



**TOWN OF LOS GATOS  
COUNCIL MEETING AGENDA  
MAY 19, 2020  
110 EAST MAIN STREET  
LOS GATOS, CA**

*Marcia Jensen, Mayor  
Barbara Spector, Vice Mayor  
Rob Rennie, Council Member  
Marico Sayoc, Council Member  
Vacant, Council Member*

**PARTICIPATION IN THE PUBLIC PROCESS**

**How to participate:** The Town of Los Gatos strongly encourages your active participation in the public process, which is the cornerstone of democracy. If you wish to speak to an item on the agenda, please complete a “speaker’s card” located on the back of the chamber benches and return it to the Town Council. If you wish to speak to an item NOT on the agenda, you may do so during the “Verbal Communications” period. The time allocated to speakers may change to better facilitate the Town Council meeting.

**Effective Proceedings:** The purpose of the Town Council meeting is to conduct the business of the community in an effective and efficient manner. For the benefit of the community, the Town of Los Gatos asks that you follow the Town’s meeting guidelines while attending Town Council meetings and treat everyone with respect and dignity. This is done by following meeting guidelines set forth in State law and in the Town Code. Disruptive conduct is not tolerated, including but not limited to: addressing the Town Council without first being recognized; interrupting speakers, Town Council or Town staff; continuing to speak after the allotted time has expired; failing to relinquish the podium when directed to do so; and repetitiously addressing the same subject.

**Deadlines for Public Comment and Presentations are as follows:**

- Persons wishing to make an audio/visual presentation on any agenda item must submit the presentation electronically, either in person or via email, to the Clerk’s Office no later than 3:00 p.m. on the day of the Council meeting.
- Persons wishing to submit written comments to be included in the materials provided to Town Council must provide the comments as follows:
  - For inclusion in the regular packet: by 11:00 a.m. the Thursday before the Council meeting
  - For inclusion in any Addendum: by 11:00 a.m. the Monday before the Council meeting
  - For inclusion in any Desk Item: by 11:00 a.m. on the day of the Council Meeting

***Town Council Meetings Broadcast Live on KCAT, Channel 15 (on Comcast) on the 1st and 3rd Tuesdays at 7:00 p.m.  
Rebroadcast of Town Council Meetings on the 2<sup>nd</sup> and 4<sup>th</sup> Mondays at 7:00 p.m.  
Live & Archived Council Meetings can be viewed by going to:  
[www.losgatosca.gov/Councilvideos](http://www.losgatosca.gov/Councilvideos)***

***IN COMPLIANCE WITH THE AMERICANS WITH DISABILITIES ACT, IF YOU NEED SPECIAL ASSISTANCE TO PARTICIPATE IN THIS MEETING, PLEASE CONTACT THE CLERK DEPARTMENT AT (408) 354-6834. NOTIFICATION 48 HOURS BEFORE THE MEETING WILL ENABLE THE TOWN TO MAKE REASONABLE ARRANGEMENTS TO ENSURE ACCESSIBILITY TO THIS MEETING [28 CFR §35.102-35.104]***



**TOWN OF LOS GATOS  
COUNCIL MEETING AGENDA  
MAY 19, 2020  
7:00 PM**

**IMPORTANT NOTICE REGARDING THE MAY 19, 2020 COUNCIL MEETING**

This meeting is being conducted utilizing teleconferencing and electronic means consistent with State of California Executive Order N-29- 20 dated March 17, 2020, regarding the COVID- 19 pandemic. The live stream of the meeting may be viewed on television and/or online at <https://meetings.municode.com/PublishPage/index?cid=LOSGATOS&ppid=4bc370fb-3064-458e-a11a-78e0c0e5d161&p=0>. **In accordance with Executive Order N-29- 20, the public may only view the meeting on television and/or online and not in the Council Chamber.**

**PARTICIPATION**

If you are interested in providing oral comments real-time during the meeting, you must make a request in advance to obtain the Zoom link and password for the meeting. Please email [PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov) before 5 p.m. the day of the Council meeting to obtain the link and password.

During the meeting:

- When the Mayor announces the item for which you wish to speak, click the “raise hand” feature in Zoom. If you are participating by phone only, press \*9 on your telephone keypad. Speakers will be notified shortly before they are called to speak.
- When called to speak, please limit your comments to three (3) minutes, or such other time as the Mayor may decide, consistent with the time limit for speakers at a Council meeting.

If you are unable to participate in real-time, you may email to [PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov) with the subject line “Public Comment Item # \_\_” (insert the item number relevant to your comment) or “Verbal Communications – Non Agenda Item.” Comments will be reviewed and distributed before the meeting if received by 5:00 p.m. on the day of the meeting. All comments received will become part of the record. The Mayor has the option to modify this action on items based on comments received.

**REMOTE LOCATION PARTICIPANTS**

*The following Council Members are listed to permit them to appear electronically or telephonically at the Town Council meeting: MAYOR MARCIA JENSEN, VICE BARBARA SPECTOR, COUNCIL MEMBER ROB RENNIE, COUNCIL MEMBER MARICO SAYOC. All votes during the teleconferencing session will be conducted by roll call vote. The teleconference location is accessible to the public and the agenda will be posted at the teleconference location 72 hours before the meeting.*



## MEETING CALLED TO ORDER

## ROLL CALL

## PRESENTATIONS

- i. Government Finance Officers Association Distinguished Budget Presentation Award

## COUNCIL / MANAGER MATTERS

**CONSENT ITEMS** *(Items appearing on the Consent Items are considered routine and may be approved by one motion. Any member of the Council or public may request to have an item removed from the Consent Items for comment and action. A member of the public may request to pull an item from Consent by following the Participation instructions contained on page 2 of this agenda. If an item is pulled, the Mayor has the sole discretion to determine when the item will be heard. Unless there are separate discussions and/or actions requested by Council, staff, or a member of the public, it is requested that items under the Consent Items be acted on simultaneously.)*

- [1.](#) Approve Council Meeting Minutes May 5, 2020.
- [2.](#) Receive the Third Quarter Investment Report (January through March 2020) for Fiscal Year 2019/20.
3. Authorize the Town Manager to Execute a Summary Vehicle Quotation to Extend the Commercial Motor Vehicle Master Lease Agreement with Mike Albert, LTD. in an Amount Not to Exceed \$3,240 for a 12-Month Lease Extension for Two Electric Vehicles, for a Total Lease Amount Not to Exceed \$63,010.
- [4.](#) Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization).
- [5.](#) Authorize the Town Manager to Amend the Agreement for Consultant Services with Construction Testing Services (CTS) for Materials Testing Services for the Annual Street Repair and Resurfacing Projects (19-811-9901) in an Amount Not to Exceed \$94,000.

**VERBAL COMMUNICATIONS** *(Members of the public are welcome to address the Town Council on any matter that is not listed on the agenda consistent with the Participation instructions contained on page 2 of this agenda. To ensure all agenda items are heard and unless additional time is authorized by the Mayor, this portion of the agenda is limited to 30 minutes and no more than three (3) minutes per comment. In the event additional comments were not able to be heard during the initial Verbal Communications portion of the agenda, an additional Verbal Communications will be opened prior to adjournment.)*



**PUBLIC HEARINGS** *(Applicants/Appellants, their representatives, and members of the public wishing to address the Council on any Public Hearing item should register in advance to obtain the Zoom link for this meeting by following the Participation instructions contained on page 2 of this agenda. Applicants/Appellants and their representatives may be allotted up to a total of five minutes maximum for opening statements. Members of the public may be allotted up to three minutes to comment on any public hearing item. Applicants/Appellants and their representatives may be allotted up to a total of three minutes maximum for closing statements. Items requested/recommended for continuance are subject to Council's consent at the meeting.)*

**6.** Operating and Capital Budgets

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for FY 2020/21.
  - 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs.
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25.
- C. Approve Budget Adjustments for FY 2019/20:
  - 1. Authorize a Total Revenue Decrease Adjustment in the Amount of \$1,699,411 [Decrease Sales Tax by \$618,744, Decrease Transient Occupancy Tax (TOT) by \$974,678, and Decrease Business License Tax by \$105,989] and
  - 2. Authorize an Expenditure Decrease Adjustment in the Amount of \$4,232,500 to Reflect that the Additional Discretionary Payment Toward the Unfunded Pension Liability to CalPERS is Scheduled After July 1, 2020.

**ADJOURNMENT** *(Council policy is to adjourn no later than midnight unless a majority of Council votes for an extension of time.)*

***Writings related to any item on the Town Council meeting agenda are available on the official Town of Los Gatos website.***

***Note: The Town of Los Gatos has adopted the provisions of Code of Civil Procedure §1094.6; litigation challenging a decision of the Town Council must be brought within 90 days after the decision is announced unless a shorter time is required by State or Federal law.***





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 1

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**DRAFT  
Minutes of the Town Council Meeting  
May 5, 2020**

The Town Council of the Town of Los Gatos conducted a regular meeting via Teleconference, due to COVID-19 Shelter in Place guidelines, on Tuesday, May 5, 2020, at 7:00 p.m.

**MEETING CALLED TO ORDER AT 7:00 P.M.**

**ROLL CALL**

Present: Mayor Marcia Jensen (remote participant), Vice Mayor Barbara Spector (remote participant), Council Member Rob Rennie (remote participant), Council Member Marico Sayoc (remote participant).

Absent: None

**PRESENTATIONS**

Mayor Jensen presented proclamations recognizing National Public Works Week, Municipal Clerks Week, and Building and Safety Month.

**CLOSED SESSION REPORT**

Robert Schultz, Town Attorney, stated that there was no Closed Session.

**COUNCIL/TOWN MANAGER REPORTS**

**Council Matters**

- Vice Mayor Spector stated she continues to participate in the Santa Clara County Health Department COVID-19 remote conferences.
- Council Member Rennie stated he continues to deliver groceries for West Valley Community Services and has begun delivering hot lunches to seniors for Live Oak Nutrition.
- Council Member Sayoc stated she continues to work with the League of California Cities to ensure any federal or state legislation is applicable to the Town of Los Gatos and worked with the Cities Association of Santa Clara County on a letter signed by 15 cities requesting more collaboration with the County.
- Mayor Jensen stated she participated in a Zoom meeting with Santa Clara County Supervisors Chavez and Simitian and the mayors of the 15 cities in the County to get information regarding COVID-19 testing, contact tracing, and personal protective equipment. Updates will continue to be shared in the Mayor's message found on the Town website homepage.



### Manager Matters

- Announced Town staff is working to implement the Santa Clara County Public Health Order and continue to provide essential services.
- Announced some construction activities are allowed under the most recent Santa Clara County Public Health Order and encouraged anyone with a construction project to consult the Town's Community Development Department webpage for more information.
- Announced Town facilities that contain tennis courts and pickle ball courts will remain closed at this time.
- Encouraged the community to visit the designated COVID-19 webpage found on the Town website homepage to locate resources, information, and ways to assist the community.

### CONSENT ITEMS (TO BE ACTED UPON BY A SINGLE MOTION)

1. Approve Council Meeting Minutes of April 21, 2020.
2. Approve Closed Session Meeting Minutes of April 28, 2020.
3. Adopt an Ordinance, by Title Only, Effecting Amendments to Los Gatos Town Code Chapter 14, Article X - Special Events. **ORDINANCE 2308**
4. Adopt a Resolution rescinding Resolutions 2016-054 and 2011-035 and amending the Community and Senior Services Commission enabling Resolution. **RESOLUTION 2020-012**
5. Authorize the Town Manager to execute a First Amendment to the Agreement for FY 2019/20 with the Chamber of Commerce to provide an extended timeline for the fees and services related to the Leadership Los Gatos Program.
6. Commitment of the Town Council Approved Funds from the 2020 Music in the Park Concert Series to the Concert Series in the Summer of 2021.
7. Recommendation for Continuation of Local Emergency Proclamation
8. Approve Addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and Revisions to the Classification Plans for the Unrepresented Management, Confidential, and Temporary Units
9. Adopt a Resolution Declaring Hazardous Vegetation (Brush) a Public Nuisance, Ordering Abatement, and Setting June 16, 2020 as a Public Hearing to Consider Objections to the Proposed Removal of Brush. **RESOLUTION 2020-013**
10. Landscape and Lighting Assessment Districts 1 & 2
  - a. Adopt a Resolution (Attachment 1) Approving the Engineer's Report (Attachment 8) for FY 2020/21. **RESOLUTION 2020-014**
  - b. Adopt a Resolution (Attachment 2) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Blackwell Drive Benefit Zone. **RESOLUTION 2020-015**
  - c. Adopt a Resolution (Attachment 3) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Kennedy Meadows Benefit Zone. **RESOLUTION 2020-016**
  - d. Adopt a Resolution (Attachment 4) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Santa Rosa Heights Benefit Zone. **RESOLUTION 2020-017**



Consent Items – continued

- e. Adopt a Resolution (Attachment 5) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Vasona Heights Benefit Zone.  
**RESOLUTION 2020-018**
  - f. Move \$25,079 from the Vasona Heights Fund Balance to the Vasona Heights District Capital Improvement Budget.
  - g. Adopt a Resolution (Attachment 6) of Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 1-Hillbrook Drive Benefit Zone.  
**RESOLUTION 2020-019**
  - h. Adopt a Resolution (Attachment 7) of intention to Intention to Order the Levy and Collection of Assessments for Landscape and Lighting District No. 2-Gemini Court Benefit Zone. **RESOLUTION 2020-020**
  - i. Set June 16, 2020 as the Date for the Public Hearing to Consider Protests for the Levy and Collection of Assessments.
11. Authorize the Town Manager to Execute an Agreement in an Amount not to Exceed \$79,950 with NCE, Incorporated for the Design of Shannon Road Pavement Reconstruction
12. Fire Suppression (Halon) for Server Rooms Project (841-6004):
- a. Authorize the Town Manager to Execute a Purchase and Service Agreement with Fire Safety Supply Inc. for Installation of Fire Suppression System Upgrades in an Amount Not to Exceed \$92,555 including contingencies
  - b. Authorize a budget adjustment from the Fire Suppression (Halon) for Sever Rooms project (841-6004) to the Plaza Level Railing – Code Upgrade project (821-2116) in the amount of \$5,604
13. Approve an Amendment to the Agreement with Santa Barbara Transportation Corporation Doing Business as Student Transportation of America

Item #7 was pulled by Council Member Rennie.

Item #8 was pulled by members of the public via electronic communications.

**MOTION:** Motion by Council Member Rennie to approve the Consent Items 1 through 13, exclusive of Items 7 and 8. **Seconded by Council Member Sayoc.**

**VOTE:** Motion passed unanimously.

**ITEMS PULLED FROM CONSENT**

7. Recommendation for Continuation of Local Emergency Proclamation.

Arn Andrews, Assistant Town Manager, presented the staff report.

Town Clerk Neis stated there was no public comment on this item.



Item #7 - continued

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

**MOTION: Motion by Council Member Rennie** to approve continuation of local emergency proclamation. **Seconded by Vice Mayor Spector.**

**VOTE: Motion passed unanimously.**

8. Approve Addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and Revisions to the Classification Plans for the Unrepresented Management, Confidential, and Temporary Units.

Lisa Velasco, Human Resources Director, presented the staff report. Mayor Jensen stated that public comment was received and is contained in Attachment #8 in the Desk Item.

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

**MOTION: Motion by Mayor Jensen** to approve addenda to the Town Employees' Association and the American Federation of State, County and Municipal Employees Memoranda of Understanding and revisions to the classification plans for the unrepresented management, confidential, and temporary units. **Seconded by Council Member Rennie.**

**VOTE: Motion passed unanimously.**

**MOTION: Motion by Council Member Sayoc** that staff develop a policy, following meet and confer requirements, that follows the Menlo Park model to provide financial information to all parties and the public prior to the start of negotiations. **Seconded by Vice Mayor Spector.**



Item #8 - continued

**VOTE: Motion passed unanimously.**

### **VERBAL COMMUNICATIONS**

Kristina Taroni

- Presented ideas, including closing streets, to increase foot traffic to support local restaurants and allow for social distancing.

Randi Chen

- Commented in support of ideas to help local businesses and stated the Chamber is offering to assist in organizing any events.

### **PUBLIC HEARINGS**

14. Adopt an Interim Urgency Ordinance Extending the Moratorium on Evictions Due to Nonpayment of Rent for Residential Tenants where the Failure to Pay Rent Results from Income Loss Resulting from the Novel Coronavirus (COVID-19) and Suspending All Deadlines Related to Land Use Entitlements. **ORDINANCE 2309**

Robert Shultz, Town Attorney, presented the staff report.

Opened Public Comment.

No one spoke.

Closed Public Comment.

Council discussed the matter.

**MOTION: Motion by Council Member Sayoc** to adopt an interim urgency ordinance extending the moratorium on evictions due to nonpayment of rent for residential tenants where the failure to pay rent results from income loss resulting from the novel coronavirus (COVID-19) and suspending all deadlines related to land use entitlements. **Seconded by Vice Mayor Spector.**

**VOTE: Motion passed unanimously.**

Town Clerk Neis read the title of the ordinance.

### **ADJOURNMENT**

The meeting adjourned at 8:06 p.m.



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SUBJECT: Draft Minutes of the Town Council Meeting of May 5, 2020

DATE: May 7, 2020

Submitted by:

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Jenna De Long, Deputy Clerk





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 5/19/2020

ITEM NO: 2

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DATE: May 14, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Receive the Third Quarter Investment Report (January through March 2020)  
for Fiscal Year 2019/20.

**RECOMMENDATION:**

Receive the Third Quarter Investment Report (January through March 2020) for Fiscal Year 2019/20.

**DISCUSSION:**

As of March 31, 2020, the Town's weighted portfolio yield was 1.90% which trended above the Local Agency Investment Fund (LAIF) yield of 1.79%. This favorable yield differential was primarily due to the LAIF portfolio's weighted average maturity (WAM) of 208 days and the Town's longer WAM of 656 days. In recent months prior to the COVID-19 outbreak, staff in consultation with the Town's investment advisor had been extending maturities to capture higher yields currently associated with longer dated securities. Staff continues to replace matured or called investments with similar investments with respect to maturity and credit quality. For the third quarter, the Town's weighted average rate of return decreased by 3 basis points (0.03%) from 1.93% to 1.90%.

During the quarter ending March 31, 2020 the coronavirus crisis escalated and significantly impacted the United States. Shelter-in-place measures implemented nationally and internationally significantly restricted commerce resulting in mass business closures and layoffs. United States jobless claims surged to unprecedented levels approaching that of the Great Depression. In response, the Federal Reserve (the Fed) enacted an emergency 50 basis point rate cut early in March, and later followed with a 100 basis point cut, bringing the Federal Funds rate to a range of (0 to minus .025%). In addition to lowering the Fed Funds rate, the Fed also initiated reductions in reserve requirements and quantitative easing through asset purchases. As of the month ending March 31, 2020, interest rates on the ten-year US Treasury bond investments had fallen to a yield of 0.67%.

**PREPARED BY:** Stephen Conway  
Finance Director

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

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PAGE 2 OF 2

SUBJECT: Receive the Third Quarter Investment Report (January through March 2020) for  
Fiscal Year 2019/20

DATE: May 19, 2020

DISCUSSION(continued):

In light of the COVID-19 crisis and its impact on the markets and interest rates, staff's strategy is to extend maturity lengths on new purchases of securities to take advantage of higher yielding securities in the two to three year maturity range, capturing medium term rates until further impacts to the national economy become known.

CONCLUSION:

Staff recommends that the Town Council receive the Third Quarter Investment Report (January through March 2020) for Fiscal Year 2019/20.

Attachment:

1. Third Quarter Investment Report for FY 2019/20 (January through March 2020)



**Town of Los Gatos**  
**Summary Investment Information**  
**March 31, 2020**

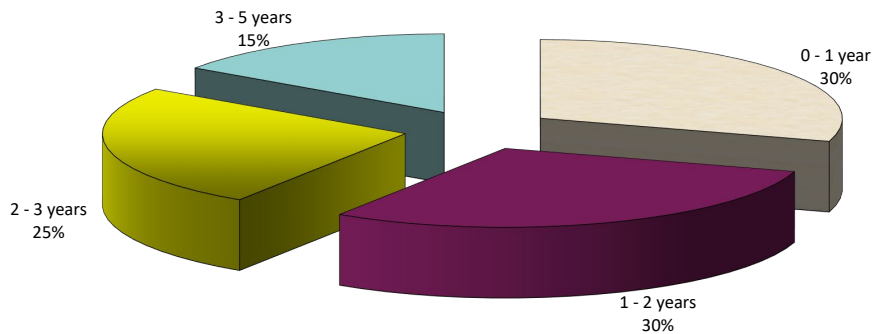
**Weighted Average YTM Portfolio Yield:** **1.90%** **Weighted Average Maturity (days)** **656**

	<u><b>This Month</b></u>	<u><b>Last Month</b></u>	<u><b>One year ago</b></u>
<b>Portfolio Balance</b>	\$68,160,286	\$67,400,124	\$66,777,438

**Benchmarks/ References:**

Town's Average Yield	1.90%	1.91%	2.00%
LAIF Yield for month	1.79%	1.91%	2.43%
3 mo. Treasury	0.12%	1.56%	2.39%
6 mo. Treasury	0.16%	1.54%	2.43%
2 yr. Treasury	0.25%	1.32%	2.36%
5 yr. Treasury (most recent)	0.38%	1.32%	2.23%
10 Yr. Treasury	0.67%	1.51%	2.41%

**Portfolio Maturity Profile**



**Compliance:** The Town's investments are in compliance with the Town's investment policy dated September 3, 2019 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

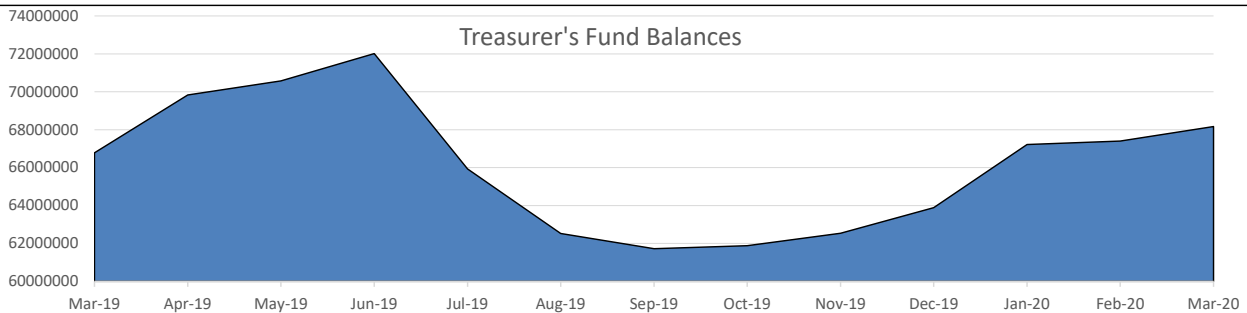
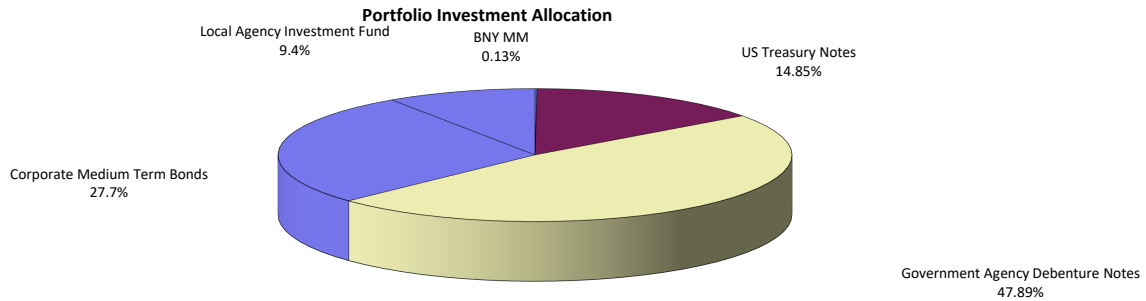


**Town of Los Gatos**  
**Portfolio Allocation & Treasurer's Fund Balances**  
**March 31, 2020**

	Month	YTD
Fund Balances - Beginning of Month/Period	\$67,400,123.50	\$72,013,633.77
Receipts	3,650,223.44	34,197,556.57
Disbursements	(2,890,060.90)	(38,050,904.30)
Fund Balances - End of Month/Period	<u>\$68,160,286.04</u>	<u>\$68,160,286.04</u>

Portfolio Allocation:

		% of Portfolio	Max. % Or \$ Allowed Per State Law or Policy
BNY MM	\$74,492.13	0.13%	20% of Town Portfolio
US Treasury Notes	\$8,720,525.80	14.85%	No Max. on US Treasuries
Government Agency Debenture Notes	\$28,116,154.75	47.89%	No Max. on Non-Mortgage Backed
Corporate Medium Term Bonds	\$16,258,210.51	27.69%	30% of Town Portfolio
Local Agency Investment Fund	5,537,858.38	9.43%	\$65M per State Law
Subtotal - Investments	58,707,241.57	100.00%	
Reconciled Demand Deposit Balances	<u>9,453,044.47</u>		
Total Treasurer's Fund	<u>\$68,160,286.04</u>		





**Town of Los Gatos**  
**Non-Treasury Restricted Fund Balances**  
**March 31, 2020**

	Beginning Balance	MAR 20 Deposits Realized Gain/Adj.	MAR 20 Interest/ Earnings	MAR 20 Withdrawals	Ending Balance	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 688,100.07		\$ 577.31	\$ -	\$ 688,677.38	Note 1
Cert. Of Participation 2010 Ser A Lease Pymt Fund	715.60		15.85		731.45	Note 1
Cert. of Participation 2002 Lease Payment Fund	75.44		8.59		84.03	Note 1
Cert. of Participation 2010 Series Reserve Fund	1,295,020.63		1,465.19	0.00	1,296,485.82	Note 2
Total Restricted Funds:	<u>\$ 1,983,911.74</u>	<u>\$0.00</u>	<u>\$2,066.94</u>	<u>\$0.00</u>	<u>\$1,985,978.68</u>	
PARS IRS Section 115 Trust	\$ 284,819.89	\$ -	\$ (33,084.66)		\$ 251,735.23	Note 3
Grand Total COP's and PARS Trust	<u>\$ 2,268,731.63</u>	<u>\$ -</u>	<u>\$ (31,017.72)</u>	<u>\$ -</u>	<u>\$ 2,237,713.91</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

**Note 1:** The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

**Note 2:** The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Note 3:** The PARS Section IRS Section 115 Trust was established as an irrevocable trust dedicated to accumulate resources to fund the Town's unfunded liabilities related to pension and other post employment benefits.



