



MEETING DATE: 11/6/06
ITEM NO: 7

COUNCIL AGENDA REPORT

DATE: OCTOBER 31, 2006
TO: MAYOR AND TOWN COUNCIL
FROM: DEBRA J. FIGONE, TOWN MANAGER

A handwritten signature in black ink, likely belonging to Debra J. Figone, the Town Manager.

SUBJECT: AMENDMENT TO THE AGREEMENT WITH THE CITY OF CAMPBELL
ADOPT RESOLUTION AUTHORIZING THE TOWN MANAGER TO
EXECUTE AN AMENDMENT TO THE AGREEMENT FOR
CONSTRUCTION INSPECTION SERVICES BETWEEN THE TOWN OF LOS
GATOS AND THE CITY OF CAMPBELL TO INCLUDE UNDERGROUND
UTILITY LOCATING SERVICES AT A COST OF \$65.00 PER INSPECTION

RECOMMENDATION:

Adopt resolution authorizing the Town Manager to execute an amendment (Exhibit A) to the agreement (Exhibit B) for Construction Inspection Services between the Town of Los Gatos and the City of Campbell to include underground utility locating services at a cost of \$65.00 per inspection.

BACKGROUND:

As an owner/operator of underground utilities, the Town of Los Gatos is obligated by law to locate these services whenever there is construction activity in their vicinity.

The Town of Los Gatos has been using Republic Electric to assist in the marking of underground electric and traffic lines. This is a specialty work and few firms perform this service due to its cost and liability. Staff has been satisfied with the quality service Republic Electric has provided, however this firm is not able to provide this service to the Town at this time at a competitive cost. Republic Electric's agreement expired on September 30, 2006.

PREPARED BY: JOHN E. CURTIS
Director of Parks and Public Works

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Reviewed by: PS Assistant Town Manager OK Town Attorney
____ Clerk Administrator SC Finance ____ Community Development

OCTOBER 31, 2006

DISCUSSION:

On June 19, 2006, the Town Council authorized the Town Manager to execute an agreement with the City of Campbell to provide Construction Inspection Services on a temporary basis not to exceed \$40,000 due to the volume of inspections and the absence of an Engineering Inspector who was on medical leave for an extended period of time. Staff has worked with the City of Campbell to explore the possibility of utilizing their crew to mark the underground electric and signal conduits for Los Gatos. The City of Campbell has offered to provide this service at a price of \$65/per USA inspection.

The previous contract that Los Gatos had for this service was for \$50/per USA inspection. The rate offered by the City of Campbell at \$65/per USA inspection is more competitive than other electrical contractor charges, in excess of \$100/per USA inspection for Underground Service Alert marking.

CONCLUSION:

Staff recommends approval of the attached resolution authorizing the Town Manager to enter into an amendment to the agreement with the City of Campbell to include the marking of underground storm drain, electric, signal interconnect, and Town owned fibre optics in Los Gatos until June 30, 2007. This contract and agreement will be reviewed at that time by both agencies to ensure both parties are being served well by its terms and conditions. The Town of Los Gatos, as a part of a fee update in early 2007, will need to increase the cost of encroachment permits issued by the Town to cover cost increases for USA marking.

ENVIRONMENTAL ASSESSMENT:

This project is defined under CEQA, and is categorically exempt under section 15301.

FISCAL IMPACT:

The Town's current fee schedule in effect July 1, 2006 allows the Town to charge a set rate of \$50.00 for this service. An adjustment in the fee schedule will be made during the overall Town fee schedule update in early 2007 to allow the fee charged for this service to increase with the cost of the service to the Town.

Attachments:

Resolution authorizing an amendment (Exhibit A) to the original agreement (Exhibit B) with the City of Campbell

RESOLUTION

**RESOLUTION OF THE TOWN COUNCIL
OF THE TOWN OF LOS GATOS
AUTHORIZING THE TOWN MANAGER TO EXECUTE AN AMENDMENT TO THE
AGREEMENT FOR CONSTRUCTION INSPECTION SERVICES BETWEEN THE TOWN
OF LOS GATOS AND THE CITY OF CAMPBELL TO INCLUDE UNDERGROUND
UTILITY LOCATING SERVICES AT A COST OF \$65.00 PER INSPECTION**

WHEREAS, the City of Campbell is providing Construction Inspection Services to the Town of Los Gatos on a temporary basis, at a cost not to exceed \$40,000; and

WHEREAS, it is in the best interest of the Town of Los Gatos to contract with The City of Campbell for underground utility locating services at this time; and

WHEREAS, the Town Council has selected the City of Campbell to provide underground utility locating services at a cost of \$65.00 per inspection until June 30, 2007; and

NOW, THEREFORE, IT IS RESOLVED that the Town Council of the Town of Los Gatos hereby approves the attached Amendment to the Agreement (Exhibit A) with the City of Campbell until June 30, 2007 to provide underground utility locating services in the Town of Los Gatos; and

BE IT FURTHER RESOLVED that the Town Manager is hereby authorized and directed to execute said Amendment to the Agreement on behalf of the Council.

