



**TOWN OF LOS GATOS
COUNCIL AGENDA REPORT**

MEETING DATE: 06/06/2023

ITEM NO: 6

DATE: May 12, 2023

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Authorize the Town Manager to Execute a Third Amendment to the Agreement for Services with St. Francis Electric, Inc. for Traffic Signal and Streetlight Maintenance and Underground Service Alert Locating Services to Include:

- a. An Increase to the Contract Amount for Fiscal Year 2022/23 in the Amount of \$53,381, for a Fiscal Year Amount of \$238,381 and a Total Agreement Amount Not to Exceed \$953,948; and
- b. An Expenditure Budget Adjustment in the Amount of \$53,381 from Available Capital/Special Project Reserve.

RECOMMENDATION:

Authorize the Town Manager to execute a third amendment (Attachment 1) to the Agreement for Services with St. Francis Electric, Inc. for traffic signal and streetlight maintenance and underground service alert (USA) locating to include:

- a. An increase to the contract amount for Fiscal Year (FY) 2022/23 in the amount of \$53,381, for a fiscal year amount of \$238,381 and a total agreement amount not to exceed \$953,948; and
- b. An expenditure budget adjustment in the amount of \$53,381 from available Capital/Special Project Reserve.

BACKGROUND:

The Town of Los Gatos utilizes contractual services for the routine maintenance of traffic signals and streetlights, the repair of traffic signals and streetlights, and underground utility locating services relating the electric services within the Town's jurisdiction. Traffic signal and streetlight contractual services include repairs on an as-needed basis, periodic inspections, testing of the equipment, and lamp replacements. Underground utility locating services involve

PREPARED BY: Gary Heap
Town Engineer

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

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BACKGROUND (continued):

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. (Exhibit A) to provide 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 (Exhibit A) 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 (Exhibit A) 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.

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 need to be paid. The Town encountered numerous traffic signal repair issues during this current fiscal year due to the excessive winter storms and 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.

This third amendment is for an additional \$53,381 for the response maintenance repairs needed for the remainder of FY 2022/23 to continue the contract services by St. Francis Electric without disruptions.

The table on the next page reflects the amendment amounts, increasing the total five-year contract amount not to exceed \$953,948.

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DISCUSSION (continued):

Original Contract	\$ 675,000	-----
First Amendment	\$ 8,567	For FY20/21 Services
Second Amendment	\$ 67,000	For FY 2021/22 Services
	\$ 150,000	For FY 2022/23 to FY 2024/25 Base Services
Third Amendment (Proposed)	\$ 53,381	For FY 2022/23 Services
Total	\$ 953,948	----

CONCLUSION:

The Town Council's authorization of the third contract amendment for the traffic signal and streetlight repair services would allow St. Francis Electric to continue providing the contract services in FY 2022/23.

COORDINATION:

This report was coordinated with the Finance Department.

FISCAL IMPACT:

The budget adjustment in the amount of \$53,381 from Available Capital/Special Project Reserve will allow for sufficient funds to be available in the FY 2022/23 Parks and Public Works Engineering Program Operating Budget for the contract amendment.

ENVIRONMENTAL ASSESSMENT:

The actions associated with this item are not a project defined under CEQA, and no further action is required.

Attachments:

1. Third Amendment to Agreement for Services with St. Francis Electric, Inc.
2. Exhibit A to Attachment 1 – 2nd Amendment, 1st Amendment, and Original Agreement