**Town of Los Gatos**  
**Statement of Interest Earned**  
**March 31, 2020**

Interest by Month

July 2019	\$103,310.93
August 2019	101,993.86
September 2019	99,668.91
October 2019	100,474.14
November 2019	96,912.19
December 2019	100,785.87
January 2020	97,050.92
February 2020	79,677.48
March 2020	83,480.41
April 2020	
May 2020	
June 2020	
	<hr/>
	\$863,354.71
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**Town of Los Gatos Investment Schedule March 2020**

			Deposit	Par	Original	Market	Purchased	Maturity	Yield to	Interest	Interest	Interest	Days
Institution	CUSIP #	Security	Date	Value	Cost	Value	Interest	Date or Call Date	Maturity or Call	Received to Date	Earned Prior Yrs.	Earned Current FY	to Maturity
Treasury	912828WR7	US Treasury Note	4/2/2019	1,000,000.00	995,625.00	1,025,039.06		6/30/2021	2.33%	\$ 15,849.45	\$ 5,656.35	\$ 17,477.50	45
Toyota Motor Credit	89236TDP7	Corporate Bond	05/20/2019	1,100,000.00	1,102,596.00	1,105,667.08		1/11/2022	2.50%	\$ 18,351.67	\$ 3,102.53	\$ 20,809.68	65
FHLB	3133834H1	Gov. Agency Debenture	9/20/2017	1,785,000.00	1,776,432.00	1,788,671.05		6/12/2020	1.56%	\$ 54,678.03	\$ 49,147.92	\$ 20,857.53	7
Toyota Motor Credit	89236TCT2	Corporate Bond	3/13/2020	500,000.00	504,440.00	497,689.49	4,090.28	4/8/2021	1.06%	\$ (4,090.28)	\$ -	\$ 264.09	37
FFCB	3133EKMXX1	Gov. Agency Debenture	8/2/2019	1,000,000.00	1,014,400.00	1,062,320.27		2/23/2024	1.90%	\$ 18,025.83	\$ -	\$ 12,693.49	142
FFCB	3133EHEZ2	Gov. Agency Debenture	9/20/2017	1,600,000.00	1,602,304.00	1,600,229.31		4/6/2020	1.54%	\$ 52,337.78	\$ 43,841.67	\$ 18,605.65	6
FNMA	3133EHYMY9	Gov. Agency Debenture	9/21/2017	1,300,000.00	1,295,866.00	1,307,948.92		9/14/2020	1.61%	\$ 48,370.83	\$ 37,021.86	\$ 15,735.72	16
US Treasury	912828V4F	US Treasury Note	9/21/2017	1,000,000.00	997,109.38	1,002,105.56		5/31/2020	1.48%	\$ 30,129.78	\$ 26,275.86	\$ 11,168.26	61
FNMA	3136G0AAW1	Gov. Agency Debenture	12/13/2017	2,000,000.00	2,017,900.00	2,017,013.92		10/16/2020	2.02%	\$ 86,558.33	\$ 62,898.65	\$ 30,668.67	19
IBM	459200HG9	Corporate Bond	8/8/2019	1,000,000.00	995,010.00	1,008,940.43		8/1/2022	2.05%	\$ 9,010.42	\$ -	\$ 13,204.68	85
Oracle	68389XBL8	Corporate Bond	7/8/2019	1,000,000.00	1,008,880.00	1,023,973.48		7/15/2023	2.18%	\$ 16,466.67	\$ -	\$ 15,941.07	120
US Treasury	912828R28	US Treasury Note	7/2/2019	500,000.00	497,246.09	520,410.16		4/30/2023	1.77%	\$ 2,671.54	\$ -	\$ 6,614.84	112
American Express	0258M0EB1	Corporate Bond	2/11/2020	1,000,000.00	1,007,210.00	1,002,632.05	6,000.00	4/4/2021	1.66%	\$ (6,000.00)	\$ -	\$ 2,175.36	36
Freddie Mac	3137EAE5N	Gov. Agency Debenture	7/19/2019	2,000,000.00	2,072,358.00	2,142,636.46		6/19/2023	1.79%	\$ 22,916.67	\$ -	\$ 25,630.79	117
FFCB	3133EKFV0	Gov. Agency Debenture	7/22/2019	1,000,000.00	999,630.00	1,029,671.78		1/17/2023	1.89%	\$ 9,114.58	\$ -	\$ 13,069.99	102
Treasury	912828L57	US Treasury Note	7/22/2019	1,200,000.00	1,197,988.40	1,244,671.87		9/30/2022	2.09%	\$ 14,516.39	\$ -	\$ 14,992.64	91
Freddie Mac	3137EADB2	Gov. Agency Debenture	1/17/2020	2,100,000.00	2,132,039.70	2,173,637.21	554.16	1/13/2022	2.12%	\$ (554.16)	\$ -	\$ 6,850.38	65
US Treasury	912828Y20	Gov. Agency Debenture	1/31/2020	1,000,000.00	1,016,601.56	1,031,875.00	1,153.84	7/15/2021	1.47%	\$ (1,153.84)	\$ -	\$ 2,439.19	47
American Honda	02665WCZ2	Corporate Bond	11/27/2019	1,000,000.00	1,012,410.01	985,567.90		6/27/2024	2.12%	\$ 12,733.34	\$ -	\$ 7,292.50	154
JP Morgan Chase	46625HJ1E	Gov. Agency Debenture	2/11/2020	900,000.00	934,587.00	928,180.39		9/23/2022	1.74%	\$ 3,412.50	\$ -	\$ 2,152.09	90
Honeywell Int'l.	438516BW5	Corporate Bond	11/20/2019	1,000,000.00	1,014,660.00	992,929.21		7/15/2024	1.64%	\$ 4,983.33	\$ -	\$ 7,178.83	156
Disney	254687CK0	Corporate Bond	3/4/2020	1,000,000.00	1,029,080.00	1,025,309.54	2,375.00	2/15/2021	1.39%	\$ (2,375.00)	\$ -	\$ 1,072.56	32
FNMA	3135G0V75	Gov. Agency Debenture	10/17/2019	1,100,000.00	1,105,833.30	1,150,534.88		7/2/2024	1.63%	\$ 4,331.25	\$ -	\$ 8,191.81	155
FHLB	3130AECJ7	Gov. Agency Debenture	9/14/2018	1,000,000.00	998,101.00	1,003,562.00		5/28/2020	2.46%	\$ 31,135.42	\$ 21,666.58	\$ 20,616.99	58
US Bancorp	91159HHV5	Corporate Bond	12/24/2019	1,000,000.00	1,049,040.00	1,061,620.78		1/5/2024	2.12%	\$ 3,843.75	\$ -	\$ 5,798.97	137
Chevron	166764AG5	Corporate Bond	11/9/2017	1,350,000.00	1,366,834.50	1,348,337.66		5/24/2020	1.94%	\$ 69,624.56	\$ 42,820.12	\$ 19,691.53	55
FFCB	3133EKC53	Gov. Agency Debenture	3/21/2019	1,400,000.00	1,403,262.00	1,429,795.93		3/11/2021	2.43%	\$ 34,708.33	\$ 9,421.68	\$ 25,653.09	34
FFCB	3133EKOQ7	Gov. Agency Debenture	10/21/2019	1,000,000.00	1,019,780.00	1,060,393.45		9/10/2024	1.66%	\$ 8,031.11	\$ -	\$ 7,437.63	162
PNC Financial	693476BN2	Corporate Bond	8/15/2019	1,000,000.00	1,029,280.00	1,014,748.05		2/6/2022	2.12%	\$ 18,608.33	\$ -	\$ 13,303.31	67
FHLB	313379Q69	Gov. Agency Debenture	7/22/2019	1,000,000.00	1,006,960.00	1,038,434.05		6/10/2022	1.87%	\$ 8,145.83	\$ -	\$ 13,058.79	80
FNMA	3135G0V59	Gov. Agency Debenture	11/27/2019	1,540,000.00	1,562,924.44	1,596,636.63	4,331.25	4/12/2022	1.61%	\$ (4,331.25)	\$ -	\$ 8,561.30	74
Freddie Mac	3134GBN40	Gov. Agency Debenture	9/29/2017	1,000,000.00	998,900.00	1,002,929.71		6/29/2020	1.67%	\$ 36,562.50	\$ 29,148.73	\$ 12,544.45	90
JP Morgan Chase	46625HJ78	Corporate Bond	9/23/2019	1,400,000.00	1,485,414.00	1,499,323.53		2/1/2024	2.39%	\$ 19,288.89	\$ -	\$ 18,045.84	140
American Honda	02665WDH1	Corporate Bond	2/14/2020	600,000.00	603,756.00	585,129.28	1,105.00	5/10/2023	1.75%	\$ (1,105.00)	\$ -	\$ 1,328.22	113
FHLB	3130AABG2	US Treasury Note	4/15/2019	1,000,000.00	988,250.00	1,023,880.81		11/29/2021	2.34%	\$ 11,666.67	\$ 4,835.29	\$ 17,496.11	60
FNMA	3135G0Q89	Gov. Agency Debenture	2/10/2020	1,000,000.00	998,702.00	1,014,545.57	4,697.92	10/7/2021	1.38%	\$ (4,697.92)	\$ -	\$ 1,990.83	55
FNMA	3135G0J20	Gov. Agency Debenture	2/10/2020	1,000,000.00	998,882.00	1,009,501.69		2/26/2021	1.48%	\$ 611.11	\$ -	\$ 2,029.90	33
Treasury	912828M80	US Treasury Note	7/22/2019	1,000,000.00	1,006,175.23	1,045,664.06		11/30/2022	1.81%	\$ 7,158.47	\$ -	\$ 12,589.72	97
Treasury	912828U57	US Treasury Note	7/31/2019	1,000,000.00	1,011,875.00	1,065,898.44		11/30/2023	1.84%	\$ 7,083.33	\$ -	\$ 12,375.09	133
Pepsico	713448CS5	Corporate Bond	5/15/2017	1,250,000.00	1,249,600.00	1,249,872.16		4/30/2020	1.86%	\$ 56,848.96	\$ 49,451.53	\$ 17,524.70	30
Treasury	912828X70	US Treasury Note	12/30/2019	1,000,000.00	1,010,589.29	1,066,875.00	3,296.70	4/30/2024	1.75%	\$ (3,296.70)	\$ -	\$ 4,929.78	149
Treasury	912828X72	US Treasury Note	10/31/2019	1,000,000.00	1,015,667.41	1,068,359.38		5/31/2024	1.64%	\$ 1,639.34	\$ -	\$ 6,906.16	152
Freddie Mac	3134GVHB7	Corporate Bond	3/30/2020	1,800,000.00	1,800,000.00	1,800,085.07		6/30/2020	1.05%	\$ -	\$ -	\$ 51.78	9
FFCB	3133EJ300	Gov. Agency Debenture	8/28/2019	1,500,000.00	1,587,503.75	1,623,946.79		12/21/2023	2.12%	\$ 13,536.46	\$ -	\$ 13,527.65	136
Freddie Mac	3133EKKT2	Gov. Agency Debenture	6/24/2019	1,550,000.00	1,573,188.00	1,614,363.63		2/8/2023	1.82%	\$ 30,418.75	\$ 468.29	\$ 21,463.08	104
Subtotal				\$	52,475,000.00	\$ 53,094,891.06	\$ 53,891,558.69	\$ 27,604.15					
BNY MM					74,492.13	74,492.13			0.00%				1
LAIF	N/A				5,537,858.38	5,537,858.38			2.19%			80,596.77	1
					\$58,707,241.57	\$59,503,909.20							



Maturity Profile

	Amount
0-1 year	\$23,146,621.39
1-2 years	\$9,774,744.26
2-3 years	\$9,276,463.07
3-5 years	\$ 16,509,412.85
	<u>\$58,707,241.57</u>

Market to Cost Position Report

<u>Institution</u>	<u>Amortized Cost</u>
BNY Assets	\$53,094,891.06
BNY MM	74,492.13
<u>LAIF</u>	<u>5,537,858.38</u>
<u>Totals:</u>	<u>\$58,707,241.57</u>



**Town of Los Gatos**  
**Summary Investment Information**  
**February 29, 2020**

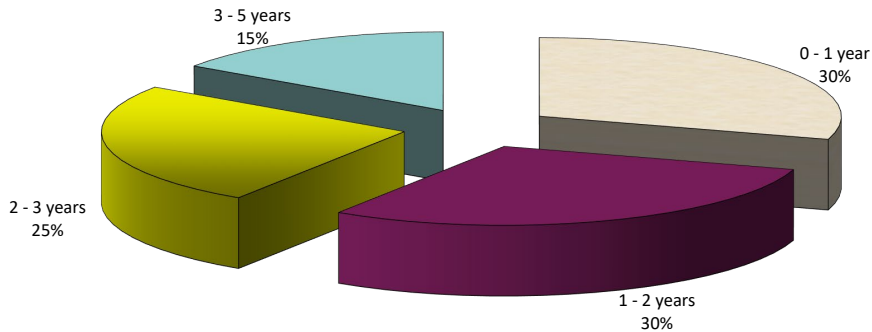
**Weighted Average YTM Portfolio Yield:** **1.91%** **Weighted Average Maturity (days)** **672**

	<u><b>This Month</b></u>	<u><b>Last Month</b></u>	<u><b>One year ago</b></u>
<b>Portfolio Balance</b>	\$67,400,124	\$67,213,822	\$67,407,964

**Benchmarks/ References:**

Town's Average Yield	1.91%	1.93%	1.95%
LAIF Yield for month	1.91%	1.97%	2.39%
3 mo. Treasury	1.56%	1.56%	2.44%
6 mo. Treasury	1.54%	1.54%	2.50%
2 yr. Treasury	1.32%	1.32%	2.52%
5 yr. Treasury (most recent)	1.32%	1.32%	2.51%
10 Yr. Treasury	1.51%	1.51%	2.72%

**Portfolio Maturity Profile**



**Compliance:** The Town's investments are in compliance with the Town's investment policy dated September 3, 2019 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

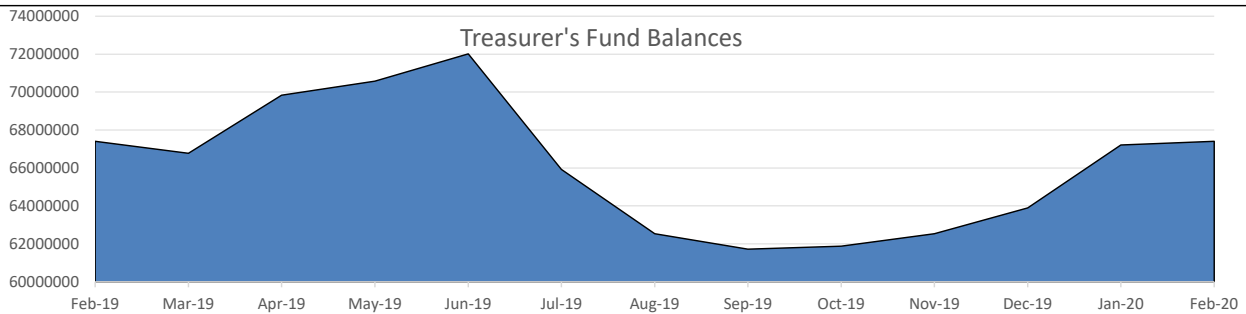
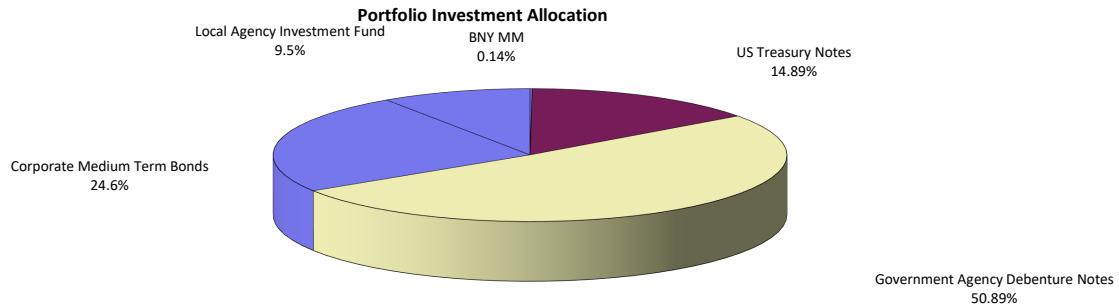


**Town of Los Gatos**  
**Portfolio Allocation & Treasurer's Fund Balances**  
**February 29, 2020**

	Month	YTD
Fund Balances - Beginning of Month/Period	\$67,213,821.88	\$72,013,633.77
Receipts	3,540,784.43	30,547,333.13
Disbursements	(3,354,482.81)	(35,160,843.40)
Fund Balances - End of Month/Period	<u>\$67,400,123.50</u>	<u>\$67,400,123.50</u>

Portfolio Allocation:

		% of Portfolio	Max. % Or \$ Allowed Per State Law or Policy
BNY MM	\$83,452.43	0.14%	20% of Town Portfolio
US Treasury Notes	\$8,720,525.80	14.89%	No Max. on US Treasuries
Government Agency Debenture Notes	\$29,813,485.75	50.89%	No Max. on Non-Mortgage Backed
Corporate Medium Term Bonds	\$14,426,425.51	24.63%	30% of Town Portfolio
Local Agency Investment Fund	<u>5,537,858.47</u>	9.45%	\$65M per State Law
Subtotal - Investments	58,581,747.96	100.00%	
Reconciled Demand Deposit Balances	<u>8,818,375.54</u>		
Total Treasurer's Fund	<u>\$67,400,123.50</u>		





**Town of Los Gatos**  
**Non-Treasury Restricted Fund Balances**  
**February 29, 2020**

	Beginning Balance	FEB 20 Deposits Realized Gain/Adj.	FEB 20 Interest/ Earnings	FEB 20 Withdrawals	Ending Balance	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 687,495.59		\$ 604.48	\$ -	\$ 688,100.07	Note 1
Cert. Of Participation 2010 Ser A Lease Pymt Fund	192,756.90		121.20	192,162.50	715.60	Note 1
Cert. of Participation 2002 Lease Payment Fund	150,310.60		71.09	150,306.25	75.44	Note 1
Cert. of Participation 2010 Series Reserve Fund	1,293,444.86		1,575.77	0.00	1,295,020.63	Note 2
Total Restricted Funds:	<u>\$ 2,324,007.95</u>	<u>\$0.00</u>	<u>\$2,372.54</u>	<u>\$342,468.75</u>	<u>\$1,983,911.74</u>	
PARS IRS Section 115 Trust	\$ 301,640.03	\$ -	\$ (16,820.14)		\$ 284,819.89	Note 3
Grand Total COP's and PARS Trust	<u>\$ 2,625,647.98</u>	<u>\$ -</u>	<u>\$ (14,447.60)</u>	<u>\$ 342,468.75</u>	<u>\$ 2,268,731.63</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

**Note 1:** The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

**Note 2:** The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Note 3:** The PARS Section IRS Section 115 Trust was established as an irrevocable trust dedicated to accumulate resources to fund the Town's unfunded liabilities related to pension and other post employment benefits.



**Town of Los Gatos  
Statement of Interest Earned  
February 29, 2020**

Interest by Month

July 2019	\$103,310.93
August 2019	101,993.86
September 2019	99,668.91
October 2019	100,474.14
November 2019	96,912.19
December 2019	100,785.87
January 2020	97,050.92
February 2020	79,677.48
March 2020	
April 2020	
May 2020	
June 2020	
	<hr/>
	\$779,874.30
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Town of Los Gatos Investment Schedule February 2020

