agreement and Amendment for 709 University and Vasona Oak