PASSED AND ADOPTED at a regular meeting of the Town Council of the Town of Los Gatos, California, held on the 6th day of November, 2006 by the following vote:

COUNCIL MEMBERS:

AYES:

NAYS:

ABSENT:

ABSTAIN:

SIGNED:

MAYOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

ATTEST:

CLERK ADMINISTRATOR OF THE TOWN OF LOS GATOS
LOS GATOS, CALIFORNIA

AMENDMENT TO AGREEMENT

This **AMENDMENT TO AGREEMENT** is entered into this ____ day of November, 2006, by and between the **Town of Los Gatos**, State of California, herein called "Town," and the **City of Campbell**, herein called "[City]."

RECITALS

- A. Town and City entered into an agreement to provide Construction Inspection Services in the Town of Los Gatos on July 11, 2006 ("Agreement"), a copy of which is attached hereto and incorporated herein by reference.

AMENDMENT

1. Section II of the Agreement is hereby amended to include underground utility locating services at a cost of \$65.00 per inspection until June 30, 2007.
2. All other terms and conditions of the Agreement of July 11, 2006 remain in full force and effect.

IN WITNESS WHEREOF, the Town and City have executed this amendment to the Agreement as of the date indicated on page one (1).

By: **Town of Los Gatos**,
Debra J. Figone

By: **City of Campbell**
Michelle Quinney, City Engineer
70 North First Street
Campbell, CA 95008

(Signature)

(Signature)

Recommended by:

John E. Curtis
Director of Parks and Public Works

(Print Name)

Approved as to Form:

Orry P. Korb, Town Attorney

ATTEST:

Jackie Rose, Clerk Administrator

EXHIBIT A

CONSTRUCTION INSPECTION SERVICES AGREEMENT

This Agreement entered into on _____, is between the CITY OF CAMPBELL (CITY), a municipal corporation, and the TOWN OF LOS GATOS (TOWN).

RECITALS

- (1) TOWN is authorized to enter into an Agreement with CITY to provide construction inspection services for various TOWN projects.
- (2) TOWN is prepared to authorize CITY to provide construction inspection services. The various services to be performed ("SERVICES") are listed in the Scope of Work, attached hereto as Attachment A.
- (3) In order to assist TOWN with the implementation of its projects, CITY is willing, at TOWN's sole expense, to provide the SERVICES.
- (4) TOWN and CITY do mutually desire to cooperate in the area of construction inspection and desire to specify herein the terms and conditions under which the SERVICES will be provided.

NOW, THEREFORE, the parties agree as follows:

AGREEMENT

SECTION 1

TOWN SHALL:

- A. Provide CITY with necessary regulations, policies, procedures, manuals, standard plans and specifications and other standards required to define the quality and scope of SERVICES.
- B. Work with CITY to assure that required TOWN procedures are followed.
- C. Bear all costs for SERVICES, as set forth in the Rate Schedule attached hereto as Attachment B.
- D. Provide prompt review and approval, as appropriate, of submittals by CITY.
- E. Reimburse CITY within 30 days after receipt of each billing associated with the SERVICES.

SECTION II

CITY SHALL:

- A. Perform SERVICES utilizing CITY's staff and in accordance with TOWN's laws, rules, regulations, policies, procedures, manuals, standard plans and specifications, and other standards as provided by TOWN in accordance with Section I.A. of this Agreement. All SERVICES are to be subject to ongoing review by TOWN. TOWN shall have the right to interview and approve or reject personnel provided by CITY for each project. CITY shall have the right to decline to perform any particular SERVICE requested because of staffing or other considerations.
- B. Prior to commencement of SERVICES, establish a separate account or accounts to accumulate charges for all work performed on behalf of TOWN pursuant to this Agreement.
- C. Submit signed itemized invoices, no more often than once monthly, for costs to be borne by TOWN with specific details of all costs incurred during the period of the invoice, which period shall be a minimum of one month. Invoices will meet format and content requirements specified by TOWN. Each invoice shall be submitted to TOWN's Project Coordinator for approval and forwarding to the appropriate Accounting Office for payment.
- D. Submit a final report of expenditures, in the same format and detail as the invoices described in Section II.C. of this Agreement within thirty (30) days after completion of SERVICES.
- E. Retain all books, documents, papers, accounting records, and other evidence pertaining to costs incurred, including support data for cost proposals, and make such materials available at the offices of CITY at all reasonable times during the contract period and for three years from the date of final payment under this Agreement. TOWN shall have access to any books, records, and documents of CITY that are pertinent to this Agreement for audits, examinations, excerpts, and transactions. CITY shall furnish copies of said documents if requested by TOWN. CITY shall be reimbursed by TOWN for all costs incurred by CITY in providing requested information.
- F. Be responsible for the personnel costs and obligations associated with the staff it assigns to perform the SERVICES, including base salary, overtime salary and fringe benefits, Workers' Compensation, retirement, and discipline.