Institution	CUSIP #	Security	Deposit Date	Par Value	Original Cost	Market Value	Purchased Interest	Maturity Date or Call Date	Yield to Maturity or Call	Interest Received to Date	Interest Earned Prior Yrs.	Interest Earned Current FY	Days to Maturity
Treasury	912828WR7	US Treasury Note	4/2/2019	1,000,000.00	995,625.00	1,014,882.81		6/30/2021	2.33%	\$ 15,849.45	\$ 5,656.35	\$ 15,507.31	487
Toyota Motor Credit	89236TDP7	Corporate Bond	05/20/19	1,100,000.00	1,102,596.00	1,128,631.91		1/11/2022	2.50%	\$ 18,351.67	\$ 3,102.53	\$ 18,463.86	682
FHLB	3133834H1	Gov. Agency Debenture	9/20/2017	1,785,000.00	1,776,432.00	1,784,982.45		6/12/2020	1.56%	\$ 54,678.03	\$ 49,147.92	\$ 18,506.32	104
FFCB	3133EJBM1	Gov. Agency Debenture	10/9/2018	1,700,000.00	1,697,331.00	1,701,821.72		3/25/2020	2.84%	\$ 44,605.17	\$ 34,889.76	\$ 32,246.60	25
FFCB	3133EKM1	Gov. Agency Debenture	8/2/2019	1,000,000.00	1,014,400.00	1,048,632.72		2/23/2024	1.90%	\$ 18,025.83	\$ -	\$ 11,067.46	1455
FFCB	3133EHZ2	Gov. Agency Debenture	9/20/2017	1,600,000.00	1,602,304.00	1,600,547.22		4/6/2020	1.54%	\$ 52,337.78	\$ 43,841.67	\$ 16,508.28	37
FNMA	3133EHY1	Gov. Agency Debenture	9/21/2017	1,300,000.00	1,295,866.00	1,302,782.25		9/14/2020	1.61%	\$ 38,620.83	\$ 37,021.86	\$ 13,961.88	198
US Treasury	912828VF4	US Treasury Note	9/21/2017	1,000,000.00	997,109.38	999,804.69		5/31/2020	1.48%	\$ 30,129.78	\$ 26,275.86	\$ 9,909.29	92
FNMA	3136G0AW1	Gov. Agency Debenture	12/13/2017	2,000,000.00	2,017,900.00	2,015,052.46		10/16/2020	2.02%	\$ 86,558.33	\$ 62,898.65	\$ 27,211.47	230
IBM	459200HG9	Corporate Bond	8/8/2019	1,000,000.00	995,010.00	1,012,500.81		8/1/2022	2.05%	\$ 9,010.42	\$ -	\$ 11,470.17	884
Oracle	68389XBL8	Corporate Bond	7/8/2019	1,000,000.00	1,008,880.00	1,032,018.42		7/15/2023	2.18%	\$ 4,466.67	\$ -	\$ 14,090.23	1232
US Treasury	912828R28	US Treasury Note	7/2/2019	500,000.00	497,246.09	511,503.91		4/30/2023	1.77%	\$ 2,671.54	\$ -	\$ 5,863.70	1156
American Express	0258M0EB1	Corporate Bond	2/11/2020	1,000,000.00	1,007,210.00	1,008,646.36	6,000.00	4/4/2021	1.66%	\$ (6,000.00)	\$ -	\$ 799.11	400
Freddie Mac	3137EAE1	Gov. Agency Debenture	7/19/2019	2,000,000.00	2,072,358.00	2,116,276.82		6/19/2023	1.79%	\$ 22,916.67	\$ -	\$ 22,527.07	1206
FFCB	3133EKVF0	Gov. Agency Debenture	7/22/2019	1,000,000.00	999,630.00	1,026,426.25		1/17/2023	1.89%	\$ 9,114.58	\$ -	\$ 11,468.53	1053
Treasury	912828L57	US Treasury Note	7/22/2019	1,200,000.00	1,197,988.40	1,226,578.13		9/30/2022	2.09%	\$ 4,016.39	\$ -	\$ 13,155.60	944
Freddie Mac	3137EADB2	Gov. Agency Debenture	1/17/2020	2,100,000.00	2,132,039.70	2,154,328.72	554.16	1/13/2022	2.12%	\$ (554.16)	\$ -	\$ 3,980.63	684
US Treasury	912828Y20	Gov. Agency Debenture	1/31/2020	1,000,000.00	1,016,601.56	1,021,953.12	1,153.84	7/15/2021	1.47%	\$ (1,153.84)	\$ -	\$ 1,178.94	502
American Honda	02665WC22	Corporate Bond	11/27/2019	1,000,000.00	1,012,410.01	1,032,256.07		6/27/2024	2.12%	\$ 12,733.34	\$ -	\$ 5,483.96	1580
JP Morgan Chase	46625HJ1	Gov. Agency Debenture	2/11/2020	900,000.00	934,587.00	938,228.58	11,212.50	9/23/2022	1.74%	\$ (11,212.50)	\$ -	\$ 790.56	937
Honeywell Int'l.	438516BW5	Corporate Bond	11/20/2019	1,000,000.00	1,014,660.00	1,039,544.41		7/15/2024	1.64%	\$ 4,983.33	\$ -	\$ 5,492.89	1598
Disney	25468PDP8	Corporate Bond	12/1/2017	1,000,000.00	998,190.00	1,000,010.00		3/4/2020	2.03%	\$ 34,284.50	\$ 32,037.85	\$ 13,571.59	4
FNMA	3135G0V75	Gov. Agency Debenture	10/17/2019	1,100,000.00	1,105,833.30	1,135,567.20		7/2/2024	1.63%	\$ 4,331.25	\$ -	\$ 6,662.02	1585
FHLB	3130ACEJ7	Gov. Agency Debenture	9/14/2018	1,000,000.00	998,101.00	1,003,027.37		5/28/2020	2.46%	\$ 31,135.42	\$ 21,666.58	\$ 18,292.89	89
US Bancorp	91159HHV5	Corporate Bond	12/24/2019	1,000,000.00	1,049,040.00	1,071,241.62		1/5/2024	2.12%	\$ 3,843.75	\$ -	\$ 3,964.60	1406
Chevron	166764AG5	Corporate Bond	11/9/2017	1,350,000.00	1,366,834.50	1,352,347.16		5/24/2020	1.94%	\$ 69,624.56	\$ 42,820.12	\$ 17,471.76	85
FFCB	3133EKC53	Gov. Agency Debenture	3/21/2019	1,400,000.00	1,403,262.00	1,420,515.08		3/11/2021	2.43%	\$ 16,858.33	\$ 9,421.68	\$ 22,761.28	376
FFCB	3133EKAQ7	Gov. Agency Debenture	10/21/2019	1,000,000.00	1,019,780.00	1,047,559.88	2,368.89	9/10/2024	1.66%	\$ (2,368.89)	\$ -	\$ 6,014.38	1655
PNC Financial	693476BN2	Corporate Bond	8/15/2019	1,000,000.00	1,029,280.00	1,034,097.00		2/6/2022	2.12%	\$ 2,108.33	\$ -	\$ 11,502.43	708
FHLB	313379Q69	Gov. Agency Debenture	7/22/2019	1,000,000.00	1,006,960.00	1,027,259.64		6/10/2022	1.87%	\$ 8,145.83	\$ -	\$ 11,458.70	832
FNMA	3135G0V59	Gov. Agency Debenture	11/27/2019	1,540,000.00	1,562,924.44	1,582,277.77	4,331.25	4/12/2022	1.61%	\$ (4,331.25)	\$ -	\$ 6,438.10	773
Freddie Mac	3134GBN40	Gov. Agency Debenture	9/29/2017	1,000,000.00	998,900.00	1,000,689.54		6/29/2020	1.67%	\$ 36,562.50	\$ 29,148.73	\$ 11,130.34	121
JP Morgan Chase	46625HJ78	Corporate Bond	9/23/2019	1,400,000.00	1,485,414.00	1,515,179.36		2/1/2024	2.39%	\$ 19,288.89	\$ -	\$ 15,101.52	1433
American Honda	02665WDH1	Corporate Bond	2/14/2020	600,000.00	603,756.00	608,993.23	1,105.00	5/10/2023	1.75%	\$ (1,105.00)	\$ -	\$ 433.12	1166
FHLB	3130AABG2	US Treasury Note	4/15/2019	1,000,000.00	988,250.00	1,016,241.54		11/29/2021	2.34%	\$ 11,666.67	\$ 4,835.29	\$ 15,523.82	639
FNMA	3135G0Q89	Gov. Agency Debenture	2/10/2020	1,000,000.00	998,702.00	1,006,306.55	4,697.92	10/7/2021	1.38%	\$ (4,697.92)	\$ -	\$ 756.52	586
FNMA	3135G0J20	Gov. Agency Debenture	2/10/2020	1,000,000.00	998,882.00	1,002,626.40		2/26/2021	1.48%	\$ 611.11	\$ -	\$ 771.36	363
Treasury	912828M80	US Treasury Note	7/22/2019	1,000,000.00	1,006,175.23	1,030,117.19		11/30/2022	1.81%	\$ 7,158.47	\$ -	\$ 11,047.10	1005
Treasury	912828U57	US Treasury Note	7/31/2019	1,000,000.00	1,011,875.00	1,044,921.88		11/30/2023	1.84%	\$ 7,083.33	\$ -	\$ 10,802.85	1370
Pepsico	317448CS5	Corporate Bond	5/15/2017	1,250,000.00	1,249,600.00	1,250,370.58		3/30/2020	1.31%	\$ 56,848.96	\$ 49,460.00	\$ 15,551.86	30
Treasury	912828X70	US Treasury Note	12/30/2019	1,000,000.00	1,010,589.29	1,044,257.81	3,296.70	4/30/2024	1.75%	\$ (3,296.70)	\$ -	\$ 3,268.66	1522
Treasury	912828XT2	US Treasury Note	10/31/2019	1,000,000.00	1,015,667.41	1,045,117.19		5/31/2024	1.64%	\$ 1,639.34	\$ -	\$ 5,497.67	1553
Toyota Motor Credit	89236TCF0	Corporate Bond	10/6/2017	500,000.00	503,545.00	500,062.19		3/12/2020	1.85%	\$ 20,783.33	\$ 16,090.68	\$ 6,212.22	12
FFCB	3133EJ3Q0	Gov. Agency Debenture	8/28/2019	1,500,000.00	1,587,503.75	1,607,338.25		12/21/2023	2.12%	\$ 13,536.46	\$ -	\$ 11,586.18	1391
Freddie Mac	3133EKK72	Gov. Agency Debenture	6/24/2019	1,550,000.00	1,573,188.00	1,608,520.92		2/8/2023	1.82%	\$ 30,418.75	\$ 468.29	\$ 19,043.61	1075

Subtotal				\$ 52,375,000.00	\$ 52,960,437.06	\$ 53,672,045.18	\$ 34,720.26			\$ 770,279.33	\$ 468,783.83	\$ 504,548.44	
BNY MM					83,452.43	106,351.46			0.00%				1
LAIF	N/A				5,537,858.47	5,537,858.47			2.19%			80,596.77	1
					<b>\$58,581,747.96</b>	<b>\$59,316,255.11</b>				<b>\$ 770,279.33</b>	<b>\$ 468,783.83</b>	<b>\$ 585,145.21</b>	

Matured Assets													
Treasury	912828W55	US Treasury Note	5/2/2017	500,000.00	503,339.84			7/1/2019	1.31%	\$ 17,574.24	\$ 14,227.74	\$ 18.03	
Oracle	68389XAG0	Corporate Bond	5/3/2018	1,000,000.00	1,028,370.00			7/8/2019	2.54%	\$ 59,027.78	\$ 30,101.79	\$ 569.30	
FHLB	3130AEU73	Gov. Agency Debenture	8/27/2018	1,000,000.00	999,180.00			7/22/2019	2.46%	\$ 23,750.00	\$ 20,741.19	\$ 1,486.34	
Treasury	912828F39	US Treasury Note	4/17/2018	1,200,000.00	1,190,343.75			7/22/2019	2.32%	\$ 30,524.59	\$ 34,452.97	\$ 1,726.57	
FHLB	31383V8N8	Gov. Agency Debenture	5/25/2018	2,000,000.00	1,989,800.00			7/22/2019	2.40%	\$ 52,000.00	\$ 53,614.71	\$ 2,941.46	
FHLMC	3137EAE1B	Gov. Agency Debenture	3/14/2017	2,000,000.00	1,970,180.00			7/19/2019	1.52%	\$ 41,076.39	\$ 69,336.96	\$ 1,572.08	
Treasury	912828ZK5	US Treasury Note	7/2/2018	1,000,000.00	989,218.75			7/31/2019	2.39%	\$ 14,851.52	\$ 23,607.64	\$ 2,016.08	
FNMA	3135G0N33	Gov. Agency Debenture	04/17/13	1,000,000.00	981,984.01			8/2/2019	2.17%	\$ 12,322.92	\$ 28,416.36	\$ 1,945.52	
Microsoft	594918BN3	Corporate Bond	8/8/2016	1,000,000.00	999,470.00			8/8/2019	1.12%	\$ 33,000.00	\$ 32,335.78	\$ 1,194.22	
Berkshire Hathaway	084664CK5	Corporate Bond	1/22/2018	1,100,000.00	1,086,305.00			8/15/2019	2.11%	\$ 22,363.61	\$ 33,119.10	\$ 2,907.40	
FNMA	3135G0P49	Gov. Agency Debenture	11/15/2016	1,500,000.00	1,487,505.00			8/28/2019	1.31%	\$ 41,791.66	\$ 51,098.17	\$ 3,150.25	
JP Morgan Chase	48125LRG9	Corporate Bond	3/28/2017	1,400,000.00	1,393,196.00			9/23/2019	1.86%	\$ 57,429.17	\$ 58,316.80	\$ 6,015.69	
FFCB	3133EGVP4	Gov. Agency Debenture	10/28/2016	1,000,000.00	997,507.00			10/17/2019	1.14%	\$ 31,179.17	\$ 30,290.27	\$ 3,386.30	
FFCB	3133EJPU7	Gov. Agency Debenture	6/1/2018	1,000,000.00	1,001,454.00			10/21/2019	2.38%	\$ 36,511.11	\$ 25,640.48	\$ 7,353.74	
Treasury	912828F62	US Treasury Note	6/30/2017	1,000,000.00	1,002,148.44			10/31/2019	1.41%	\$ 35,013.59	\$ 28,161.36	\$ 4,745.00	
American Honda	02665WBZ3	Corporate Bond	4/11/2018	1,000,000.00	990,620.00			11/13/2019	2.61%	\$ 31,944.44	\$ 31,567.90	\$ 9,647.72	
FNMA	3135G0ZY2	Gov. Agency Debenture	12/20/2017	1,550,000.00	1,545,642.95			11/26/2019	1.90%	\$ 52,441.67	\$ 44,831.00	\$ 11,992.49	
Pfizer	717081EB5	Corporate Bond	6/30/2017	1,000,000.00	1,002,280.00			12/15/2019	1.60%	\$ 41,791.67	\$ 32,146.55	\$ 7,398.11	
US Bancorp	90331HNB5	Corporate Bond	10/19/2018	1,000,000.00	986,540.00			12/24/2019	3.09%	\$ 25,277.78	\$ 21,850.15	\$ 15,226.29	
FNMA	3136G3TW5	Gov. Agency Debenture	7/25/2018	1,000,000.00	980,540.00			12/30/2019	2.54%	\$ 16,451.39	\$ 23,363.19	\$ 12,574.89	
FreddieMac	3137EAE5E	Gov. Agency Debenture	12/20/2017	1,000,000.00	991,200.00			1/17/2020	1.93%	\$ 31,125.00	\$ 29,356.90	\$ 10,593.78	
FreddieMac	3137EAE5E(A)	Gov. Agency Debenture	12/18/2018	1,000,000.00	987,160.00			1/17/2020	2.71%	\$ 16,208.33	\$ 14,278.83	\$ 14,794.05	
Treasury	912828H52	US Treasury Note	6/30/2017	1,000,000.00	994,726.56			1/31/2020	1.46%	\$ 32,320.44	\$ 29,073.66	\$ 8,562.79	
JP Morgan Chase	48125LRK0	Corporate Bond	3/4/2019	1,000,000.00	996,520.00			2/1/2020	2.71%	\$ 23,653.00	\$ 9,647.87	\$ 17,660.51	0
American Express	0258M0EE5	Corporate Bond	9/15/2017	1,000,000.00	1,007,980.00			3/3/2020	1.87%	\$ 43,266.67	\$ 33,568.97	\$ 12,543.38	3
FHLB	3130ACRP1	Gov. Agency Debenture	7/25/2018	1,500,000.00	1,479,404.42			2/7/2020	2.59%	\$ 38,640.00	\$ 35,933.93	\$ 23,642.74	0
FNMA	3136FTB73	Gov. Agency Debenture	4/25/2017	1,000,000.00	1,013,390.00			2/7/2020	1.50%	\$ 55,666.67	\$ 33,146.46	\$ 9,244.36	



Maturity Profile

	Amount
0-1 year	\$22,122,305.78
1-2 years	\$10,673,566.26
2-3 years	\$9,276,463.07
3-5 years	<u>\$ 16,509,412.85</u>
	<u><u>\$58,581,747.96</u></u>

Market to Cost Position Report

<u>Institution</u>	Amortized —Cost—
BNY Assets	\$52,960,437.06
BNY MM	83,452.43
LAIF	5,537,858.47
<u>Totals:</u>	<u>\$58,581,747.96</u>



**Town of Los Gatos**  
**Summary Investment Information**  
**January 31, 2020**

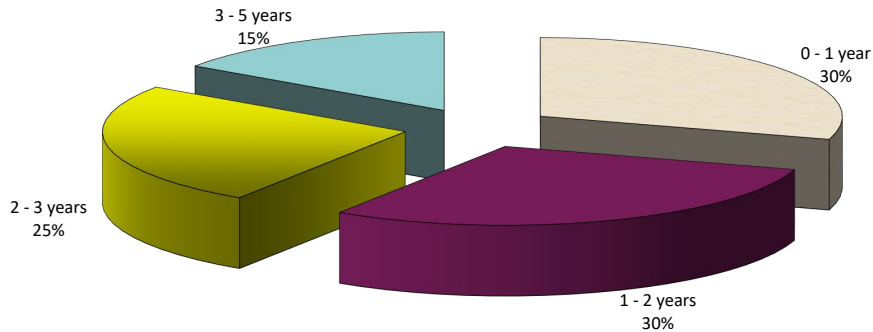
**Weighted Average YTM Portfolio Yield:** **1.93%** **Weighted Average Maturity (days)** **649**

	<u><b>This Month</b></u>	<u><b>Last Month</b></u>	<u><b>One year ago</b></u>
<b>Portfolio Balance</b>	\$67,213,822	\$63,890,429	\$68,382,346

**Benchmarks/ References:**

Town's Average Yield	1.93%	1.93%	1.55%
LAIF Yield for month	1.97%	2.04%	1.35%
3 mo. Treasury	1.56%	1.55%	1.46%
6 mo. Treasury	1.54%	1.59%	1.65%
2 yr. Treasury	1.32%	1.57%	2.14%
5 yr. Treasury (most recent)	1.32%	1.69%	2.52%
10 Yr. Treasury	1.51%	1.69%	2.71%

**Portfolio Maturity Profile**



**Compliance:** The Town's investments are in compliance with the Town's investment policy dated September 3, 2019 and also in compliance with the requirements of Section 53601 of the California State Code. Based on the information available, the Town has sufficient funds to meet the cash demands for the next six months.

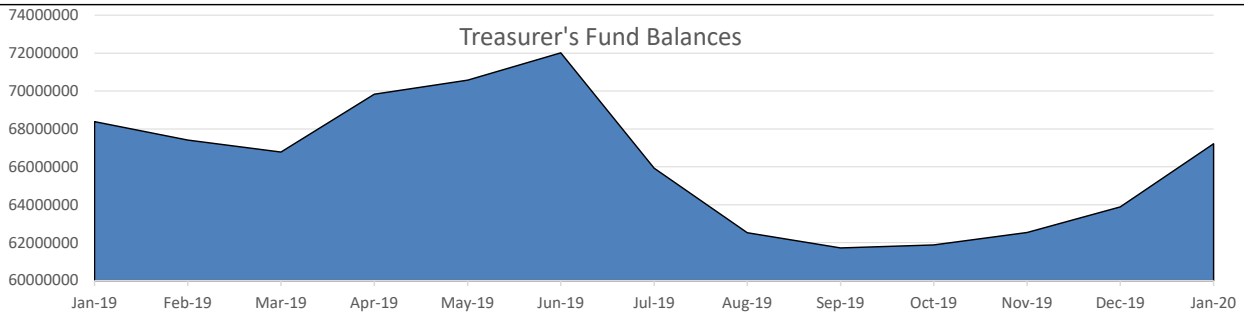
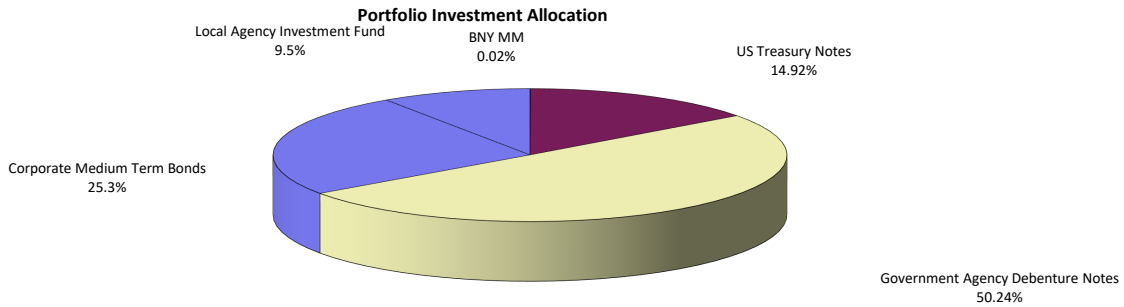


**Town of Los Gatos**  
**Portfolio Allocation & Treasurer's Fund Balances**  
**January 31, 2020**

	Month	YTD
Fund Balances - Beginning of Month/Period	\$63,890,429.42	\$72,013,633.77
Receipts	7,338,108.11	27,006,548.70
Disbursements	(4,014,715.65)	(31,806,360.59)
Fund Balances - End of Month/Period	<u>\$67,213,821.88</u>	<u>\$67,213,821.88</u>

Portfolio Allocation:

		% of Portfolio	Max. % Or \$ Allowed Per State Law or Policy
BNY MM	\$10,332.08	0.02%	20% of Town Portfolio
US Treasury Notes	\$8,720,525.80	14.92%	No Max. on US Treasuries
Government Agency Debenture Notes	\$29,374,109.17	50.24%	No Max. on Non-Mortgage Backed
Corporate Medium Term Bonds	\$14,819,959.51	25.35%	30% of Town Portfolio
Local Agency Investment Fund	<u>5,537,858.47</u>	9.47%	\$65M per State Law
Subtotal - Investments	58,462,785.03	100.00%	
Reconciled Demand Deposit Balances	<u>8,751,036.85</u>		
Total Treasurer's Fund	<u>\$67,213,821.88</u>		





**Town of Los Gatos**  
**Non-Treasury Restricted Fund Balances**  
**January 31, 2020**

	Beginning Balance	JAN 20 Deposits Realized Gain/Adj.	JAN 20 Interest/ Earnings	JAN 20 Withdrawals	Ending Balance	
Non-Treasury Funds:						
Cert. of Participation 2002 Series A Reserve Fund	\$ 686,871.12		\$ 624.47	\$ -	\$ 687,495.59	<b>Note 1</b>
Cert. Of Participation 2010 Ser A Lease Pymt Fund	593.73	192,162.50	0.67		192,756.90	<b>Note 1</b>
Cert. of Participation 2002 Lease Payment Fund	7,040.24	143,266.01	4.35		150,310.60	<b>Note 1</b>
Cert. of Participation 2010 Series Reserve Fund	<u>1,291,837.67</u>		<u>1,607.19</u>	<u>0.00</u>	<u>1,293,444.86</u>	<b>Note 2</b>
Total Restricted Funds:	<u>\$ 1,986,342.76</u>	<u>\$335,428.51</u>	<u>\$2,236.68</u>	<u>\$0.00</u>	<u>\$2,324,007.95</u>	
PARS IRS Section 115 Trust	<u>\$ 303,402.26</u>	<u>\$ -</u>	<u>\$ (1,762.23)</u>		<u>\$ 301,640.03</u>	<b>Note 3</b>
Grand Total COP's and PARS Trust	<u>\$ 2,289,745.02</u>	<u>\$ 335,428.51</u>	<u>\$ 474.45</u>	<u>\$ -</u>	<u>\$ 2,625,647.98</u>	

These accounts are not part of the Treasurer's fund balances reported elsewhere in this report, as they are for separate and distinct entities.

**Note 1:** The three original funds for the Certificates of Participation 2002 Series A consist of construction funds which will be expended over the next few years, reserve funds which will guarantee the payment of lease payments, and a third fund for the disbursement of lease payments and initial delivery costs.

**Note 2:** The 2010 COP Funds are all for the Library construction, reserves to guarantee lease payments, and a lease payment fund for the life of the COP issue. The COI fund was closed in September 2010.

**Note 3:** The PARS Section IRS Section 115 Trust was established as an irrevocable trust dedicated to accumulate resources to fund the Town's unfunded liabilities related to pension and other pos



**Town of Los Gatos**  
**Statement of Interest Earned**  
**January 31, 2020**

Interest by Month

July 2019	\$103,310.93
August 2019	101,993.86
September 2019	99,668.91
October 2019	100,474.14
November 2019	96,912.19
December 2019	100,785.87
January 2020	97,050.92
February 2020	
March 2020	
April 2020	
May 2020	
June 2020	
	<hr/>
	\$700,196.82
	<hr/> <hr/>



**Town of Los Gatos Investment Schedule January 2020**

Institution	CUSIP #	Security	Deposit Date	Par Value	Original Cost	Market Value	Purchased Interest	Maturity Date or Call Date	Yield to Maturity or Call	Interest Received to Date	Interest Earned Prior Yrs.	Interest Earned Current FY	Days to Maturity
Treasury	912828WR7	US Treasury Note	4/2/2019	1,000,000.00	995,625.00	1,009,570.31		6/30/2021	2.33%	\$ 15,849.45	\$ 5,656.35	\$ 13,664.23	516
Toyota Motor Credit	892367DP7	Corporate Bond	05/20/19	1,100,000.00	1,102,596.00	1,120,576.33		1/11/2022	2.50%	\$ 18,351.67	\$ 3,102.53	\$ 16,269.39	711
FHLB	31133834H1	Gov. Agency Debenture	9/20/2017	1,785,000.00	1,776,432.00	1,783,677.24		6/12/2020	1.56%	\$ 54,678.03	\$ 49,147.92	\$ 16,306.80	133
FFCB	31133EJB81	Gov. Agency Debenture	10/9/2018	1,700,000.00	1,697,331.00	1,703,052.72		3/25/2020	2.84%	\$ 44,605.17	\$ 34,889.76	\$ 28,414.01	54
FFCB	31133EKM1	Gov. Agency Debenture	8/2/2019	1,000,000.00	1,014,400.00	1,030,505.60		2/23/2024	1.90%	\$ 6,875.83	\$ -	\$ 9,546.34	1484
FFCB	31133EHEZ2	Gov. Agency Debenture	9/20/2017	1,600,000.00	1,602,304.00	1,600,182.08		4/6/2020	1.54%	\$ 52,337.78	\$ 43,841.67	\$ 14,546.23	66
FNMA	31133EHYM9	Gov. Agency Debenture	9/21/2017	1,300,000.00	1,295,866.00	1,299,847.20		9/14/2020	1.61%	\$ 38,620.83	\$ 37,021.86	\$ 12,302.47	227
US Treasury	912828VF4	US Treasury Note	9/21/2017	1,000,000.00	997,109.38	999,140.62		5/31/2020	1.48%	\$ 30,129.78	\$ 26,275.86	\$ 8,731.55	121
FNMA	3116G0AW1	Gov. Agency Debenture	12/13/2017	2,000,000.00	2,017,900.00	2,011,054.60		10/16/2020	2.02%	\$ 86,558.33	\$ 62,898.65	\$ 23,977.32	259
IBM	459200HG9	Corporate Bond	8/8/2019	1,000,000.00	995,010.00	1,005,363.94	364.58	8/1/2022	2.05%	\$ (364.58)	\$ -	\$ 9,847.56	913
Oracle	68389XBL8	Corporate Bond	7/8/2019	1,000,000.00	1,008,880.00	1,025,268.36		7/15/2023	2.18%	\$ 4,466.67	\$ -	\$ 12,358.81	1261
US Treasury	912828R28	US Treasury Note	7/2/2019	500,000.00	497,246.09	505,039.06		4/30/2023	1.77%	\$ 2,671.54	\$ -	\$ 5,161.03	1185
American Express	0258M0EE5	Corporate Bond	9/15/2017	1,000,000.00	1,007,980.00	1,000,000.00		3/3/2020	1.87%	\$ 43,266.67	\$ 33,568.97	\$ 11,052.57	32
Freddie Mac	3117EAEV5	Gov. Agency Debenture	7/19/2019	2,000,000.00	2,072,358.00	2,092,887.38		6/19/2023	1.79%	\$ 22,916.67	\$ -	\$ 19,623.58	1235
FFCB	31133EKVFO	Gov. Agency Debenture	7/22/2019	1,000,000.00	999,630.00	1,012,775.08		1/17/2023	1.89%	\$ 9,114.58	\$ -	\$ 9,970.39	1082
Treasury	912828L57	US Treasury Note	7/22/2019	1,200,000.00	1,197,988.40	1,213,687.50		9/30/2022	2.09%	\$ 4,016.39	\$ -	\$ 11,437.08	973
Freddie Mac	3117EADB2	Gov. Agency Debenture	1/17/2020	2,100,000.00	2,132,039.70	2,139,948.15		1/13/2022	2.12%	\$ (554.16)	\$ -	\$ 1,296.02	713
US Treasury	912828Y20	Gov. Agency Debenture	1/31/2020	1,000,000.00	1,016,601.56	1,017,226.56		7/15/2021	1.47%	\$ (1,153.84)	\$ -	\$ -	531
American Honda	02665WCZ2	Corporate Bond	11/27/2019	1,000,000.00	1,012,410.01	1,023,657.37		6/27/2024	2.12%	\$ 733.34	\$ -	\$ 3,792.10	1609
FHLB	3130ACRP1	Gov. Agency Debenture	7/25/2018	1,500,000.00	1,479,404.42	1,500,018.18		2/7/2020	2.59%	\$ 26,040.00	\$ 35,933.93	\$ 22,722.93	7
Honeywell Int'l.	438516BW5	Corporate Bond	11/20/2019	1,000,000.00	1,014,660.00	1,026,434.53	6,516.67	7/15/2024	1.64%	\$ (6,516.67)	\$ -	\$ 3,915.73	1627
Disney	25468PDP8	Corporate Bond	12/1/2017	1,000,000.00	998,190.00	1,000,133.55		3/4/2020	2.03%	\$ 34,284.50	\$ 32,037.85	\$ 11,958.57	33
FNMA	31135G0V75	Gov. Agency Debenture	10/17/2019	1,100,000.00	1,105,833.30	1,117,589.97		7/2/2024	1.63%	\$ 4,331.25	\$ -	\$ 5,230.92	1614
FHLB	3110AECJ7	Gov. Agency Debenture	9/14/2018	1,000,000.00	998,101.00	1,003,366.85		5/28/2020	2.46%	\$ 31,135.42	\$ 21,666.58	\$ 16,118.74	118
US Bancorp	91159HHV5	Corporate Bond	12/24/2019	1,000,000.00	1,049,040.00	1,063,528.26	13,031.25	1/5/2024	2.12%	\$ (13,031.25)	\$ -	\$ 2,248.58	1435
Chevron	166764AG5	Corporate Bond	11/9/2017	1,350,000.00	1,366,834.50	1,352,619.80		5/24/2020	1.94%	\$ 69,624.56	\$ 42,820.12	\$ 15,395.20	114
FFCB	31133EKC53	Gov. Agency Debenture	3/21/2019	1,400,000.00	1,403,262.00	1,418,499.67		3/11/2021	2.43%	\$ 16,858.33	\$ 9,421.68	\$ 20,056.05	405
FFCB	31133EKQA7	Gov. Agency Debenture	10/21/2019	1,000,000.00	1,019,780.00	1,028,345.86	2,368.89	9/10/2024	1.66%	\$ (2,368.89)	\$ -	\$ 4,682.95	1684
PNC Financial	693476BN2	Corporate Bond	8/15/2019	1,000,000.00	1,029,280.00	1,031,941.10		2/6/2022	2.12%	\$ 2,108.33	\$ -	\$ 9,817.73	737
FHLB	311379Q69	Gov. Agency Debenture	7/22/2019	1,000,000.00	1,006,960.00	1,017,630.90		6/10/2022	1.87%	\$ 8,145.83	\$ -	\$ 9,961.84	861
FNMA	31135G0V59	Gov. Agency Debenture	11/27/2019	1,540,000.00	1,562,924.44	1,569,679.28	4,331.25	4/12/2022	1.61%	\$ (4,331.25)	\$ -	\$ 4,451.88	802
Freddie Mac	3134GBN40	Gov. Agency Debenture	9/29/2017	1,000,000.00	998,900.00	1,000,240.04		6/29/2020	1.67%	\$ 36,562.50	\$ 29,148.73	\$ 9,807.48	150
JP Morgan Chase	46625HJT8	Corporate Bond	9/23/2019	1,400,000.00	1,485,414.00	1,507,103.16	7,836.11	2/1/2024	2.39%	\$ (7,836.11)	\$ -	\$ 12,347.16	1462
FHLB	3130AABG2	US Treasury Note	4/15/2019	1,000,000.00	988,250.00	1,008,705.12		11/29/2021	2.34%	\$ 11,666.67	\$ 4,835.29	\$ 13,678.77	668
FNMA	316FTB73	Gov. Agency Debenture	4/25/2017	1,000,000.00	1,013,390.00	1,000,050.42		2/7/2020	1.50%	\$ 45,666.67	\$ 33,146.46	\$ 8,952.87	7
JP Morgan Chase	48125LRK0	Corporate Bond	3/4/2019	1,000,000.00	996,520.00	1,000,000.00		2/1/2020	2.71%	\$ 10,633.00	\$ 9,647.87	\$ 17,578.75	1
Treasury	912828M80	US Treasury Note	7/22/2019	1,000,000.00	1,006,175.23	1,019,023.44		11/30/2022	1.81%	\$ 7,158.47	\$ -	\$ 9,604.01	1034
Treasury	912828U57	US Treasury Note	7/31/2019	1,000,000.00	1,011,875.00	1,030,234.38		11/30/2023	1.84%	\$ 7,083.33	\$ -	\$ 9,332.04	1399
Pepsico	713448CS5	Corporate Bond	5/15/2017	1,250,000.00	1,249,600.00	1,250,368.00		3/30/2020	1.31%	\$ 56,848.96	\$ 49,460.00	\$ 13,703.48	59
Treasury	912828X70	US Treasury Note	12/30/2019	1,000,000.00	1,010,589.29	1,027,929.69	3,296.70	4/30/2024	1.75%	\$ (3,296.70)	\$ -	\$ 1,714.71	1551
Treasury	912828XT2	US Treasury Note	10/31/2019	1,000,000.00	1,015,667.41	1,028,320.31		5/31/2024	1.64%	\$ 1,639.34	\$ -	\$ 4,180.04	1582
Toyota Motor Credit	892367CF0	Corporate Bond	10/6/2017	500,000.00	503,545.00	500,249.05		3/12/2020	1.85%	\$ 20,783.33	\$ 16,090.68	\$ 5,473.89	41
FFCB	31133EJ3Q0	Gov. Agency Debenture	8/28/2019	1,500,000.00	1,587,503.75	1,579,498.05		12/21/2023	2.12%	\$ 13,536.46	\$ -	\$ 9,769.97	1420
Freddie Mac	31133EKKT2	Gov. Agency Debenture	6/24/2019	1,550,000.00	1,573,188.00	1,587,170.41		2/8/2023	1.82%	\$ 12,981.25	\$ 468.29	\$ 16,780.23	1104
Subtotal				\$ 52,375,000.00	\$ 52,914,594.48	\$ 53,262,140.12	\$ 37,745.45			\$ 812,827.48	\$ 581,081.06	\$ 487,781.96	
BNY MM					10,332.08	106,351.46			0.00%				1
LAIF	N/A				5,537,858.47	5,537,858.47			2.19%			80,596.77	1
					<b>\$58,462,785.03</b>	<b>\$58,906,350.05</b>				<b>\$ 812,827.48</b>	<b>\$ 581,081.06</b>	<b>\$ 568,378.73</b>	
<b>Matured Assets</b>													
Treasury	912828WS5	US Treasury Note	5/2/2017	500,000.00	503,339.84			7/1/2019	1.31%	\$ 17,574.24	\$ 14,227.74	\$ 18.03	
Oracle	68389XACG0	Corporate Bond	5/3/2018	1,000,000.00	1,028,370.00			7/8/2019	2.54%	\$ 59,027.78	\$ 30,101.79	\$ 569.30	
FHLB	3130AEU73	Gov. Agency Debenture	8/27/2018	1,000,000.00	999,180.00			7/22/2019	2.46%	\$ 23,750.00	\$ 20,741.19	\$ 1,486.34	
Treasury	912828F39	US Treasury Note	4/17/2018	1,200,000.00	1,190,343.75			7/22/2019	2.32%	\$ 30,524.59	\$ 34,452.97	\$ 1,726.57	
FHLB	3113383VN8	Gov. Agency Debenture	5/25/2018	2,000,000.00	1,989,800.00			7/22/2019	2.40%	\$ 52,000.00	\$ 53,614.71	\$ 2,941.46	
FHLMC	3137EAEB1	Gov. Agency Debenture	3/14/2017	2,000,000.00	1,970,180.00			7/19/2019	1.52%	\$ 41,076.39	\$ 69,336.96	\$ 1,572.08	
Treasury	912828K5	US Treasury Note	7/2/2018	1,000,000.00	989,218.75			7/31/2019	2.39%	\$ 14,851.52	\$ 23,607.64	\$ 2,016.08	
FNMA	31135G0N33	Gov. Agency Debenture	04/17/13	1,000,000.00	981,984.01			8/2/2019	2.17%	\$ 12,322.92	\$ 28,416.36	\$ 1,945.52	
Microsoft	594918BN3	Corporate Bond	8/8/2016	1,000,000.00	999,470.00			8/8/2019	1.12%	\$ 33,000.00	\$ 32,335.78	\$ 1,194.22	
Berkshire Hathaway	084664CK5	Corporate Bond	1/22/2018	1,100,000.00	1,086,305.00			8/15/2019	2.11%	\$ 22,363.61	\$ 33,119.10	\$ 2,907.40	
FNMA	31135G0P49	Gov. Agency Debenture	11/15/2016	1,500,000.00	1,487,505.00			8/28/2019	1.31%	\$ 41,791.66	\$ 51,098.17	\$ 3,150.25	
JP Morgan Chase	48125LRG9	Corporate Bond	3/28/2017	1,400,000.00	1,393,196.00			9/23/2019	1.86%	\$ 57,429.17	\$ 58,316.80	\$ 6,015.69	
FFCB	31133EGYP4	Gov. Agency Debenture	10/28/2016	1,000,000.00	997,507.00			10/17/2019	1.14%	\$ 31,179.17	\$ 30,290.27	\$ 3,386.30	
FFCB	31133EJPU7	Gov. Agency Debenture	6/1/2018	1,000,000.00	1,001,454.00			10/21/2019	2.38%	\$ 36,511.11	\$ 25,640.48	\$ 7,353.74	
Treasury	912828F62	US Treasury Note	6/30/2017	1,000,000.00	1,002,148.44			10/31/2019	1.41%	\$ 35,013.59	\$ 28,161.36	\$ 4,745.00	
American Honda	02665WBZ3	Corporate Bond	4/11/2018	1,000,000.00	990,620.00			11/13/2019	2.61%	\$ 31,944.44	\$ 31,567.90	\$ 9,647.72	
FNMA	31135G0ZY2	Gov. Agency Debenture	12/20/2017	1,550,000.00	1,545,642.95			11/26/2019	1.90%	\$ 52,441.67	\$ 44,831.00	\$ 11,992.49	
Pfizer	717081EB5	Corporate Bond	6/30/2017	1,000,000.00	1,002,280.00			12/15/2019	1.60%	\$ 41,791.67	\$ 32,146.55	\$ 7,398.11	
US Bancorp	90331HNB5	Corporate Bond	10/19/2018	1,000,000.00	986,540.00			12/24/2019	3.09%	\$ 25,277.78	\$ 21,850.15	\$ 15,226.29	
FNMA	3116G3TW5	Gov. Agency Debenture	7/25/2018	1,000,000.00	980,540.00			12/30/2019	2.54%	\$ 16,451.39	\$ 23,363.19	\$ 12,574.89	
FreddieMac	3137EAEES	Gov. Agency Debenture	12/20/2017	1,000,000.00	991,200.00			1/17/2020	1.93%	\$ 31,125.00	\$ 29,356.90	\$ 10,593.78	
FreddieMac	3137EAEES(A)	Gov. Agency Debenture	12/18/2018	1,000,000.00	987,160.00			1/17/2020	2.71%	\$ 16,208.33	\$ 14,278.83	\$ 14,794.05	
Treasury	912828HS2	US Treasury Note	6/30/2017	1,000,000.00	994,726.56			1/31/2020	1.46%	\$ 32,320.44	\$ 29,073.66	\$ 8,562.79	
Total Investments "Matured"					<b>26,098,711.30</b>					<b>755,976.47</b>	<b>759,929.51</b>	<b>1</b>	



Town of Los Gatos Investment Schedule January 2020

Maturity Profile

	Amount
0-1 year	\$25,547,597.85
1-2 years	\$7,638,374.26
2-3 years	\$7,797,968.07
3-5 years	<u>\$ 17,478,844.85</u>
	<u>\$58,462,785.03</u>

Market to Cost Position Report

<u>Institution</u>	Amortized <u>Cost</u>
BNY Assets	\$52,914,594.48
BNY MM	10,332.08
<u>LAIF</u>	<u>5,537,858.47</u>
<u>Totals:</u>	<u>\$58,462,785.03</u>





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 3

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DATE: May 11, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Execute a Summary Vehicle Quotation to Extend the Commercial Motor Vehicle Master Lease Agreement with Mike Albert, LTD. in an Amount Not to Exceed \$3,240 for a 12-Month Lease Extension for Two Electric Vehicles, for a Total Lease Amount Not to Exceed \$63,010

**RECOMMENDATION:**

Authorize the Town Manager to execute a summary vehicle quotation to extend the commercial motor vehicle master lease agreement with Mike Albert, LTD. in an amount not to exceed \$3,240 for a 12-month lease extension for two electric vehicles, for a total lease amount not to exceed \$63,010.

**BACKGROUND:**

In 2013, the Town participated in an initiative with the Cities of San Jose, Campbell, and Mill Valley to deploy five Mitsubishi all electric vehicles (MiEVs) to lower the Town's carbon footprint in alignment with the Town's Sustainability Plan. The vehicles were secured under individual lease agreements with participating agencies through Mike Albert, LTD., a multi-partner collaboration with Mitsubishi Motors of North America. The execution of the lease concept was to remove the upfront barrier of traditional vehicle procurement.

A lease agreement was executed in March 2013 to lease five MiEVs for a 36-month period for \$192 per month per vehicle for the sum of \$34,640 over the term of the agreement. After mileage review of the MiEVs in May 2016 at the end of the lease term, Town Council approved the extension of the lease agreement for four MiEVs for 24 months at a reduced rate of \$173 per month per vehicle not to exceed \$16,600, for a total lease amount not to exceed \$51,240.

**PREPARED BY:** Jim Harbin  
Superintendent

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

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PAGE 2 OF 3

SUBJECT: Authorize the Town Manager to Execute a Summary Vehicle Quotation to Extend the Commercial Motor Vehicle Master Lease Agreement with Mike Albert, LTD. in an Amount Not to Exceed \$3,240 for a 12-Month Lease Extension for Two Electric Vehicles, for a Total Lease Amount Not to Exceed \$63,010

DATE: May 11, 2020

BACKGROUND (continued):

Upon a vehicle usage review in March 2018, a lease extension was signed for two MiEVs for 24 months at a reduced rate of \$145 per month per vehicle not to exceed \$6960 for a total lease amount not to exceed \$59,770.

DISCUSSION:

As part of the Town's Operating Budget, staff reviews annual usage of vehicles and equipment assets to determine which assets should be replaced by evaluating predetermined age and/or mileage criteria. The two electric vehicles were assigned to the Police Department as pool vehicles.

The lease agreement expired April 30, 2020 and staff reviewed mileage of both vehicles and determined the vehicles met minimum requirements for usage and should be evaluated again in 12 months. A reduced monthly rate has been negotiated for the two remaining vehicles for an additional 12-month period effective May 1, 2020 through April 30, 2021. The cost per vehicle is \$135 per month totaling \$270 per month for both vehicles, for a total amount of \$3,240 for the 12-month term of the lease.

CONCLUSION:

Authorize the Town Manager to execute a summary vehicle quotation to extend the commercial motor vehicle master lease agreement with Mike Albert, LTD. In an amount not to exceed \$3,240 for a 12-month lease extension for two electric vehicles, for a total lease amount not to exceed \$63,010.

COORDINATION:

The report has been coordinated with the Town Attorney and the Police Department.

FISCAL IMPACT:

Funds for the services for FY 2020/21 have been included in the Proposed FY 2020/21 Police Department Operating Budget. Execution of any options to continue the service in subsequent years will be contingent upon staff evaluation of the quality of the services provided, as well as the Town Council's appropriation of funding.



PAGE 3 OF 3

SUBJECT: Authorize the Town Manager to Execute a Summary Vehicle Quotation to Extend the Commercial Motor Vehicle Master Lease Agreement with Mike Albert, LTD. in an Amount Not to Exceed \$3,240 for a 12-Month Lease Extension for Two Electric Vehicles, for a Total Lease Amount Not to Exceed \$63,010

DATE: May 11, 2020

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. Vehicle Quotation to extend the Commercial Motor Vehicle Master Lease Agreement
2. Commercial Motor Vehicle Master Lease Agreement





**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Quotation "VQ"**  
Factory Order



**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

Quotation Reference # 542349/1/1

March 31, 2020

CSS: Hahn

Lessee: 00028466 Town of Los Gatos

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030  
Driver Grade Group: U Unassigned

This Vehicle Quotation or "VQ" refers to the following agreements as amended, modified, or supplemented from time to time and incorporates their terms and conditions herein:

Closed-End Commercial Motor Vehicle Master Lease Agreement 105638

Programs applicable to this VQ and the related leased Vehicles include the following:

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B) (0 P) Diamond White Pearl (W13-01)  
**Expected Order to Delivery:** 2 - 4 Weeks (does not include vehicle prep time, typically 1-2 weeks)  
**Lease Term:** 12  
**Permitted Mileage:** 5,000  
**Security Deposit:** \$0.00  
**Capital Contribution:** \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTR-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTR-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment:**

**Total Monthly Costs:**

Monthly Lease Rate (Option B described below applies)	\$135.00
Additional Services	\$0.00
<b>Total Monthly Payment</b>	<b>\$135.00</b>

**Excess Mileage Rates:**

0 - 99,999	\$0.08
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The following Specified Services/Items are included in this quotation (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

**Calculation Method for Lease Rate:**

**Interim Financing Cost for Vehicles delivered to Lessor before Lessee takes delivery:**

(B) This lease rate is indexed to the Applicable SWAP Rate and will be adjusted for changes in the interest rate, "Liquidity Adjustment" and manufacturer's costs at the time of delivery. The "Liquidity Adjustment" is an amount determined by the Lessor which is based on an increase in the cost of funds in the relevant credit markets.

Quotation Reference # 542349/1/1  
105638



## Vehicle Quotation "VQ"

If the terms and conditions of this VQ are acceptable, please have an authorized officer execute this VQ in the space provided below. By executing this VQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this VQ.

The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement or Telematics Agreement at any time, and that the obligations set forth in any Services Agreement or Telematics Agreement are solely the obligations of Mike Albert Leasing, Inc. (MAL). This VQ expires in 360 days, and after such time no Vehicles may be ordered for the lease pursuant to the terms of this VQ. IN WITNESS WHEREOF, the undersigned has hereto caused this VQ to be executed.

Mike Albert, Ltd & Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241

DocuSigned by:

*Teresa Hahn*

7CA2F4FC986A4EC...

By: Lessor under the Master Lease Agreement & Servicer under the Services Agreement

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Date: \_\_\_\_\_

Name (print): Laurel Prevetti, Town Manager

Please review the terms and specifications set forth in the VQ for accuracy. Please fax any necessary modifications to this VQ to (513) 956-2962 or email [customerrelations@mikealbert.com](mailto:customerrelations@mikealbert.com)

Approved as to Form:

\_\_\_\_\_  
Robert Schultz, Town Attorney

Attest:

\_\_\_\_\_  
Shelley Neis, MMC, CPMC  
Town Clerk



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 542349/1/1

March 31, 2020

CSS: Hahn

"Lessee": 00028466 Town of Los Gatos

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)

Unit #: 00968366 12 Months 5,000 Miles \$135.00

**Security Deposit:****Capital Contribution:** \$0.00**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTR-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTR-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment**

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

**Order Date:** \_\_\_\_\_**Requested Date:** 05/01/2020**Requested Delivery Dealer / Area:** \_\_\_\_\_**Replace Unit #:** \_\_\_\_\_

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

**Driver Name:** Morley, Matt**Driver Grade Group:** U Unassigned**Garaged Address For Title & License:** 41 Miles Avenue**City / St / Zip:** Los Gatos CA 95030**County:** \_\_\_\_\_**Township:** \_\_\_\_\_**Bus. Phone:** (408) 399-5774**Cost Center:** \_\_\_\_\_**Home Phone:** \_\_\_\_\_**Fleet Ref#:** \_\_\_\_\_**Cell Number:** \_\_\_\_\_**Recharge Code:** \_\_\_\_\_**Email Address:** mmorley@losgatosca.gov**Plate Type:** GOVERNMENT GRATIS**Delivery Location (if different from****Driver Garaged Address set forth above):** \_\_\_\_\_

Quotation Reference 542349/1/1

105638



## Vehicle Lease Order "VLO"

Reference is hereby made to Vehicle Quotation #542349/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

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Signature of Permitted Signer of Lessee or its Authorized Affiliate  
Fax to (513) 956-2962 Attn: Order Acceptance





**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Quotation "VQ"**  
Factory Order



**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

Quotation Reference # 542350/1/1

March 31, 2020

CSS: Hahn

Lessee: 00028466 Town of Los Gatos

Town of Los Gatos

110 E. Main St.

Los Gatos, CA 95030

Driver Grade Group: U Unassigned

This Vehicle Quotation or "VQ" refers to the following agreements as amended, modified, or supplemented from time to time and incorporates their terms and conditions herein:

Closed-End Commercial Motor Vehicle Master Lease Agreement 105638

Programs applicable to this VQ and the related leased Vehicles include the following:

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B) (0 P) Diamond White Pearl (W13-01)  
**Expected Order to Delivery:** 2 - 4 Weeks (does not include vehicle prep time, typically 1-2 weeks)  
**Lease Term:** 12  
**Permitted Mileage:** 5,000  
**Security Deposit:** \$0.00  
**Capital Contribution:** \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTR-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment:**

<b>Total Monthly Costs:</b>		The following Specified Services/Items are included in this quotation (plus any applicable taxes):
Monthly Lease Rate (Option B described below applies)	\$135.00	
Additional Services	\$0.00	
Total Monthly Payment	\$135.00	
<b>Excess Mileage Rates:</b>		The per occurrence fees are not included in the lease rate, but will be billed as they occur:
0 - 99,999	\$0.08	

**Calculation Method for Lease Rate:**

**Interim Financing Cost for Vehicles delivered to Lessor before Lessee takes delivery:**

(B) This lease rate is indexed to the Applicable SWAP Rate and will be adjusted for changes in the interest rate, "Liquidity Adjustment" and manufacturer's costs at the time of delivery. The "Liquidity Adjustment" is an amount determined by the Lessor which is based on an increase in the cost of funds in the relevant credit markets.