SECTION III

- A. All obligations of parties under the terms of this Agreement are subject to the appropriation of sufficient resources by TOWN for each individual project for which the

SERVICES are requested. TOWN shall not request SERVICES until the necessary funds have been appropriated.

- B. TOWN shall reimburse CITY for all costs incurred by CITY for SERVICES in accordance with the Rate Schedule set forth in Attachment B. CITY may update the Rate Schedule on an annual basis beginning one year from the date of execution of the Agreement. The total cost reimbursement payable by TOWN to CITY under this Agreement shall not exceed \$ 40,000 (Forty thousand dollars).
- C. The parties shall each designate a Project Coordinator through whom all communications between the two parties will occur. The TOWN Project Coordinator will be responsible for any necessary review of the work of CITY during performance of SERVICES and approval of invoices for payment as submitted by CITY.
- D. Upon completion of each individual project under this Agreement, ownership and title to all reports and documents produced as part of SERVICES will automatically be vested in TOWN and no further agreement will be necessary to transfer ownership to TOWN.
- E. Neither TOWN nor any officer or employee thereof is responsible for any damage or liability occurring by reasons of negligent or willful misconduct by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement. Pursuant to Government Code Section 895.4, CITY shall fully defend, indemnify and save harmless TOWN and its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injuries or death to any person or damage to property resulting from any negligence or willful misconduct in connection with anything done or omitted to be done by CITY under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.
- F. Neither CITY nor any officer or employee thereof shall be responsible for any damage or liability occurring by reasons of negligent or willful misconduct by TOWN under or in connection with any work, authority or jurisdiction delegated to TOWN under this Agreement. Pursuant to Government Code Section 895.4, TOWN shall defend, indemnify and save harmless CITY and its officers and employees from all claims, suits or actions of every name, kind and description brought for or on account of injuries to or death of any person or damage to property resulting from any negligence or willful misconduct in connection with anything done or omitted to be done by TOWN under or in connection with any work, authority or jurisdiction delegated to CITY under this Agreement.
- G. No amendment to this Agreement shall be valid unless made in writing and signed by the parties hereto. No oral understanding or agreement not expressly incorporated herein shall be binding on either of the parties hereto.
- H. Either party may terminate this Agreement upon written notice to the other party. At the time of termination, CITY will be paid for work performed through and including the

I. Except as otherwise provided herein, this Agreement shall terminate on June 30, 2007.

J. Any notice served pursuant to this Agreement shall be personally delivered or sent by first class U.S. mail or by overnight courier promising overnight delivery to the following:

TOWN: Town of Los Gatos
Kevin Rohani, Town Engineer
110 East Main Street
Los Gatos, CA 95032

K. This Agreement includes the following attachments, which are incorporated herein by reference:

J:\mq\Los Gatos Agrmnt re Const Inspec Servs.doc

IN WITNESS WHEREOF, the parties hereto have executed this Agreement as of
the 11th day of July, 2006

TOWN OF LOS GATOS, by:

Debra J. Figone for
Debra J. Figone, Town Manager

CITY OF CAMPBELL, by:

Robert Kass
Robert Kass, Director of Public Works

70 North First Street

Campbell, CA 95008

RECOMMENDED BY;

John E. Curtis
John E. Curtis
Director of Parks and Public Works

APPROVED AS TO FORM:

Orry P. Korb
Orry P. Korb, Town Attorney

ATTEST:

Marlyn Rasmussen
Marlyn Rasmussen, Clerk
Administrator
Town of Los Gatos

ATTACHMENT A

SCOPE OF WORK

CITY will provide construction inspection services as set forth below:

1. CITY will provide one or more construction inspectors as requested by TOWN. The SERVICES shall consist of general construction inspection unless defined more specifically, in writing, for each assignment. The inspector(s) will report directly to the TOWN Engineer, or as otherwise designated.
2. In general, the SERVICES shall include, without limitation, field observation of construction activity, preparation of daily reports, and coordination with outside agencies and citizens if necessary.

ATTACHMENT B

RATE SCHEDULE

Senior Public Works Inspector

FY 05-06

\$65.83/hr. (regular)

\$93.21/hr. (overtime)

FY 06-07

\$68.15/hr. (regular)

\$96.26/hr. (overtime)

Public Works Inspector

FY 05-06

\$62.07/hr. (regular)

\$87.71/hr. (overtime)

FY 06-07

\$64.29/hr. (regular)

\$90.60/hr. (overtime)