Quotation Reference # 542350/1/1  
105638



## Vehicle Quotation "VQ"

If the terms and conditions of this VQ are acceptable, please have an authorized officer execute this VQ in the space provided below. By executing this VQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this VQ.

The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement or Telematics Agreement at any time, and that the obligations set forth in any Services Agreement or Telematics Agreement are solely the obligations of Mike Albert Leasing, Inc. (MAL). This VQ expires in 360 days, and after such time no Vehicles may be ordered for the lease pursuant to the terms of this VQ. IN WITNESS WHEREOF, the undersigned has hereto caused this VQ to be executed.

Mike Albert, Ltd & Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241

DocuSigned by:

*Teresa Hahn*

JCA2FAEC858AAEC  
By Lessor Under the Master Lease Agreement & Servicer under the  
Services Agreement

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Date: \_\_\_\_\_

Laurel Prevetti, Town Manager

Name (print): \_\_\_\_\_

Please review the terms and specifications set forth in the VQ for accuracy. Please fax any necessary modifications to this VQ to (513) 956-2962 or email [customerrelations@mikealbert.com](mailto:customerrelations@mikealbert.com)

Approved as to Form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, MMC, CPMC  
Town Clerk



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 542350/1/1

March 31, 2020

"Lessee": 00028466 Town of Los Gatos

CSS: Hahn

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)

Unit #: 00968369 12 Months 5,000 Miles \$135.00

**Security Deposit:****Capital Contribution:** \$0.00**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STD TM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STD TN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STD RD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:****One-Time Charge Equipment**

Quick Charge Pkg

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

05/01/2020

**Order Date:****Requested Date:****Requested Delivery Dealer / Area:****Replace Unit #:**

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

**Driver Name:** Morley, Matt**Driver Grade Group:** U Unassigned**Garaged Address For Title & License:** 41 Miles Avenue**City / St / Zip:** Los Gatos CA 95030**County:****Bus. Phone:** (408) 399-5774**Home Phone:****Cell Number:****Email Address:** mmorley@losgatosca.gov**Township:****Cost Center:****Fleet Ref#:****Recharge Code:****Plate Type:** GOVERNMENT GRATIS**Delivery Location (if different from****Driver Garaged Address set forth above):**

Quotation Reference 542350/1/1

105638



### **Vehicle Lease Order "VLO"**

Reference is hereby made to Vehicle Quotation #542350/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

---

Signature of Permitted Signer of Lessee or its Authorized Affiliate  
Fax to (513) 956-2962 Attn: Order Acceptance





**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

AGR 18.050  
IHH \_\_\_\_\_



**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Quotation "VQ"**  
Factory Order

**Formal Lease Extension**

Lessee: 00028466 Town of Los Gatos

Quotation Reference # 449406/1/1  
March 9, 2018

CSS: Hahn

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030  
Driver Grade Group: U Unassigned

This Vehicle Quotation or "VQ" refers to the following agreements as amended, modified, or supplemented from time to time and incorporates their terms and conditions herein:

Closed-End Commercial Motor Vehicle Master Lease Agreement 105638

Programs applicable to this VQ and the related leased Vehicles include the following:

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B) (0 P) Diamond White Pearl (W13-01)  
**Expected Order to Delivery:** 2 - 4 Weeks (does not include vehicle prep time, typically 1-2 weeks)  
**Lease Term:** 24  
**Permitted Mileage:** 10,000 DS  
LP  
**Security Deposit:** \$0.00  
**Capital Contribution:** \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STD TM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STD TN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STD RD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment:**

<b>Total Monthly Costs:</b>		<div style="border: 1px solid black; padding: 5px;"> The following Specified Services/Items are included in this quotation (plus any applicable taxes):   The per occurrence fees are not included in the lease rate, but will be billed as they occur: </div>	
Monthly Lease Rate (Option B described below applies)	\$145.00		
Additional Services	\$0.00		
Total Monthly Payment	\$145.00		
Excess Mileage Rates:			
0 - 99,999	\$0.08		

**Calculation Method for Lease Rate:**

**Interim Financing Cost for Vehicles delivered to Lessor before Lessee takes delivery:**

(B) This lease rate is indexed to the Applicable SWAP Rate and will be adjusted for changes in the interest rate, "Liquidity Adjustment" and manufacturer's costs at the time of delivery. The "Liquidity Adjustment" is an amount determined by the Lessor which is based on an increase in the cost of funds in the relevant credit markets.



## Vehicle Quotation "VQ"

If the terms and conditions of this VQ are acceptable, please have an authorized officer execute this VQ in the space provided below. By executing this VQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this VQ.

The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement or Telematics Agreement at any time, and that the obligations set forth in any Services Agreement or Telematics Agreement are solely the obligations of Mike Albert Leasing, Inc. (MAL). This VQ expires in 360 days, and after such time no Vehicles may be ordered for the lease pursuant to the terms of this VQ. IN WITNESS WHEREOF, the undersigned has hereto caused this VQ to be executed.

Mike Albert, Ltd & Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241

DocuSigned by:

Teresa Hahn

7CA2F4FC956A4EC  
By: Lessor under the Master Lease Agreement & Servicer under the Services Agreement

DocuSigned by:

Laurel Prevetti

AAFEB7F8E1194B0...  
Signature of Permitted Signer of Lessee or its Authorized Affiliate

3/22/2018

Date:

Laurel Prevetti

Name (print):

Please review the terms and specifications set forth in the VQ for accuracy. Please fax any necessary modifications to this VQ to (513) 956-2962 or email [customerrelations@mikealbert.com](mailto:customerrelations@mikealbert.com)

Approved as to form:

Robert Schultz  
Robert Schultz, Town Attorney

3/22/18  
Date

Attest:

Shelley Neis  
Shelley Neis, Clerk Administrator

3/22/18  
Date



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 449406/1/1

"Lessee": 00028466 Town of Los Gatos

March 9, 2018

CSS: Hahn

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)  
Unit #: 00968369 24 Months 10,000 Miles

\$145.00

**Security Deposit:****Capital Contribution:** \$0.00**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STD TM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STD TN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STD RD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment**

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

3/22/2018

05/01/2018

**Order Date:****Requested Date:****Requested Delivery Dealer / Area:****Replace Unit #:**

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

**Driver Name:** Morley, Matt**Driver Grade Group:** U Unassigned

DS

**Garaged Address For Title & License:** 41 Miles Avenue**City / St / Zip:** Los Gatos CA 95030**County:****Bus. Phone:** (408) 399-5774**Township:****Cost Center:****Home Phone:****Fleet Ref#:****Cell Number:****Recharge Code:****Email Address:** mmorley@losgatosca.gov**Plate Type:** GOVERNMENT GRATIS**Delivery Location (if different from****Driver Garaged Address set forth above):**

Quotation Reference 449406/1/1  
105638



## Vehicle Lease Order "VLO"

Reference is hereby made to Vehicle Quotation #449406/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

DocuSigned by:

Laurel Prevetti

AAFE87F8E1194B0  
Signature of Permitted Signer of Lessee or its Authorized Affiliate  
Fax to (513) 956-2962 Attn: Order Acceptance

Approved as to form:

Robert Schultz 3/22/18  
Robert Schultz, Town Attorney Date

Attest:

Shelley Neis 3/22/18  
Shelley Neis, Clerk Administrator Date





**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Quotation "VQ"**  
Factory Order

**Formal Lease Extension**

Lessee: 00028466 Town of Los Gatos

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030  
Driver Grade Group: U Unassigned



**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

Quotation Reference # 449405/1/1

March 9, 2018

CSS: Hahn

This Vehicle Quotation or "VQ" refers to the following agreements as amended, modified, or supplemented from time to time and incorporates their terms and conditions herein:

Closed-End Commercial Motor Vehicle Master Lease Agreement 105638

Programs applicable to this VQ and the related leased Vehicles include the following:

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B) (0 P) Diamond White Pearl (W13-01)  
**Expected Order to Delivery:** 2 - 4 Weeks (does not include vehicle prep time, typically 1-2 weeks)  
**Lease Term:** 24  
**Permitted Mileage:** 10,000 <sup>DS</sup>  
**Security Deposit:** \$0.00 <sup>UP</sup>  
**Capital Contribution:** \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTR-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTR-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment:**

<b>Total Monthly Costs:</b>		<div> The following Specified Services/Items are included in this quotation (plus any applicable taxes):  The per occurrence fees are not included in the lease rate, but will be billed as they occur: </div>	
Monthly Lease Rate (Option B described below applies)	<sup>DS</sup> \$145.00		
Additional Services	<sup>UP</sup> \$0.00		
Total Monthly Payment	<sup>DS</sup> \$145.00		
Excess Mileage Rates:	<sup>UP</sup>		
0 - 99,999	\$0.08		

**Calculation Method for Lease Rate:**

**Interim Financing Cost for Vehicles delivered to Lessor before Lessee takes delivery:**

(B) This lease rate is indexed to the Applicable SWAP Rate and will be adjusted for changes in the interest rate, "Liquidity Adjustment" and manufacturer's costs at the time of delivery. The "Liquidity Adjustment" is an amount determined by the Lessor which is based on an increase in the cost of funds in the relevant credit markets.



## Vehicle Quotation "VQ"

If the terms and conditions of this VQ are acceptable, please have an authorized officer execute this VQ in the space provided below. By executing this VQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this VQ.

The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement or Telematics Agreement at any time, and that the obligations set forth in any Services Agreement or Telematics Agreement are solely the obligations of Mike Albert Leasing, Inc. (MAL). This VQ expires in 360 days, and after such time no Vehicles may be ordered for the lease pursuant to the terms of this VQ. IN WITNESS WHEREOF, the undersigned has hereto caused this VQ to be executed.

Mike Albert, Ltd & Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241

DocuSigned by:

Teresa Hahn

7CA2F4FC956A4EC...

By: Lessor under the Master Lease Agreement & Servicer under the Services Agreement

DocuSigned by:

Laurel Prevetti

AAFE87F8E1194B0...

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Date: 3/22/2018

Date:

Laurel Prevetti

Name (print):

Please review the terms and specifications set forth in the VQ for accuracy. Please fax any necessary modifications to this VQ to (513) 956-2962 or email [customerrelations@mikealbert.com](mailto:customerrelations@mikealbert.com)

Approved as to form:

Robert Schultz 3/22/18  
Robert Schultz, Town Attorney Date

Attest:

Shelley Neis 3/22/18  
Shelley Neis, Clerk Administrator Date





Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828



Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

## Vehicle Lease Order "VLO"

Quotation Reference 449405/1/1

"Lessee": 00028466 Town of Los Gatos

March 9, 2018

CSS: Hahn

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

**Vehicle Details:** 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)

Unit #: 00968366 24 Months 10,000 Miles \$145.00

**Security Deposit:**

**Capital Contribution:** \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STD TM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STD TN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment**

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

Order Date: 3/22/2018

Requested Date: 05/01/2018

Requested Delivery Dealer / Area:

Replace Unit #:

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

Driver Name: Morley, Matt

Driver Grade Group: U Unassigned

Garaged Address For Title & License: 41 Miles Avenue

City / St / Zip: Los Gatos CA 95030

County:

Bus. Phone: (408) 399-5774

Home Phone:

Cell Number:

Email Address: mmorley@losgatosca.gov

Township:

Cost Center:

Fleet Ref#:

Recharge Code:

Plate Type: GOVERNMENT GRATIS

Delivery Location (if different from

Driver Garaged Address set forth above):

Quotation Reference 449405/1/1

105638



## Vehicle Lease Order "VLO"

Reference is hereby made to Vehicle Quotation #449405/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

DocuSigned by:

Laurel Prevetti

AAFE87F8E1194B0

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Fax to (513) 956-2962 Attn: Order Acceptance

Approved as to form:

Robert Schultz

Robert Schultz, Town Attorney

3/22/18  
Date

Attest:

Shelley Neis

Shelley Neis, Clerk Administrator

3/22/18  
Date



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Summary Vehicle Quotation "SVQ"**

"Lessee": 00028466

Town of Los Gatos

April 8, 2016

CLERK DEPARTMENT

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

Sales: FRICKE

CSR: McAninch

AGR 16.134

IIIH \_\_\_\_\_

ORD \_\_\_\_\_

REC \_\_\_\_\_

RESO \_\_\_\_\_

This Summary Vehicle Quotation or "SVQ" is for a commercial lease of each of the Vehicles described below. Program, costs and charges applicable to this SVQ and related leased Vehicles are described in the attached Appendix A. "Appendix A" means the Vehicle Quotations attached hereto, each of which sets forth the specific programs, costs, and charges for a leased Vehicle identified on this SVQ.

Quotation Reference	Model Desc	Driver Grade Group	Term In Months	Monthly Payment	Monthly Payment
295391/1/1	2012 Mitsubishi i-MIEV ES 4dr Hatchback (EV44-B)	Unassigned	24	10,000	\$159.00
295390/1/1	2012 Mitsubishi i-MIEV ES 4dr Hatchback (EV44-B)	Unassigned	24	10,000	\$159.00
295389/1/1	2012 Mitsubishi i-MIEV ES 4dr Hatchback (EV44-B)	Unassigned	24	10,000	\$159.00
295388/1/1	2012 Mitsubishi i-MIEV ES 4dr Hatchback (EV44-B)	Unassigned	24	10,000	\$159.00

plus tax

If the terms and conditions of this SVQ (including Appendix A attached hereto) are acceptable, please have an authorized officer execute this SVQ in the space provided below. By executing this SVQ, the undersigned shall be deemed to have agreed to order Vehicles from time to time in accordance with the specifications and terms listed above by submitting a Vehicle Lease Order with respect to a Vehicle that references this SVQ.

Any leased Vehicles related to this SVQ shall be leased subject to the terms and conditions of the Commercial Motor Vehicle Master Lease Agreement #105638 (as amended, modified or supplemented from time to time, the "Master Lease Agreement"), between Mike Albert, Ltd and the Lessee. Any service elements for Vehicles related to this SVQ shall be subject to the terms and conditions of the Services Agreement, (as amended, modified or supplemented from time to time) between Mike Albert Leasing, Inc. and the Lessee. This SVQ expires in 360 days, and after such time no Vehicles may be ordered for lease pursuant to the terms of this SVQ. The undersigned hereby agrees that Mike Albert, Ltd shall have no obligations under the Services Agreement at any time, and that the obligations set forth in any services agreement are solely the obligations of Mike Albert Leasing, Inc.

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241

IN WITNESS WHEREOF, the undersigned has hereto caused this SVQ to be executed this \_\_\_ day of \_\_\_, 20\_\_.

By:  
Name:  
Title:  
Address:

*[Signature]*

By: Lessor under the Master Lease Agreement

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241  
Fax to (513) 956-2962 Attn: Order Acceptance

Attest:

*[Signature]*  
Shelley Nels, Clerk Administrator

N/A

By: Servicer under the Services Agreement

Please review the terms and specifications set forth in the SVQ for accuracy. Please fax any necessary modifications to this SVQ to (513) 956-2962 or email [customerrelations@mikealbert.com](mailto:customerrelations@mikealbert.com)

Page 1 - 1

*[Signature]*

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Laurel Prevetti, Town Manager

Approved as to form:

*[Signature]*  
Robert Schultz, Town Attorney



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 295388/1/1

March 22, 2016

"Lessee": 00028466 Town of Los Gatos

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

VIN # 3129

Sales: FRICKE  
CSR: McAninch

Vehicle Details: 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)  
Unit #: 00968367 24 Months 10,000 Miles \$159.00

Security Deposit:  
Capital Contribution: \$0.00

**Standard Equipment:**

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

**Optional Factory Equipment:**

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

**After Market Equipment:**

Quick Charge Pkg

**One-Time Charge Equipment**

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur.

Order Date: \_\_\_\_\_

Requested Date: 5-1-16

Requested Delivery Dealer / Area: \_\_\_\_\_

Replace Unit #: \_\_\_\_\_

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (62P-01)
2nd Exterior / Interior			

Driver Name: Gilmore, Christina

Driver Grade Group: U Unassigned

Garaged Address For Title &amp; License: 41 Miles Avenue

City / St / Zip: Los Gatos CA 95030

County: \_\_\_\_\_

Township: \_\_\_\_\_

Bus. Phone: (408) 399-5770

Cost Center: 20160019

Home Phone: \_\_\_\_\_

Fleet Ref#: \_\_\_\_\_

Cell Number: \_\_\_\_\_

Recharge Code: \_\_\_\_\_

Email Address: cgilmore@losgatosca.gov

Plate Type: GOVERNMENT GRATIS

Delivery Location (if different from

Driver Garaged Address set forth above): \_\_\_\_\_

Reference is hereby made to Vehicle Quotation #295388/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

Approved as to form:

Robert Schultz, Town Attorney

Attest: Shelley Neis  
Shelley Neis, Clerk Administrator

Signature of Permitted Signer or its Authorized Affiliate

Fax to (513) 956-2962 Attn: Order Acceptance

Laurel Prevetti, Town Manager

Quotation Reference 295388/1/1  
105638



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 295389/1/1

"Lessee": 00028466 Town of Los Gatos

March 22, 2016

Sales: FRICKE  
CSR: McAninch

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

VIN # 3132

Vehicle Details: 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)  
Unit #: 00968368 24 Months 10,000 Miles

\$159.00

Security Deposit:

Capital Contribution: \$0.00

Standard Equipment:

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

Optional Factory Equipment:

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

After Market Equipment:

Quick Charge Pkg

One-Time Charge Equipment

The undersigned requests the following Specified Services/Items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur:

Order Date:

Requested Date:

5-1-16

Requested Delivery Dealer / Area:

Replace Unit #:

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

Driver Name: Gilmore, Christina

Driver Grade Group: U Unassigned

Garaged Address For Title &amp; License: 41 Miles Avenue

City / St / Zip: Los Gatos CA 95030

County:

Township:

Bus. Phone: (408) 399-5770

Cost Center: 20160019

Home Phone:

Fleet Ref#:

Cell Number:

Recharge Code:

Email Address: cgilmore@losgatosca.gov

Plate Type: GOVERNMENT GRATIS

Delivery Location (if different from

Driver Garaged Address set forth above):

Reference is hereby made to Vehicle Quotation #295389/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Fax to (513) 956-2962 Attn: Order Acceptance

Laurel Preeretti, Town Manager

Quotation Reference 295389/1/1  
105638

Approved as to form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, Clerk Administrator



**MIKE ALBERT**

Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**MIKE ALBERT**

Mike Albert Leasing, Inc.  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828

**Vehicle Lease Order "VLO"**

Quotation Reference 295390/1/1

March 22, 2016

"Lessee": 00028466 Town of Los Gatos

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

VIN# 3140

Sales: FRICKE  
CSR: McAninch

Vehicle Details: 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)

Unit #: 00968369 24 Months 10,000 Miles \$159.00

Security Deposit:

Capital Contribution: \$0.00

Standard Equipment:

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTRM-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTRN-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDTRD-01)

Optional Factory Equipment:

Cold Zone Package (P1-01)  
Battery Warming System (BWS-01)  
Heated Sideview Mirrors (MIRR-01)

After Market Equipment:

Quick Charge Pkg

One-Time Charge Equipment

The undersigned requests the following Specified Services/items (plus any applicable taxes):

The per occurrence fees are not included in the lease rate, but will be billed as they occur.

Order Date:

Requested Date: 5-1-16

Requested Delivery Dealer / Area:

Replace Unit #:

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (B2P-01)
2nd Exterior / Interior			

Driver Name: Gilmore, Christina

Driver Grade Group: U Unassigned

Garaged Address For Title &amp; License:

41 Miles Avenue

City / St / Zip:

Los Gatos

CA

95030

County:

Bus. Phone: (408) 399-5770

Home Phone:

Cell Number:

Email Address: cgilmore@losgatosca.gov

Township:

Cost Center: 20160019

Fleet Ref#:

Recharge Code:

Plate Type: GOVERNMENT GRATIS

Delivery Location (if different from

Driver Garaged Address set forth above):

Reference is hereby made to Vehicle Quotation #295390/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

X

Signature of Permitted Signer of Lessee or its Authorized Affiliate

Fax to (513) 956-2962 Attn: Order Acceptance

Laurel Prevetti, Town Manager

Quotation Reference 295390/1/1  
105638

Approved as to form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis, Clerk Administrator





Mike Albert, Ltd  
10340 Evendale Drive  
Cincinnati, OH 45241-2564  
1-800-886-5828



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### Vehicle Lease Order "VLO"

Quotation Reference 295391/1/1

"Lessee": 00028466 Town of Los Gatos

March 22, 2016

Sales: FRICKE  
CSR: McAninch

Town of Los Gatos  
110 E. Main St.  
Los Gatos, CA 95030

VIN# 3147

Vehicle Details: 2012 Mitsubishi i-MiEV ES 4dr Hatchback (EV44-B)  
Unit #: 00968366 24 Months 10,000 Miles

\$159.00

Security Deposit:

Capital Contribution: \$0.00

Standard Equipment:

Monotone Paint Application (PAINT-01)  
Front Bucket Seats (STDST-01)  
Cloth Seat Trim (STDTR-01)  
Engine: AC Synchronous Electric (STDEN-01)  
Transmission: Single Fixed Reduction Gear (STDTR-01)  
Wheels: 15" (STDWL-01)  
Tires: P145/65R15 Fr & P175/60R15 Rr (STDTR-01)  
Radio: 100-Watt AM/FM/CD Audio System (STDRD-01)

Optional Factory Equipment:

Cold Zone Package (P1-01)  
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After Market Equipment:

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Order Date:

Requested Date: 5-1-16

Requested Delivery Dealer / Area:

Replace Unit #:

Color Choice	Color Code	Color Description	Trim
1st Exterior / Interior	309464	(0 P) Diamond White Pearl (W13-01)	(0 I) Black (82P-01)
2nd Exterior / Interior			

Driver Name: Gilmore, Christina

Driver Grade Group: U Unassigned

Garaged Address For Title & License: 41 Miles Avenue

City / St / Zip: Los Gatos CA 95030

County:

Township:

Bus. Phone: (408) 399-5770

Cost Center: 20160019

Home Phone:

Fleet Ref#:

Cell Number:

Recharge Code:

Email Address: cgilmore@losgatosca.gov

Plate Type: GOVERNMENT GRATIS

Delivery Location (If different from

Driver Garaged Address set forth above):

Reference is hereby made to Vehicle Quotation #295391/1/1 (the "VQ") as amended, modified, or supplemented from time to time and incorporates its terms and conditions herein.

The undersigned hereby verifies that this is a "VLO" within the meaning of the Closed-End Commercial Motor Vehicle Master Lease Agreement, and that delivery of the Vehicle described herein to the Driver designated above is authorized by the Lessee.

X

Signature of Permitted Signer of Lessee or its Authorized Affiliate

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Laurel Prevetti, Town Manager

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105638

Approved as to form:

Robert Schultz, Town Attorney

Attest:

Shelley Neis  
Shelley Neis, Clerk Administrator



# Mike Albert, Ltd

Automobile and Truck Leasing and Rental Nationwide

CLERK DEPARTMENT

AGR 13.11.16

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ORD \_\_\_\_\_

REC \_\_\_\_\_

RESO \_\_\_\_\_

## COMMERCIAL MOTOR VEHICLE MASTER LEASE AGREEMENT (CLOSED-END)

This MASTER VEHICLE LEASE AGREEMENT #105638 (as amended, modified or supplemented from time to time, this "Agreement") made as of January 16, 2013 (the "Effective Date"), between Mike Albert, Ltd, a Delaware statutory trust (the "Lessor"), with offices at 10340 Evendale Drive, Cincinnati, Ohio 45241, and the undersigned (the "Lessee"). If more than one party executes this Agreement as Lessee, each shall be jointly and severally liable hereunder.

### 1. LEASE TERMS

- A. Lessor agrees to lease to Lessee and Lessee agrees to lease from Lessor certain motor vehicles for use in its business (together with its equipment, parts, replacements, additions, accessories, repairs and accessions, each, a "Vehicle" and all such motor vehicles subject to this Agreement, the "Vehicles") in accordance with the terms and conditions of this Agreement. Lessor and Lessee expressly understand and agree that this Agreement is a lease only and that Lessee acquires no right, title or interest in or to any Vehicle except as a Lessee. Lessee agrees that it shall, at its expense, protect and defend the title of Lessor in the Vehicles against creditors of or claiming through Lessee. This Agreement is both a true lease and a statutory "finance lease" (as defined in Ohio Revised Code, Title XIII Commercial Transactions, Section 1310.01). If, despite the intention of the parties that this Agreement be a lease, a judicial determination is made that the transactions contemplated hereunder constitute a loan by Lessor to Lessee, then Lessee shall be deemed to have granted (and Lessee hereby grants) Lessor a security interest in the Vehicles and all proceeds, accessions, documents, instruments, accounts, chattel paper, equipment and general intangibles related thereto to secure all obligations of Lessee to Lessor under this Agreement. Lessee hereby authorizes Lessor to file, at the expense of the Lessee, any financing or continuation statements related to the foregoing. Lessee shall place such tags or registration on any Vehicle leased hereunder as Lessor may request which indicates the ownership interest of the Lessor in such Vehicle, and Lessee acknowledges and agrees that Lessor will be listed as owner and/or lienholder on the certificate of title for each Vehicle.
- B. From time to time, Lessee may request that Lessor provide a written proposal in the form attached as Exhibit 1 hereto (a "Vehicle Quotation" or "VQ") with respect to a proposed new Vehicle or group of Vehicles to be leased hereunder. Each VQ shall specify, to the extent applicable, the lease term, programs, financing and servicing procedures and characteristics, year, make and model, equipment, accessories and other details with respect to such Vehicle(s). Lessee shall order Vehicles for lease by placing a Valid Order with respect to each Vehicle (as defined in Section 10.I. below) (each, a "Vehicle Lease Order" or "VLO") on a Vehicle lease order form in a form approved by Lessor; provided, that such VLO shall become noncancelable as of the date Lessor has placed a noncancelable order with a manufacturer or dealer with respect to such Vehicle; provided further, that if Lessee fails to use an approved lease order form, Lessee is responsible for any and all errors or omissions caused by the failure to use a form approved by Lessor. If Lessee cancels a VLO after such VLO becomes noncancelable in accordance with the foregoing sentence, then Lessee shall reimburse Lessor for any loss incurred by Lessor as a result of such cancellation (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such cancellation. Each VLO will incorporate (explicitly or by reference) the information set forth in the related VQ and will also specify the order date, requested delivery date, color choice, driver information and location in which the applicable Vehicle will be garaged. Lessor may, in its sole discretion, elect to accept or reject any VLO or all VLOs. In the event that Lessor elects to reject any VLO delivered by Lessee, Lessor will use reasonable efforts to notify Lessee of such rejection.
- C. Notwithstanding anything in this Agreement to the contrary, Lessor shall not be required to deliver to Lessee any Vehicle related to a VLO accepted by Lessor (and Lessor shall not be in breach of this Agreement for not delivering such Vehicle) unless all of the following conditions shall be satisfied (as determined in the reasonable discretion of Lessor): (1) no material adverse change in the financial condition of Lessee shall have occurred; (2) no suits or proceedings shall have been filed or instituted (or, to the knowledge of Lessee, threatened) against or affecting Lessee which, if adversely determined, would have a material adverse effect on the business or financial condition of Lessee; (3) Lessee shall have provided Lessor with all writings or documentation that Lessor deems necessary or desirable to assist Lessor in evaluating Lessee's

BZ Lessee Initials

RAM Lessor Initials



00028466



00105638



2013-01-16



CE\_LTD



creditworthiness or to otherwise accomplish the purpose of this Agreement; (4) no party executing this Agreement as Lessee shall have denied or revoked its obligations hereunder; and (5) no event shall have occurred or be continuing which, with notice or lapse of time or both, would constitute an "event of default" by Lessee under this Agreement or under any other agreement between Lessee and Lessor or its affiliate.

- D. By placing a VLO, Lessee creates an obligation to accept delivery of the Vehicle(s) described therein at the location specified in such VLO, and Lessee hereby agrees to accept the related Vehicle(s) for lease. At the request of Lessee, delivery of a Vehicle may be to a location other than the location specified in the applicable VLO; provided, that Lessee shall pay the additional costs related to delivery to such alternate location. Upon delivery of each Vehicle, Lessor shall provide to Lessee a schedule in the form attached as Exhibit 3 hereto (each, a "Schedule A") identifying the Vehicle, setting forth the monthly rental payments with respect thereto, the in-service date and other appropriate information related to the lease. Upon delivery of a Vehicle to or at the direction of the Lessee and upon the request of the Lessor, the Lessee (or its designee, including any designated driver) shall execute and deliver a "receipt of delivery" in a form provided by Lessor. (However, Lessor is not required to obtain an executed "receipt of delivery" indicating acceptance of such Vehicle in order to establish delivery and acceptance of a Vehicle). **By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle is in good repair and satisfactory condition, and that Lessee accepts such Vehicle in the condition received.**
- E. Each VLO and related Schedule A together shall be deemed to be a separate lease agreement with respect to the Vehicle described therein and each VLO and related Schedule A shall be deemed to incorporate by reference the terms of this Agreement and the related VQ. The invalidity, fulfillment, waiver, termination or other disposition of any rights or obligations of either Lessee or Lessor (or both) in connection with any VLO and related Schedule A shall not affect the rights or obligations of Lessee or Lessor arising under any other VLO and related Schedule A except to the extent set forth in Section 7. Any Schedule A delivered by Lessor to Lessee shall be binding upon Lessor and Lessee from the earlier of acceptance of the Vehicle by Lessee or the date the Schedule A was received by Lessee, subject to Lessee's and Lessor's rights to correct any errors therein.
- F. Except as set forth in the next sentence, Lessor is not responsible for any delay in the delivery of any Vehicle to Lessee and Lessee has no right to revoke a VLO or attempt to terminate this Agreement or any Schedule A because of any such delay. Notwithstanding the foregoing, if Lessor is grossly negligent and such negligence causes a material delay in the delivery of any Vehicle to Lessee, then Lessee may revoke the VLO related to such Vehicle (it being agreed that Lessee may not revoke the VLO related to any other Vehicle or terminate this Agreement or any Schedule A because of any such delay). By accepting delivery of a Vehicle, Lessee acknowledges that such Vehicle was delivered to Lessee in accordance with this Agreement. If Lessee has delivered a VLO but refuses to accept the related Vehicle for delivery, then Lessee shall reimburse Lessor for any loss incurred by Lessor as a result of Lessee's failure to accept delivery of such Vehicle (including all costs and expenses) and shall pay Lessor's then current cancellation fee with respect to such failure to accept delivery.
- G. The lease term for each Vehicle will be specified in the applicable Schedule A. Lessee's minimum noncancelable lease term for each Vehicle (including any damaged Vehicle deemed a total loss or any lost or stolen Vehicle) shall be calculated in accordance with clause iv of Section 7.C. Lessee may request an extension of the lease term and Lessor may grant such request in its sole discretion upon the terms and conditions specified by the Lessor. The terms and conditions of this Agreement shall continue in full force and effect and shall be binding upon the Lessee until the later of (a) the surrender of all Vehicles to Lessor or its designee and (b) the fulfillment by Lessee of all of its obligations under this Agreement.
- H. Lessee represents, warrants, and covenants to Lessor on the date hereof and as of the date of each Schedule A that (1) Lessee has full power and authority to execute, deliver and perform as Lessee the terms and provisions of this Agreement in compliance with all applicable laws, judgments and orders binding upon Lessee or its properties and (2) there are no pending or threatened investigations, actions or proceedings before any court or administrative agency which, if adversely determined, would materially affect the rights of the Lessor under this Agreement or with respect to the Vehicles.

## 2. RENTAL CHARGES; PAYMENT TERMS

- A. Lessee agrees to pay to Lessor at its office in Cincinnati, Ohio (or other designated location as provided in writing), the monthly rental for the use and operation of each Vehicle leased hereunder at the monthly rent specified on Schedule A for such Vehicle, together with all additional charges provided for in this Agreement. **ALL RENT AND ADDITIONAL CHARGES SHALL BE PAID WHEN DUE WITHOUT ABATEMENT, OFFSET OR COUNTERCLAIM ARISING OUT OF ANY CIRCUMSTANCES WHATSOEVER.**



- B. The monthly rental payment for a leased Vehicle is based on the cost of such Vehicle and interest rates in effect at the time the Vehicle is placed in service, as described in more detail on the VQ. Rental payment obligations shall begin on the first day of the calendar month following delivery. Rental payments are due monthly in advance. Lessee agrees that, from the time of delivery of the Vehicle to Lessee to the time when such rental charges are payable, Lessee will pay interim rental promptly when invoiced by Lessor in an amount equal to the monthly rental charge pro-rated on a daily basis based on the actual number of days in the month. Rental payment obligations end on the last day of the month prior to the surrender date. Lessee agrees to pay interim rent for the month of surrender until the date of surrender in an amount equal to the monthly rental charge pro-rated on a daily basis based on the actual number of days in the month. For the avoidance of doubt, a Vehicle shall be deemed to be delivered for purposes of calculating rent and the commencement of the lease term hereunder on the earlier to occur of (a) the day on which such Vehicle is delivered to Lessee's driver, employee or agent at the location listed on the VLO (or at a location which may be otherwise mutually agreed upon) or (b) forty-eight (48) hours after the time Lessor or its delivering agent notifies Lessee, its agent or its designee (including the driver designated in the related VLO) that such Vehicle is available for delivery.
- C. Notwithstanding Section 2.B. above, if Lessee surrenders a Vehicle to Lessor prior to the end of the lease term for such Vehicle and in return accepts delivery of a replacement Vehicle prior to the scheduled start date of the lease term for such Vehicle, then monthly rent for such replacement Vehicle during the Replacement Vehicle Transition Period shall be based on the monthly rent for the surrendered Vehicle rather than the monthly rent specified on the VLO for such replacement Vehicle. On and after the scheduled start date of the lease term for the replacement Vehicle, monthly rent shall be based on the cost of such Vehicle and interest rates in effect at the time the Vehicle is placed in service, as described in more detail on the related VQ and as specified on the related Schedule A. As used in this section, the "Replacement Vehicle Transition Period" shall mean the period of time beginning on the date that Lessee accepts delivery of the replacement Vehicle and shall end on the scheduled start date of the lease term for such Vehicle.
- D. Notwithstanding Sections 2.B. and 2.C. above, if any Vehicle shall be incomplete when delivered to Lessor by reason of special modifications to be made at Lessee's request and it shall be necessary for Lessor to advance funds for payment for such incomplete Vehicle prior to delivery to Lessee, Lessee agrees to pay to Lessor, at the time of delivery of the complete unit, the cost of financing such payment from the time of payment until delivery. The method for calculating the cost of such interim financing shall be specified by Lessor separately in writing; provided, that if the Lessor has not specified such method, then the cost of interim financing shall equal, for any calendar month or portion thereof, the product of (i) the capitalized cost of the Vehicle, (ii) the rate per annum identified as the "prime rate" in The Wall Street Journal as of the first business day of such calendar month plus 1.00% and (iii) the number of days in such calendar month or portion thereof divided by 360.
- E. Payments received more than ten (10) days late shall accrue interest at a rate equal to the lesser of one and one-half percent (1½%) per month and the maximum legally permissible amount on the outstanding balance. It is the intent of Lessor that it not receive any amount in excess of that amount which may be legally paid, and any excess charges will be credited or refunded to Lessee at the Lessee's option.
- F. Lessee agrees to carefully review each invoice or other statement provided by Lessor. If Lessee identifies a billing or other error, Lessee will advise Lessor promptly in writing and in such event, Lessor's sole liability and Lessee's exclusive remedy shall be appropriate adjustment to Lessee's account. No deductions are permitted from invoices without the approval of Lessor.
- G. In the event of a security deposit with respect to a Vehicle leased hereunder, the amount will be shown on the related Schedule A. Such deposit shall be per Vehicle as security for the Lessee's full performance of all the terms and conditions of this Agreement with respect to each Vehicle. Lessor shall have the right to apply the security deposit to Lessee's account if Lessee has not fully performed all of the terms and conditions of this Agreement or any other prior or then existing Agreement between Lessee and Lessor, but in no event in the case of a default shall this be construed as the measure of liquidated damages. Lessor shall not be subject to any restrictions or limitations with respect to its use of any security deposit nor shall Lessor be obligated to pay any interest on any security deposit other than to the extent required by law.
- H. Lessee's responsibility for payment of all charges due under the terms of this Agreement shall continue and there shall be no abatement of such charges during the time a Vehicle is stolen, converted, destroyed, damaged by accident or otherwise, or during the time required for any repair, adjustment or servicing of such Vehicle. Lessee agrees to immediately reimburse Lessor for any and all costs, losses or damages resulting from confiscation of any Vehicle or damages resulting from impoundment, attachment or confiscation of any Vehicle.



- I. The termination of this Agreement either by the expiration thereof or for any other reasons shall not relieve Lessee of its obligation to pay to Lessor any rental or other charges then due or to become due under the terms of this Agreement.
- J. Lessee may elect, at its option and with the prior approval of Lessor (which may be granted or withheld in the sole discretion of Lessor), to finance License Costs, Recap Costs and/or Sales Tax (each, a "Specified Cost" and collectively, "Specified Costs") for any Vehicle leased under this Agreement. As used in this Agreement:
- i. "License Costs" means, with respect to any leased Vehicle, all fees and costs related to obtaining the initial license plate for such Vehicle, including without limitation all fees, expenses, assessments or charges imposed by any city, county, state or federal government other than sales, personal use or property taxes.
  - ii. "Recap Costs" means, with respect to any leased Vehicle, any of the following: (1) any Early Termination Charge related to such Vehicle; (2) any excess mileage charges or abnormal wear and tear charges assessed with respect to such Vehicle; (3) any costs and expenses due Lessor in connection with damages to such Vehicle; or (4) any other amounts due Lessor in connection with or related to such Vehicle.
  - iii. "Sales Tax" means, with respect to any leased Vehicle, all sales, personal use or property taxes imposed by any city, county, state or federal government in connection with the acquisition and/or leasing of such Vehicle.
- K. If Lessee has elected to finance Specified Costs for any Vehicle, then Lessee shall identify in writing which Vehicle currently leased under this Agreement will be related to such Specified Costs (such Vehicle, the "Identified Vehicle") in the related VLO or any amendment thereto. Lessee shall pay such Specified Costs in equal monthly installments over the initial Lease Term for the Identified Vehicle and shall pay interest at the rate specified by Lessor on the outstanding amount of Specified Costs financed by Lessor. The foregoing monthly installments and interest on the outstanding Specified Costs shall be due and payable on each monthly rental payment date under this Agreement. Late payments of any installment of Specified Costs or interest thereon shall accrue interest at the rate set forth in Section 2.E.
- L. In the event that any lease under the Agreement is terminated prior to the anticipated lease end date, then Lessee shall immediately pay Lessor (1) all Specified Costs unpaid as of the date of such termination and (2) all accrued and unpaid interest thereon.

### 3. SERVICE

- A. This Agreement is a "net lease". Lessee covenants that it will pay all costs, expenses, fees, charges, fines, penalties and taxes (other than federal, state, or local taxes levied on the net income of Lessor) assessed or incurred at any time in connection with (but not limited to) each Vehicle's titling, registration, emissions testing, governmental inspections, delivery, purchase, sale, rental or modification, or arising from the operation or use of the Vehicle during its lease term (including, without limitation, any costs, expenses, fees, charges, fines, penalties and taxes arising from or related to any violations of any statute, law, ordinance, rule or regulation or arising from or relating to any change in the jurisdiction in which the Vehicle is garaged). If Lessee alleges that it is not liable for any tax, then at the request of Lessor, Lessee shall deliver to Lessor certificates of exemption acceptable to Lessor with respect to such tax issued by the appropriate taxing authority. Lessee agrees to perform and pay for, or cause to be paid for, all Vehicle service and maintenance (it being understood that such service and maintenance may be covered by a manufacturer's warranty). Furthermore, Lessee will comply with the conditions set forth in the manufacturer's written instructions in the owner's manual, warranty instructions, service instructions or maintenance provisions required and/or recommended. All repairs to the Vehicle shall be completed with parts and finishes at least comparable in quality to the parts and finishes being repaired or replaced, and title to all replacement parts and finishes shall vest in Lessor. Lessee agrees to take at its own expense all actions required by law with respect to the operation, registration or maintenance of each Vehicle, including without limitation, installing any accessories or equipment and performing any emissions tests or other inspections with respect to any Vehicle leased hereunder. If Lessor pays any of the foregoing amounts under this paragraph (including any operating or maintenance expenses paid by Lessor in order to obtain the release of a Vehicle from any lien or claim), Lessee shall promptly reimburse Lessor and pay Lessor's then current administrative charge.



- B. Lessee agrees to keep or cause to be kept, and agrees to make available at Lessor's place of business upon three (3) business days' notice by Lessor any and all necessary records relating to the use of the Vehicle and/or pertaining to aforesaid fees, taxes, assessments and charges.
- C. Equipment not included on the VQ and/or VLO and all Lessee requested equipment shall be installed at Lessee's expense and with Lessor's and Lessee's prior approval (which, in the case of Lessor, shall not be unreasonably withheld) and if such equipment is removed prior to the time the Vehicle is returned to Lessor, Lessee shall pay the cost of all repairs required to restore the Vehicle to its original condition (ordinary wear and tear excepted).
- D. Federal law (and, in certain cases, State law) requires that Lessee as lessee disclose, and Lessee shall disclose, the mileage of each Vehicle to Lessor in connection with the transfer of ownership of each Vehicle. Failure to complete an odometer disclosure statement or making a false statement may result in fines and/or imprisonment. Lessee hereby agrees to sign such disclosure statements as may be required by Lessor to properly evidence the mileage on the odometer of each returned Vehicle, and Lessee hereby authorizes its drivers, agents and employees to sign said disclosure statement on Lessee's behalf. Lessee (including its drivers, agents and employees) shall not tamper with or permit the tampering, repair, replacement or adjustment of the odometer of any Vehicle to reflect an odometer reading different than the mileage the Vehicle has actually been driven, and Lessee agrees to indemnify and hold harmless Lessor from and against any and all actions, claims, suits, damages, costs and expenses, including reasonable attorneys' fees, caused by or arising from a violation by Lessee, its drivers, agents or employees, or any one directed by them, of the odometer tampering or disclosure laws of any city, county, state, country, jurisdiction, including without limitation the United States Federal Law, Title IV- Odometer Requirements of Public Law 92-513, as amended from time to time. Should any Vehicle's odometer require service (including replacement), Lessee shall notify Lessor in writing before having such service performed.

#### 4. USE OF VEHICLE

- A. Lessee represents and warrants that each Vehicle leased to it pursuant to the terms of this Agreement will be used by such Lessee primarily for commercial use in the United States, Canada and Puerto Rico. Notwithstanding the foregoing, a Vehicle (1) may not be used in Canada or Puerto Rico unless (i) this Agreement would be a contract enforceable in the United States with respect to the lease of any such Vehicle used in Canada or Puerto Rico, respectively, and (ii) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., and (2) may be used for incidental use in Mexico so long as (i) such use is permitted by (and covered by) the insurance required to be maintained under Sections 5.A. and 5.B., (ii) such Vehicle would not be garaged in Mexico and (iii) no titling or registration of such Vehicle under any Mexican law would be required as a result of such use. For the avoidance of doubt, it is understood that all amounts to be paid by Lessee under this Agreement shall be paid in U.S. dollars in the United States.
- B. Use of any Vehicle leased hereunder is restricted to Lessee's drivers, agents and employees and their designees in primary pursuit of Lessee's business. Minors are not permitted to operate any Vehicle leased hereunder. No driver of any Vehicle shall have authority to act for or on behalf of Lessor, or be deemed to be the agent or employee of Lessor, except to the extent (and only for the limited purposes) explicitly authorized in writing by Lessor. Lessee shall not allow any person to operate any Vehicle leased herein unless such person holds a valid driver's license permitting said person to legally operate such Vehicle.
- C. Each Vehicle shall be used only for lawful purposes and shall be operated in accordance with applicable federal, state and local law governing Vehicle use, operation, maintenance or alteration. Lessee shall not use any Vehicle negligently or in any way that is prohibited by any insurance policy covering such Vehicle and shall not permit any Vehicle to become subject to any lien, charge, encumbrance or forfeiture. Lessee shall immediately notify Lessor if any Vehicle becomes subject to any lien, charge, encumbrance or forfeiture in violation of the foregoing, or if any Vehicle becomes subject to or involved in any judicial process.
- D. Lessee shall not, without prior approval of Lessor (which shall not be unreasonably withheld) place advertising signs, lettering, insignia, or other devices in or upon any Vehicle, paint any Vehicle or change, modify or remove the equipment of any Vehicle. If Lessee takes any of the foregoing actions with respect to any Vehicle, Lessee shall repaint, repair or refurbish such Vehicle as shall be necessary to restore such Vehicle to its original condition (ordinary wear and tear excepted).
- E. In the event of unauthorized use of any Vehicle, Lessee assumes sole responsibility and shall indemnify and hold Lessor harmless from any and all expenses, claims, liability and costs of every nature associated with



such use (except for expenses, claims, liabilities or costs caused by the gross negligence or willful misconduct of the Lessor).

- F. Lessee shall immediately notify Lessor in writing of any change of place of permanent garaging of any Vehicle. Unless Lessee advises Lessor otherwise in writing, the place of initial permanent garaging of each Vehicle shall be the address of Lessee's driver noted on the VLO relating to such Vehicle.
- G. Vehicles leased hereunder may not be used for any illegal purpose. **No Vehicle leased hereunder may be used for transporting hazardous substances or for hire for transporting persons unless explicitly authorized in writing by Lessor.** Any damage of any nature arising from the use of a Vehicle shall be the sole expense of Lessee, regardless whether Lessor permitted such use. Lessor authorizes Vehicles leased hereunder to be used for towing so long as such Vehicles are equipped with appropriate towing equipment to safely and legally handle items to be towed and that installation and use of such towing equipment will not void the manufacturer's warranty.

## 5. INSURANCE AND INDEMNIFICATION

- A. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide and maintain standard automobile liability insurance, which complies with applicable law and which coverage shall be primary and which shall not include any self-insured retention or deductible in excess of \$3,000.00, protecting Lessor against any and all liability, with minimum limits equal to the greater of (1) the minimum limits required by law; and (2) \$500,000.00 per person per occurrence with respect to bodily injury, \$500,000.00 for all persons per occurrence with respect to bodily injury and \$100,000.00 for damage to property per occurrence.
- B. During the term of this Agreement and in connection with the use and operation of any Vehicle leased hereunder, Lessee at its sole cost and expense shall provide full collision and comprehensive automobile physical damage insurance on each leased Vehicle which complies with applicable law with deductibles in amounts satisfactory to Lessor, covering loss from fire, theft, windstorm and other comprehensive hazards as well as collision protection. Notwithstanding Section 5.A. above, Lessor reserves the right to adjust coverage requirements prior to delivery of the Vehicle.
- C. Other Requirements.
  - i. For the avoidance of doubt, it is understood that the insurance described in Sections 5.A. and 5.B. shall cover a Vehicle from the time of delivery to Lessee as determined in accordance with Section 2.B. until the time of surrender of such Vehicle to Lessor. Lessee must provide Lessor with acceptable evidence of insurance for such coverages as referred to above concurrently with the placement of a VLO and prior to delivery of any Vehicle, which evidence of insurance shall name Lessor as an additional insured and loss payee. In support of the foregoing, Lessee hereby irrevocably grants to Lessor Lessee's limited power of attorney to make claims for, receive payments of and execute and endorse all documents, checks or drafts received in payment for loss or damage under any insurance policy required by Sections 5.A. and 5.B. Any notice of cancellation, expiration or material change in said insurance coverage to be provided hereunder shall be given to Lessor in writing at least thirty (30) days in advance of such event. All insurance policies must provide that no action, inaction or misrepresentation by Lessee or anyone other than Lessor shall affect Lessor's right to recovery thereunder. At the request of Lessor, Lessee shall deliver a full and complete copy of all insurance policies maintained in accordance with this Section 5. Lessor shall be under no duty to examine such policies or any other evidence of insurance nor to advise Lessee if the insurance coverage fails to comply with the requirements of Section 5 of this Agreement.
  - ii. Lessee shall cooperate fully with Lessor or any insurer providing insurance hereunder in the investigation, prosecution or defense of all accidents, claims, and suits arising out of or in connection with the use or operation of any Vehicle. Without limiting the foregoing, Lessee shall promptly notify Lessor of any such investigation, prosecution or defense and shall forward to Lessor a copy of every demand, notice, summons or other process or correspondence received in connection therewith.
  - iii. As between Lessee and Lessor, Lessee shall bear all risk of loss, damage or destruction to each Vehicle leased hereunder (which may exceed the actual cash value of such Vehicle) and all liability, costs, claims or expenses (including any expenses of Lessor in connection with making claims under any insurance policy) arising in connection with such Vehicle, however caused,



including without limitation, collision, fire, theft, flood, confiscation, destruction or conversion, abandonment or unauthorized sale or concealment by agents or employees of Lessee, or any other cause or combination of causes which may occur, from the time of delivery until surrender of such Vehicle to Lessor. The existence of liability insurance or collision or comprehensive insurance obtained by Lessee as required by this Section 5 shall not limit Lessee's liability to Lessor hereunder (it being understood that Lessor shall not be entitled to receive any double recovery hereunder).

- iv. Lessee shall immediately notify Lessor by telephone of any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle and confirm such notice in writing within three (3) business days of the accident or incident. Further, in connection with any accident or incident potentially giving rise to any damage or liability claim involving any Vehicle, Lessee (1) shall permit Lessor to inspect such Vehicle, (2) shall notify Lessor and the appropriate insurance carrier(s) of all claims and demands in connection therewith, (3) shall cause its drivers, agents and employees to cooperate fully with Lessor and any insurance carrier(s) in the investigation, defense and prosecution of any claims or suits arising from the operation or use of such Vehicle and (4) shall forward to Lessor a copy of every demand, notice, summons or other process or communication received in connection with such claim.

- D. If Lessee fails to provide and maintain insurance coverages as required by this Section 5, or fails to furnish Lessor with required evidence of such insurance coverage, Lessee shall be in default of this Agreement. Lessor may, at its option, immediately terminate Lessee's rights under this Agreement or obtain such required insurance on behalf of Lessee and Lessee agrees to reimburse Lessor for the premium for any such acquired insurance. It is understood that any insurance acquired by Lessor may not name Lessee as an insured or loss payee and may be more expensive than insurance that Lessee could obtain independently.

E. Indemnification.

- i. Lessee agrees to indemnify, defend and hold harmless Lessor, its affiliates, agents, successors and assigns from all costs, losses, claims, expenses, damages, suits, or liabilities, including reasonable attorneys' fees and expenses relating to the enforcement of Lessor's rights under this Agreement, of whatever kind and nature, unless prohibited by applicable law, arising out of or in connection with the breach by Lessee of this Agreement, an event of default under this Agreement or the use (whether authorized or unauthorized), misuse, condition, repair, storage, return or operation (including, but not limited to, latent and other defects, whether or not discovered by Lessee) of any Vehicle (collectively, "Indemnified Losses"), except to the extent attributable to the gross negligence or willful misconduct of Lessor.
- ii. Lessor shall not be liable for the loss of or damage to any property or goods left in or upon any Vehicle. Lessee agrees to indemnify Lessor for any damages or liability resulting from Lessee's property or goods or any property or goods in Lessee's care or custody while said goods are in or upon such Vehicle, which property or goods are not included in the related VLO and/or Schedule A.
- iii. The indemnity set forth in this paragraph E is absolute and unconditional and includes Indemnified Losses arising from, without limitation, negligence, strict liability, breach of contract (including claims by Lessor against Lessee), vicarious liability, defects in manufacture or maintenance and breach of warranty, but does not extend to claims or liability arising from the gross negligence or willful misconduct of Lessor, and shall continue in full force and effect regardless of where, how or by whom any Vehicle is operated, and notwithstanding any insurance coverage or other indemnity obtained by or in favor of Lessee or Lessor. **This indemnity shall survive the termination of this Agreement.**

- F. If any Vehicle shall be lost, destroyed or stolen, then (subject to the provisions of clause iv of Section 7.C. with respect to the minimum noncancelable lease term) Lessee shall not be responsible for the rental payments after acceptable settlement is received by Lessor from Lessee and/or Lessee's insurance provider although Lessee will remain responsible for any excess mileage charge or previously unrepaired damage applicable to such Vehicle.

- G. LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS EMPLOYEES, AGENTS OR TO ANY PERSON, FIRM OR CORPORATION, FOR BUSINESS LOSS OR ANY LOSS OR INTERRUPTION OF OR DAMAGE TO BUSINESS OR PROFITS, OR FOR OTHER DAMAGES OF ANY KIND OR NATURE WHATSOEVER, INCLUDING (WITHOUT LIMITATION) ANY LOSS OR DAMAGE CAUSED BY



REASON OF THE THEFT, CONVERSION, DESTRUCTION, LOSS, REPAIRS, ADJUSTMENTS, SERVICING, REPLACEMENT, OR ANY INTERRUPTION IN THE SERVICE OR AVAILABILITY FOR ANY REASON OF ANY VEHICLE, WHETHER ORIGINAL OR SUBSTITUTED, PROVIDED UNDER THIS AGREEMENT.

6. RETURN OF VEHICLE

- A. It is expressly understood and agreed that each Vehicle leased hereunder shall be returned to Lessor at the end of the Vehicle lease term or any extension thereof, in a condition as good as when first received, ordinary wear and tear excepted. "Ordinary wear and tear", as used in this Agreement, shall include, without limitation: minor paint chips not through to metal or on the trailing edge of doors and fenders, minor nicks or scratches not having depth, normal wear of carpeting, mats and upholstery. Upon the return or repossession of any Vehicle, Lessee shall be obligated to surrender possession of such Vehicle together with all license plates, registration certificates, documents of title or similar documents, Lessor's maintenance instruments and certification regarding the accurateness of the odometer reading of such Vehicle as required by Section 3 above.
- B. The Lessee agrees that upon expiration, cancellation or termination of the lease with respect to any Vehicle, Lessee shall return such Vehicle to Lessor at Lessee's expense to a place mutually agreed between the parties hereto. Lessee will pay any and all reasonable and necessary expenses incurred by Lessor as a result of a breach of this clause.
- C. Lessee shall give Lessor at least thirty (30) days written notice prior to returning any Vehicle. Each Vehicle shall be returned to the custody of Lessor no later than the end of the thirty (30) day notice period. Lessee's obligation for monthly charges shall continue through the end of the thirty (30) day notice period or until the end of the lease term for such Vehicle, whichever is later. If a Vehicle is kept in service past the initial lease term and is not extended for a specific term, the terms of the original lease (as modified by any addenda) shall continue on a month-to-month basis.
- D. Lessee agrees to maintain all tires, including the spare tire, in safe driving condition. Upon termination for any reason of a lease with respect to a Vehicle, there shall be a tire tread depth of at least 5/32 of one inch on each of the five (5) tires. If there is not tread depth of 5/32 of one inch remaining or if any tire(s) have breaks or cracks, Lessee agrees to pay Lessor the cost of satisfactory replacement tire(s).
- E. If any Vehicle is not in satisfactory operating condition at the time such Vehicle is returned to Lessor, Lessee agrees to pay Lessor the cost of putting such Vehicle in satisfactory operating condition (as determined in the reasonable judgment of Lessor).
- F. A report prepared by Lessor or its agent or representative (a "Vehicle Condition Report") will be used as the basis for billing damage charges, if any, to the Lessee with respect to abnormal wear and tear. "Abnormal wear and tear" includes, without limitation, the following: accident or related physical damage; advertising signs, lettering or other devices or other modifications described in Section 4.D. above; scratches or depressions through the color coat of paint requiring metal work; storm damage; any glass damage including breaks, cracks, stone chips or scratches; any sand damage; holes or tears in the interior fabrics as well as any unusual soiling or spotting; burn holes; holes in the dashboard, floor or elsewhere resulting from auxiliary equipment installation; damage requiring straightening, refinishing or replacement; or the existence of mismatched paint or tires. Notwithstanding such Vehicle Condition Report, Lessee may hire a nationally recognized independent appraiser at Lessee's expense to determine the cost, if any, of restoring, repairing and servicing the related Vehicle to place it in the return condition required by this Agreement. A copy of the inspection report will be furnished to the Lessee upon request. Such appraisal and/or Vehicle Condition Report will be the basis for billing abnormal wear and tear charges to Lessee. Lessee agrees to pay any costs indicated by Lessor upon receipt of the invoice for such, and such obligation by Lessee shall not be mitigated even if Lessor elects to sell or re-lease the related Vehicle without actually restoring, repairing or servicing the related Vehicle to place it in the applicable return condition.
- G. Mileage shall be apportioned monthly from the date of delivery of the Vehicle. Lessee will pay Lessor in addition to the monthly rental charges, a cents per mile charge as stated on the Schedule A for all mileage (as disclosed on the Vehicle's odometer) in excess of the mileage allowed. Lessor will bill Lessee for the full amount of the excess mileage at the termination of the Vehicle's lease. In the event that a Vehicle lease is not formally extended but remains in service on a month-to-month basis beyond the initial lease term, Lessee shall incur mileage charges with respect to the related Vehicle based on the stated monthly-apportioned mileage. Lessee hereby agrees that the mileage indicated on the Vehicle's odometer shall be the basis for such assessment.



- H. Lessor is not required to notify Lessee that the lease term for any Vehicle is about to expire. However, Lessor shall have the right to demand the return of the Vehicle so specified on the lease end date and at any time thereafter. Lessee agrees to comply with such demand.

7. **DEFAULT OF LESSEE**

- A. The following shall constitute "events of default" under this Agreement: (1) Lessee shall be in default of the payments required to be made by Lessee hereunder and such default continues unremedied for a period of five (5) business days after written notice of such failure is delivered by Lessor to Lessee, or Lessee shall breach any other material representation, warranty, covenant, term or condition of this Agreement or any other agreement between Lessee and Lessor or any of its affiliates to be kept or performed by Lessee, (2) Lessee shall file a petition in bankruptcy or shall make an assignment for the benefit of creditors, (3) proceedings in bankruptcy shall be instituted against Lessee, (4) Lessee shall be adjudicated a bankrupt or if a receiver shall be appointed for Lessee's property or business, (5) Lessee shall permit or suffer any material distress, attachment, levy or execution against any or all of its property or on any Vehicle, (6) Lessee ceases doing business or transfers a major part in value of its assets, (7) any financial or credit-related information provided to Lessor or any of its affiliates by or on behalf of Lessee was materially incorrect or misleading when provided to Lessor or such affiliate, and (8) an event shall have occurred which, in the reasonable judgment of Lessor, is likely to result in a material adverse change in the business, assets, operations or financial condition of Lessee.
- B. If Lessee abandons, attempts to return or returns any Vehicle prior to the end of the minimum noncancelable lease term other than in connection with a damaged Vehicle deemed a total loss or a lost or stolen Vehicle, Lessor may declare Lessee in default with respect to any Vehicle so abandoned or returned in which event Lessee shall pay Lessor all amounts due with respect to such Vehicle and the lease terms related thereto. The remedy set forth in this paragraph shall not limit Lessor from pursuing any further remedies it might have as more clearly defined in Section 7.C. Notwithstanding the foregoing, a surrender of a Vehicle in return for accepting delivery of a replacement Vehicle in accordance with Section 2.C. above shall not constitute a default hereunder.
- C. Remedies for Default by Lessee.
- i. In the event of a default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor, Lessor has the option to retain possession, repossess or terminate this Agreement as to all leased Vehicles as collateral security for the payment of all amounts due and owing Lessor. Lessee authorizes Lessor to apply to the payment of any sums due Lessor hereunder as rent or otherwise, any sum of money belonging to Lessee, which may come into Lessor's possession.
- ii. Lessee agrees that Lessor shall have the right, at its option, to set-off and apply any amounts due Lessor against any of Lessee's funds held by Lessor and to charge any such amounts to other Vehicles leased pursuant to this Agreement. If an event of default by Lessee as to one or more Vehicles leased under this Agreement or under any other master lease agreement between Lessee and Lessor has occurred and if Lessor deems it necessary for its protection, Lessor may repossess all Vehicles wherever found or retain possession of Vehicles in possession of Lessor (and Lessee hereby authorizes Lessor and its agents to conduct such repossession, including by entering any premises where any Vehicle may be and removing such Vehicle therefrom). Repossession shall not terminate Lessee's obligations under the terms of this Agreement and shall be without prejudice to all other remedies available to Lessor for collection of all sums due from Lessee. Lessee shall pay all costs associated with repossession.
- iii. Upon an event of default by Lessee, Lessor may (a) declare all sums owing hereunder and/or all monthly rental payments immediately due and payable as liquidated damages and not as penalty, (b) terminate this Agreement by notice in writing to Lessee, and (c) proceed by any appropriate legal or equitable action to enforce performance by Lessee of this Agreement, and to make collection of all of said rentals and amounts of money due, and to recover damages, together with costs of such proceedings, (including reasonable attorneys' fees and expenses). Upon termination of this Agreement, all rights (but not all obligations) of Lessee to Vehicles and under this Agreement shall cease.
- iv. Lessee's minimum noncancelable lease term shall be twelve (12) months. In the event that any lease under this Agreement is terminated prior to the anticipated lease end date, then Lessee shall immediately pay Lessor (1) all payments due and unpaid as of the date of such termination, (2) all



monthly rental payments (including sales tax) remaining through the end of the minimum noncancelable lease term, (3) the Early Termination Charge for such lease and (4) excess mileage charges (calculated by pro-rating the mileage allowed to the date of termination) and abnormal wear and tear charges in accordance with Section 6. The "Early Termination Charge" for any lease is an amount equal to the lesser of (a) the product of (i) the amount of a monthly rental payment (including sales tax) and (ii) ten and (b) the product of (i) the sum of the remaining monthly rental payments (including sales tax) scheduled to occur between the end of the minimum noncancelable lease term and the end of the anticipated lease end date and (ii) fifty percent (50%); provided, however, that if any lease is terminated at a time when there are six or fewer monthly rental payments remaining through the end of the anticipated lease end date, then the "Early Termination Charge" for such lease is an amount equal to the lesser of (x) the sum of the remaining monthly rental payments (including sales tax) and (y) the product of the amount of a monthly rental payment (including sales tax) and three. Lessee shall also, at the time of termination, pay Lessor for all other sums due and payable under the terms and conditions of this Agreement. Payments made to Lessor under the provisions of this paragraph shall not be in lieu of remaining obligations of Lessee, including but not limited to other charges specified in Section 6.

- v. The remedies provided to Lessor under this Section 7.C. and the other provisions of this Agreement shall not be deemed to be exclusive, but shall be cumulative and shall be in addition to all other remedies in Lessor's favor existing in law, in equity or in bankruptcy. No failure on the part of Lessor to exercise, and no delay on the part of Lessor in exercising, any right or remedy hereunder shall operate as a waiver thereof.

#### 8. DISCLAIMER OF WARRANTY

- A. EXCEPT AS OTHERWISE EXPRESSLY PROVIDED BY THIS AGREEMENT, LESSOR MAKES NO EXPRESS OR IMPLIED WARRANTY AS TO ANY MATTER WHATSOEVER, INCLUDING, WITHOUT LIMITATION, THE CONDITION OF EQUIPMENT, ITS MERCHANTABILITY OR ITS FITNESS FOR ANY PARTICULAR PURPOSE, AND LESSEE SPECIFICALLY WAIVES ALL RIGHTS TO MAKE CLAIMS AGAINST LESSOR WITH RESPECT TO ANY OF THE FOREGOING. NO DEFECT OR UNFITNESS OF THE EQUIPMENT SHALL RELIEVE LESSEE OF ITS OBLIGATION FOR PAYMENT AND OTHER CHARGES TO LESSOR PROVIDED FOR HEREIN OR OF ANY OTHER OBLIGATION UNDER THIS AGREEMENT. ANY WARRANTY COVERAGE PROVIDED TO LESSOR FROM THE MANUFACTURER(S) OF THE VEHICLE LEASED UNDER THIS AGREEMENT SHALL BE PASSED THROUGH TO THE LESSEE FOR THE TERM OF THE LEASE TO THE EXTENT PERMITTED BY MANUFACTURER. WITHOUT LIMITING THE GENERALITY OF THE FOREGOING, LESSOR SHALL NOT BE LIABLE TO LESSEE, ITS CUSTOMERS OR THIRD PARTIES FOR ANY DEFECTS, EITHER LATENT OR PATENT, IN ANY VEHICLE, OR FOR ANY DIRECT, INDIRECT, SPECIAL OR CONSEQUENTIAL DAMAGES OF ANY KIND OR NATURE DIRECTLY OR INDIRECTLY ARISING OUT OF THIS LEASE OR ANY VEHICLE, OR FOR ANY DAMAGES BASED ON STRICT OR ABSOLUTE LIABILITY IN TORT OR NEGLIGENCE, OR FOR LOSS OF ANY VEHICLE, OR FOR ANY INTERRUPTION IN LESSEE'S BUSINESS BY ITS INABILITY TO USE ANY VEHICLE FOR ANY REASON WHATSOEVER. LESSOR MAKES NO REPRESENTATION AS TO THE TREATMENT BY LESSEE OF THIS LEASE FOR FINANCIAL STATEMENT OR TAX PURPOSES. LESSEE IS LEASING ALL VEHICLES FROM LESSOR ON AN "AS IS" BASIS. IN NO EVENT SHALL LESSOR BE LIABLE FOR SPECIAL, INCIDENTAL OR CONSEQUENTIAL DAMAGES, WHATSOEVER OR HOWSOEVER CAUSED.
- B. It is understood and agreed by the parties hereto that no automobile dealer, employee or agent of any dealer or employee or agent of Lessor has authority to make any representation or warranty to Lessee on Lessor's behalf regarding the performance, merchantability or serviceability of any Vehicle, or to make any estimates regarding the salvage value of any Vehicle, or any modification or amendment to any term of this Agreement other than in accordance with Section 10.B.

#### 9. ASSIGNMENT

- A. Lessee shall not assign, transfer, encumber or convey any interest in this Agreement or any interest in any Vehicle leased hereunder without the prior written consent of Lessor (which consent will not be unreasonably withheld). Any such consent shall not relieve the Lessee of its obligations and liabilities hereunder without the express written consent of the Lessor (which consent shall be in the sole discretion of the Lessor). In no event may Lessee sublet any interest in this Agreement or any interest in any Vehicle leased hereunder. Any purported assignment, transfer, encumbrance or conveyance without Lessor's prior written consent shall be void. Any person (i) into which Lessee may be merged or consolidated, (ii) resulting from any merger or consolidation to which Lessee shall be a party, (iii) that acquires by conveyance, transfer or lease



substantially all of the assets of Lessee or (iv) succeeding to the business of Lessee, must (x) execute an agreement of assumption to perform every obligation of Lessee under this Agreement and (y) provide financial information reasonably requested by Lessor, in each case within ten (10) business days of such event.

- B. Subject to Section 9.C. below, Lessor may assign, and Lessee hereby consents to such assignment of, all or any portion of the Vehicle(s) and/or any rights of the Lessor under this Agreement, including (without limitation) all or any rentals due or to become due hereunder. Lessor may also grant a security interest in any Vehicle leased hereunder or any of Lessor's rights under this Agreement. No assignment or execution of a security interest by Lessor shall alter Lessee's primary responsibilities with respect to the Lease or relieve Lessee from any liability hereunder. Lessee agrees that any such security interest and the lien thereof heretofore and hereafter placed by Lessor shall be superior to this Agreement and that Lessee will not assert against any assignee or secured party any claim, defense or set-off it may have against Lessor. Lessor also shall have the right to transfer ownership of Vehicles now or hereafter covered by this Agreement. Lessee shall recognize any such assignment. Lessor may designate other entities (each, a "Lessor Designee") to lease Vehicles to Lessee on the terms set forth in this Agreement and the Addenda. Each Lessor Designee will have the same rights as Lessor under this Agreement, and either Lessor or the Lessor Designee may directly enforce such rights against Lessee. For any rights with respect to any Vehicle leased to Lessee by a Lessor Designee, references in this Agreement to Lessor will be deemed to be references to the Lessor Designee. Lessee agrees that Lessor or any Lessor Designee may appoint one or more agents to act on its behalf and that such agents have the power and right to administer and enforce this Agreement. If Lessor causes the certificate of title or other evidence of ownership of any Vehicle to be issued in the name of any other entity as owner, Lessor shall be deemed to have designated the titled owner as the Lessor Designee with respect to such Vehicle. Lessee agrees to cooperate with Lessor to comply with the requirements of any applicable law in connection with the titling, registration and plating of any Vehicle following any assignment of this Agreement by Lessor or any transfer of ownership by Lessor in any Vehicle to a third party.
- C. This Agreement shall be binding on the respective parties, their successors, legal representatives and assigns. So long as Lessee is in compliance with the terms of the lease, Lessee will be entitled to continue quiet enjoyment of Vehicles leased under this Agreement in the event that a third party assumes title to the Vehicles or any other rights of Lessor hereunder.

#### 10. GENERAL

- A. This Agreement (including all related amendments, modifications and supplements) constitutes the entire Agreement between the parties with respect to any Vehicle subject to a VLO with respect to a closed-end lease placed by Lessee on or after the Effective Date. For the avoidance of doubt, no Vehicle ordered by Lessee for lease or leased by Lessee from Lessor prior to the Effective Date shall be subject to the terms and conditions of this Agreement unless Lessee and Lessor explicitly agree in writing that this Agreement shall apply to such Vehicles, and in no event will a Vehicle ordered by Lessee for lease or leased by Lessee with respect to an open-end lease be subject to the terms and conditions of this Agreement.
- B. Any amendment, modification or supplement to this Agreement (other than any Schedule A) must be in writing signed by Lessor and Lessee. Delivery of an executed counterpart of a signature page to any amendment, modification or supplement to this Agreement (including without limitation, any VLO or VQ) by facsimile or electronic delivery shall be as effective as delivery of a manually executed counterpart of such amendment, modification or supplement. Each Schedule A shall be effective as a supplement to this Agreement upon delivery of such Schedule A to the Lessee in accordance with Section 1.D. above. Notwithstanding the foregoing, any amendment, modification or supplement to this Agreement generated by Lessor that revises specific terms and conditions applicable only to an identified Vehicle and related lease (or an identified group of Vehicles and related leases) shall be effective as a modification to this Agreement with respect to such identified Vehicle(s) and related lease(s) upon delivery to Lessor of such amendment, modification or supplement executed by Lessee.
- C. The titles of the various paragraphs in this Agreement are intended to facilitate reference to the Agreement only and shall not be employed in construction of any provision of this Agreement. The terms contained in this Agreement are applicable to the singular and plural forms of such terms and to the masculine, feminine and neuter genders of such terms.
- D. Neither the failure of Lessor to insist upon the performance of any term or condition of this Agreement or to exercise any right or privilege conferred by this Agreement nor the waiver by Lessor of any such term or condition shall be construed as thereafter waiving any such term, condition, right or privilege. No waiver of any provision of this Agreement shall be valid unless the same is in writing and signed by Lessor. No



waiver of any provision of this Agreement at such time will be deemed a waiver of such provision at any other time.

- E. This Agreement shall be interpreted and applied in accordance with the substantive law of the State of Ohio without giving effect to its conflicts of laws rules. Lessee and Lessor agree that this Agreement is an agreement deemed made in Ohio. Lessee and Lessor hereby submit to the non-exclusive jurisdiction of the district court of the United States for the Southern District of Ohio and of any other court of applicable jurisdiction located in Cincinnati, Ohio. To the extent permitted by law, both parties to this Agreement hereby waive any and all right to any trial by jury in any action or proceedings directly or indirectly hereunder, and whether arising in law or equity.
- F. Any default notice to be given by either party herein to the other shall be in writing and shall be deemed given when deposited in the United States mail, postage prepaid and sent by either Certified or Registered Mail, to the other party at its address as the same appears herein or at an address of which such other party may have notified the first party in writing. Notices not relating to the default by a party to this Agreement may be given by either party herein to the other via facsimile, electronic mail or any other mutually agreeable form of communication, provided that such notice shall be deemed to not have been delivered until the sending party receives verbal or written confirmation from the other party that such notice has been received.
- G. The creditworthiness of Lessee and any guarantor is a material condition to this Agreement. Lessee shall provide Lessor with financial information reasonably requested by and satisfactory to Lessor during the term of this Agreement. Nothing herein shall be construed to require Lessor to accept any VLO.
- H. Should any part, term or provision of the contract be by the courts decided illegal or in conflict with any applicable law, the validity of the remaining portions or provisions shall not be affected thereby.
- I. A "Valid Order", as used in this Agreement, will mean each of the following:
- An order in writing for a Vehicle signed by a Permitted Signer in the form attached as Exhibit 2 hereto (or in any other form acceptable to Lessor in its sole discretion).
  - An order submitted electronically through Lessor's "Customer Access System" or similar internet application.
  - An order sent by a Permitted Signer to Lessor via electronic mail which includes the information specified in Exhibit 2 hereto.
- J. A "Permitted Signer", as used in this Agreement, will mean each of the following:
- Any officer or director of Lessee or an Authorized Affiliate.
  - Any person identified on a list provided by Lessee or an Authorized Affiliate to Lessor, as such list may be revised from time to time.
  - If Lessor has not received a list of persons authorized to be "Permitted Signers" from the Lessee or an Authorized Affiliate, then any persons whom the Lessor reasonably believes is authorized to act on behalf of Lessee or an Authorized Affiliate.
- K. An "Authorized Affiliate", as used in this Agreement, will mean any corporation, limited liability company, partnership, trust or other person designated by Lessee in writing to Lessor as an "Authorized Affiliate" of Lessee or otherwise designated as a person to whom Lessee has granted authority to submit a VLO in connection with this Agreement, as reasonably determined by Lessor.

IN WITNESS WHEREOF, the parties hereto have caused this Commercial Motor Vehicle Lease Agreement to be executed this 7<sup>th</sup> day of March, 2013.

[Remainder of Page Left Intentionally Blank]



Lessee: **Town of Los Gatos**

By: 

Name: Greg Larson

Title: Town Manager

Witness: 

Lessor: **Mike Albert, Ltd**

By: 

Name: Keith R. Miller

Title: Treasurer

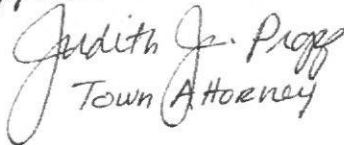
Witness: 

Address of Lessee: 110 E. Main St., Los Gatos, CA 95030

Tel: (408) 354-6834

Fax: (408) 399-5786

Approved AS TO FORM:

  
Town Attorney





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 5/19/2020

ITEM NO: 4

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DATE: May 11, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization)

**RECOMMENDATION:**

Authorize the Town Manager to negotiate and execute an agreement for consultant services with Iteris, Inc. in an amount not to exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization).

**BACKGROUND:**

Town staff began the Los Gatos Smart Signals Project in 2018, which will upgrade a total of 31 traffic signals owned by the Town and enhance the system with state-of-the-art technologies. The project is funded by the Town's Traffic Mitigation Fee program and three grants from the Santa Clara Valley Transportation Authority (VTA) and the Metropolitan Transportation Commission (MTC), for a total cost of approximately \$2.9 million.

At its December 19, 2019 meeting, the Town Council authorized the Town Manager to proceed with a multi-step procurement process. Subsequently, staff issued two Requests for Proposals (RFPs), one for Adaptive Signal Control and Advanced Traffic Management Systems (ATCS-ATMS) and the other for the design for the field improvements. This Council item addresses the field design contract. The ATCS-ATMS contract will be presented for the Town Council's consideration at a later date.

**PREPARED BY:** YING SMITH  
Transportation and Mobility Manager

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

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**SUBJECT:** Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization)

**DATE:** May 11, 2020

**DISCUSSION :**

The Town released the RFP on February 3, 2020 and closed it on March 6, 2020. The RFP was posted on the Town's website and sent to potential consultants. The successful consultant is required to provide all design services, including: project management, preliminary engineering, utility coordination, right-of-way work and final design and development of all contract documents for the field improvements for the Los Gatos Smart Signals ATCS-ATMS project. A total of four proposals were received from qualified consulting teams. Town staff requested additional information from the top two consultant teams and selected Iteris, Inc. as the most qualified firm.

The entire Smart Signals procurement process is illustrated in Table 1 with details of the individual project elements and actions. This contract will fulfill Step 4 of the process. Staff is currently in negotiation with the selected vendor for the ATCS-ATMS contract, which will fulfill Step 1. For projects with federal funding, additional time is typically needed to comply with federal contracting requirements.

Table 1 - Los Gatos Smart Signals Project Procurement Approach and Steps

Step	Scope & Project Element	Cost Estimate	Fund Source	Procurement
1	Adaptive Signal Control and Advanced Traffic Management Systems (ATCS-ATMS)	\$491,777	Local and Federal	RFP
2	Signal Controller Upgrade	\$163,680	Non-Federal	Sole Source
3	Automated Traffic Signal Performance Measures Virtual Bike Detection	\$537,804	Federal	RFP
4	Design of field elements	\$161,586	Non-Federal	RFP
5	Construction of field elements	\$449,064	Federal	Bid
Total for Procurement		\$1,803,911		

Note: Cost estimates are preliminary and do not include contractual project management costs.

**CONCLUSION:**

Authorize the Town Manager to execute the Consultant Services Agreement which will allow the design for the field improvements to move forward and support other elements of the Los Gatos Smart Signals Project.



SUBJECT: Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization)

DATE: May 11, 2020

COORDINATION:

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

FISCAL IMPACT:

Project #813-0227 Traffic Signal Modernization in the Capital Improvement Program Budget (Fiscal Year 2019/20 – 2023/24) has sufficient funds for the contract.

Traffic Signal Modernization Project 813-0227		
	Budget	Costs
Grant Fund	\$1,826,400	
Traffic Mitigation	\$688,262	
<b>Total Project Budget</b>	<b>\$2,514,662</b>	
Prior Year Expenditures		\$63,975
Expended/Encumbered FY 19/20		\$118,007
Design of Field Elements (Iteris)		\$135,390
Staff Costs		\$98,783
<b>Total Project Costs</b>		<b>\$416,155</b>
<b>Available Balance</b>		<b>\$2,098,507</b>

ENVIRONMENTAL ASSESSMENT:

This action is not a project as defined under CEQA. The Traffic Signal Modernization (Smart Signals) project is a project as defined under the California Environmental Quality Act (CEQA) and is Categorically Exempt under Section 15301: Existing Facilities. A Notice of Exemption will be filed.

ATTACHMENT:

1. Draft Agreement with Iteris, Inc.



**AGREEMENT FOR CONSULTANT SERVICES  
LOS GATOS SMART SIGNALS - DESIGN FOR FIELD IMPROVEMENTS**

THIS AGREEMENT is made and entered into on \_\_\_\_\_ (DATE) by and between TOWN OF LOS GATOS, a California municipal corporation, ("Town") and Iteris, Inc., ("Consultant"), whose address is 1999 Harrison Street, Suite 2125, Oakland CA 94612. This Agreement is made with reference to the following facts.

**I. RECITALS**

- 1.1 The Town desires to engage Consultant to provide Design Services for the Los Gatos Smart Signals - Design for Field Improvements Project.
- 1.2 The Consultant represents and affirms that it is willing to perform the desired work pursuant to this Agreement.
- 1.3 Consultant warrants it possesses the distinct professional skills, qualifications, experience, and resources necessary to timely perform the services described in this Agreement. Consultant acknowledges Town has relied upon these warranties to retain Consultant.

**II. AGREEMENTS**

- 2.1 Scope of Services. Consultant shall provide services as described in that certain Proposal sent to the Town on March 6, 2020, which is hereby incorporated by reference and attached as Exhibit A.
- 2.2 Term and Time of Performance. This contract will remain in effect from May 20, 2020 to December 31, 2021. Consultant shall perform the services described in this agreement as follows:
  - Draft Submittal by July 31, 2020.
  - Bid document Submittal by September 30, 2020.
  - Bid and construction services through balance of contract.
- 2.3 Compliance with Laws. The Consultant shall comply with all applicable laws, codes, ordinances, and regulations of governing federal, state and local laws. Consultant represents and warrants to Town that it has all licenses, permits, qualifications and approvals of whatsoever nature which are legally required for Consultant to practice its profession. Consultant shall maintain a Town of Los Gatos business license pursuant to Chapter 14 of the Code of the Town of Los Gatos.
- 2.4 Sole Responsibility. Consultant shall be responsible for employing or engaging all persons necessary to perform the services under this Agreement.



- 2.5 Information/Report Handling. All documents furnished to Consultant by the Town and all reports and supportive data prepared by the Consultant under this Agreement are the Town's property and shall be delivered to the Town upon the completion of Consultant's services or at the Town's written request. All reports, information, data, and exhibits prepared or assembled by Consultant in connection with the performance of its services pursuant to this Agreement are confidential until released by the Town to the public, and the Consultant shall not make any of these documents or information available to any individual or organization not employed by the Consultant or the Town without the written consent of the Town before such release. The Town acknowledges that the reports to be prepared by the Consultant pursuant to this Agreement are for the purpose of evaluating a defined project, and Town's use of the information contained in the reports prepared by the Consultant in connection with other projects shall be solely at Town's risk, unless Consultant expressly consents to such use in writing. Town further agrees that it will not appropriate any methodology or technique of Consultant which is and has been confirmed in writing by Consultant to be a trade secret of Consultant.
- 2.6 Compensation. Compensation for Consultant's professional services **shall not exceed** \$135,390, inclusive of all costs. Payment shall be based upon Town approval of each task.
- 2.7 Billing. Billing shall be monthly by invoice within thirty (30) days of the rendering of the service and shall be accompanied by a detailed explanation of the work performed by whom at what rate and on what date. Also, plans, specifications, documents or other pertinent materials shall be submitted for Town review, even if only in partial or draft form.
- Payment shall be net thirty (30) days. All invoices and statements to the Town shall be addressed as follows:
- Invoices:  
Town of Los Gatos  
Attn: Accounts Payable  
P.O. Box 655  
Los Gatos, CA 95031-0655
- 2.8 Availability of Records. Consultant shall maintain the records supporting this billing for not less than three years following completion of the work under this Agreement. Consultant shall make these records available to authorized personnel of the Town at the Consultant's offices during business hours upon written request of the Town.
- 2.9 Assignability and Subcontracting. The services to be performed under this Agreement are unique and personal to the Consultant. No portion of these services shall be assigned or subcontracted without the written consent of the Town.



- 2.10 Independent Contractor. It is understood that the Consultant, in the performance of the work and services agreed to be performed, shall act as and be an independent contractor and not an agent or employee of the Town. As an independent contractor he/she shall not obtain any rights to retirement benefits or other benefits which accrue to Town employee(s). With prior written consent, the Consultant may perform some obligations under this Agreement by subcontracting, but may not delegate ultimate responsibility for performance or assign or transfer interests under this Agreement. Consultant agrees to testify in any litigation brought regarding the subject of the work to be performed under this Agreement. Consultant shall be compensated for its costs and expenses in preparing for, traveling to, and testifying in such matters at its then current hourly rates of compensation, unless such litigation is brought by Consultant or is based on allegations of Consultant's negligent performance or wrongdoing.
- 2.11 Conflict of Interest. Consultant understands that its professional responsibilities are solely to the Town. The Consultant has and shall not obtain any holding or interest within the Town of Los Gatos. Consultant has no business holdings or agreements with any individual member of the Staff or management of the Town or its representatives nor shall it enter into any such holdings or agreements. In addition, Consultant warrants that it does not presently and shall not acquire any direct or indirect interest adverse to those of the Town in the subject of this Agreement, and it shall immediately disassociate itself from such an interest, should it discover it has done so and shall, at the Town's sole discretion, divest itself of such interest. Consultant shall not knowingly and shall take reasonable steps to ensure that it does not employ a person having such an interest in this performance of this Agreement. If after employment of a person, Consultant discovers it has employed a person with a direct or indirect interest that would conflict with its performance of this Agreement, Consultant shall promptly notify Town of this employment relationship, and shall, at the Town's sole discretion, sever any such employment relationship.
- 2.12 Equal Employment Opportunity. Consultant warrants that it is an equal opportunity employer and shall comply with applicable regulations governing equal employment opportunity. Neither Consultant nor its subcontractors do and neither shall discriminate against persons employed or seeking employment with them on the basis of age, sex, color, race, marital status, sexual orientation, ancestry, physical or mental disability, national origin, religion, or medical condition, unless based upon a bona fide occupational qualification pursuant to the California Fair Employment & Housing Act.

### **III. INSURANCE AND INDEMNIFICATION**

- 3.1 Minimum Scope of Insurance:
- i. Consultant agrees to have and maintain, for the duration of the contract, General Liability insurance policies insuring him/her and his/her firm to an amount not less than: one million dollars (\$1,000,000) combined single limit per occurrence for bodily injury, personal injury and property damage.



- ii. Consultant agrees to have and maintain for the duration of the contract, an Automobile Liability insurance policy ensuring him/her and his/her staff to an amount not less than one million dollars (\$1,000,000) combined single limit per accident for bodily injury and property damage.
- iii. Consultant shall provide to the Town all certificates of insurance, with original endorsements effecting coverage. Consultant agrees that all certificates and endorsements are to be received and approved by the Town before work commences.
- iv. Consultant agrees to have and maintain, for the duration of the contract, professional liability insurance in amounts not less than \$1,000,000 which is sufficient to insure Consultant for professional errors or omissions in the performance of the particular scope of work under this agreement.

General Liability:

- i. The Town, its officers, officials, employees and volunteers are to be covered as insured as respects: liability arising out of activities performed by or on behalf of the Consultant; products and completed operations of Consultant, premises owned or used by the Consultant. This requirement does not apply to the professional liability insurance required for professional errors and omissions.
- ii. The Consultant's insurance coverage shall be primary insurance as respects the Town, its officers, officials, employees and volunteers. Any insurance or self-insurances maintained by the Town, its officers, officials, employees or volunteers shall be excess of the Consultant's insurance and shall not contribute with it.
- iii. Any failure to comply with reporting provisions of the policies shall not affect coverage provided to the Town, its officers, officials, employees or volunteers.
- iv. The Consultant's insurance shall apply separately to each insured against whom a claim is made or suit is brought, except with respect to the limits of the insurer's liability.

- 3.2 All Coverages. Each insurance policy required in this item shall be endorsed to state that coverage shall not be suspended, voided, cancelled, reduced in coverage or in limits except after thirty (30) days' prior written notice by certified mail, return receipt requested, has been given to the Town. Current certification of such insurance shall be kept on file at all times during the term of this agreement with the Town Clerk.



- 3.3 Workers' Compensation. In addition to these policies, Consultant shall have and maintain Workers' Compensation insurance as required by California law and shall provide evidence of such policy to the Town before beginning services under this Agreement. Further, Consultant shall ensure that all subcontractors employed by Consultant provide the required Workers' Compensation insurance for their respective employees.
- 3.4 Indemnification. To the fullest extent premitted by law, the Consultant shall save, keep, hold harmless and indemnify and defend the Town its officers, agent, employees and volunteers from all damages, liabilities, penalties, costs, or expenses in law or equity that may at any time arise or be set up because of damages to property or personal injury received by reason of, or in the course of performing work which may be occasioned by a willful or negligent act or omissions of the Consultant, or any of the Consultant's officers, employees, or agents or any subconsultant.

#### **IV. GENERAL TERMS**

- 4.1 Waiver. No failure on the part of either party to exercise any right or remedy hereunder shall operate as a waiver of any other right or remedy that party may have hereunder, nor does waiver of a breach or default under this Agreement constitute a continuing waiver of a subsequent breach of the same or any other provision of this Agreement.
- 4.2 Governing Law. This Agreement, regardless of where executed, shall be governed by and construed to the laws of the State of California. Venue for any action regarding this Agreement shall be in the Superior Court of the County of Santa Clara.
- 4.3 Termination of Agreement. The Town and the Consultant shall have the right to terminate this agreement with or without cause by giving not less than fifteen days (15) written notice of termination. In the event of termination, the Consultant shall deliver to the Town all plans, files, documents, reports, performed to date by the Consultant. In the event of such termination, Town shall pay Consultant an amount that bears the same ratio to the maximum contract price as the work delivered to the Town bears to completed services contemplated under this Agreement, unless such termination is made for cause, in which event, compensation, if any, shall be adjusted in light of the particular facts and circumstances involved in such termination.
- 4.4 Amendment. No modification, waiver, mutual termination, or amendment of this Agreement is effective unless made in writing and signed by the Town and the Consultant.
- 4.5 Disputes. In any dispute over any aspect of this Agreement, the prevailing party shall be entitled to reasonable attorney's fees, including costs of appeal.



- 4.6 Notices. Any notice required to be given shall be deemed to be duly and properly given if mailed postage prepaid, and addressed to:

Town of Los Gatos  
Attn: Town Clerk  
110 E. Main Street  
Los Gatos, CA 95030

Iteris Inc.  
Attn: Richard Shinn  
1999 Harrison Street, Suite 2125  
Oakland CA 94612

or personally delivered to Consultant to such address or such other address as Consultant designates in writing to Town.

- 4.7 Order of Precedence. In the event of any conflict, contradiction, or ambiguity between the terms and conditions of this Agreement in respect of the Products or Services and any attachments to this Agreement, then the terms and conditions of this Agreement shall prevail over attachments or other writings.

- 4.8 Entire Agreement. This Agreement, including all Exhibits, constitutes the complete and exclusive statement of the Agreement between the Town and Consultant. No terms, conditions, understandings or agreements purporting to modify or vary this Agreement, unless hereafter made in writing and signed by the party to be bound, shall be binding on either party.



IN WITNESS WHEREOF, the Town and Consultant have executed this Agreement.

Town of Los Gatos by:

Consultant, by:

\_\_\_\_\_  
Laurel Prevetti, Town Manager

\_\_\_\_\_

Recommended by:

\_\_\_\_\_  
Name/Title

\_\_\_\_\_  
Matt Morley, Director of Parks and Public  
Works

Approved as to Form:

\_\_\_\_\_  
Robert Schultz, Town Attorney

Attest:

\_\_\_\_\_  
Shelley Neis, CMC, Town Clerk



## EXHIBIT A – SCOPE OF SERVICES

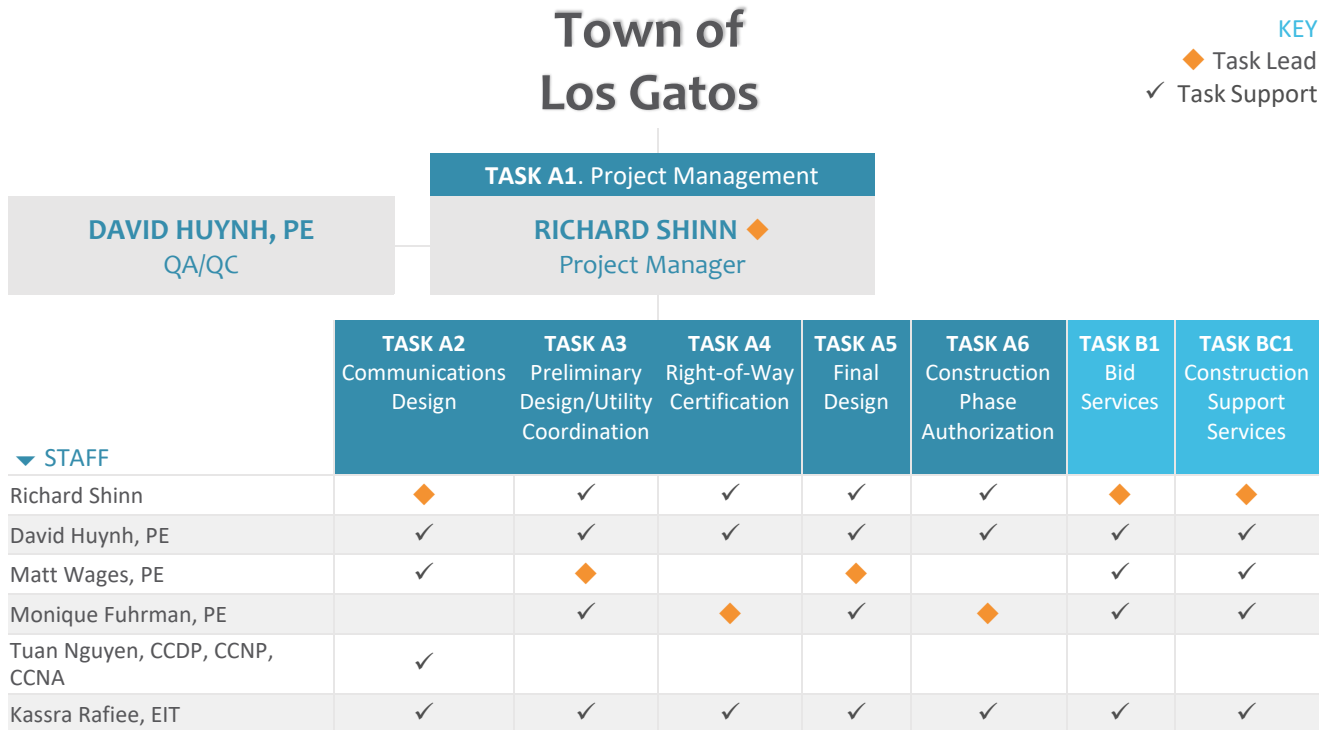


## 2. ORGANIZATION AND APPROACH

### 2.1 Roles and Organization of Proposed Team

With offices in Oakland, Santa Ana (headquarters) and Los Angeles, Iteris has the resources of over 100 team members throughout California dedicated to Traffic Engineering, Transportation Planning, and ITS. Iteris' proposed team organization is provided in **Figure 1** and includes seven project staff.

Figure 1 – Project Team Organization



### PROJECT MANAGEMENT



**Rich Shinn**  
Project Manager

Rich brings over 29 years of experience and has played a technical or managerial role in many major Bay Area ITS programs over the last 15 years including MTC's NexGen Arterial Operations Program, the San Mateo County Smart Corridor Program, the I-80 Integrated Corridor Management Program, and the SFgo and Santa Clara County TOS. He will serve as the Project Manager (PM) for this project and will be the principal contact with the Town of Los Gatos and other entities per Town's direction. As PM, Rich brings our client solutions that work, solutions that innovate and solutions that are smart as shown through his long track record of success on projects such as Los Gatos' IDEA Program Category 2 Project. With his extensive background and experience on other projects similar to this one, Rich is the ideal PM for the Town.

Please direct any follow-up questions or needed clarifications regarding this submittal to Rich at [rjs@iteris.com](mailto:rjs@iteris.com) or (925) 872-0834.



## KEY PERSONNEL CAPSULE PROFILES

This section includes high-level summaries of the key staff proposed for this project.

### DAVID HUYNH, PE – QUALITY CONTROL/ QUALITY ASSURANCE



David brings over 23 years of transportation experience having worked in both the public and private sectors with a focus on traffic engineering, design, Intelligent Transportation System (ITS), operations, signal systems, communications design, TSP design and implementation, connected vehicle, and system engineering. David previously served as the Senior Transportation Engineer for the City of Fremont where he managed the Transportation Group and was responsible for operation and management of the City's traffic signals and central signal system, project delivery of capital projects, transportation analysis and plan review for new developments.

#### Education and Registrations

MS, Civil Engineering (Transportation)  
BS, Civil Engineering  
PE, CA #60230

### MATT WAGES, PE – TASK LEAD (TASKS A3, A5 AND A9)



Matt has more than 11 years of hands-on technical and project management experience in many areas of ITS, traffic engineering and design, traffic signal timing and systems integration. Matt's main focus is in the areas of advanced technologies for ITS, transportation management systems, communications networks, CCTV systems, Bus Rapid Transit (BRT) and TSP, and railroad and Emergency Vehicle Preemption (EVP). His wide range of skills focuses on the planning, design, deployment and integration of advanced technologies and electrical systems for transportation management.

#### Education and Registrations

BS, Civil Engineering  
PE, CA #82548

### MONIQUE FUHRMAN, PE – TASK LEAD (TASK A4)



Monique has 9 years of experience working in the fields of traffic engineering, transportation design, ITS design and planning, public works engineering, and civil site engineering. Monique has performed analyses as part of traffic studies using the traffic analysis software Synchro and HCS. She has also prepared traffic analysis and design in compliance with standards set forth by the California Department of Transportation (Caltrans), the Los Angeles Department of Transportation (LADOT), and various local municipalities in Northern and Southern California. Monique has extensive experience with fiber optic communication projects, including signal interconnect, fiber, and wireless design for various communication applications. Her civil site engineering experience is in both public and private sector engineering projects. Monique has provided support to various types and phases of projects including: signing and striping plans, grading, demolition plans, erosion control plans, storm water management, fiber optic design, street lighting design, communications, traffic impact studies, traffic signal modification, and utility design. She also has experience in all phases of design from proposals to preliminary studies to design packages and through final submittals and construction support.

#### Education and Registrations

BS, Civil Engineering  
PE, CA #82740



## 2.2 Project Management Approach

The Iteris Team has been involved in this project since the beginning and has an unmatched understanding of all project phases and how they interrelated and depend on each other in order to successfully complete this project.

**As a matter of fact, Iteris' PM, Mr. Richard Shinn, has been involved since the inception of this project supporting MTC in the initial project concept development and scope refinement process.** He has since and continues to serve as the PM for Iteris on the SE phase of the project. The Iteris Team sees this project design as a natural progression into the next phase of the overall project goal. Having already worked with all agency project partners over the last 1.5 years, we hope to say that Iteris has built a great working relationship and trust with the Town moving forward into this next project design phase. With the Iteris Team, Rich we will provide the Town with complete project continuity from start to finish.

The delivery of this project has essentially been divided up into three phases: SE; adaptive system, central signal system, and VBD system deployments; and construction of field elements to support these systems. Iteris is the systems engineer working with the Town and its project partners throughout the SE process. This process has resulted in the development of the current RFP for the procurement of the adaptive and central traffic control systems. During the deployment of the adaptive system by the selected vendor, as the systems engineer, Iteris will continue to provide support the Town. As part of the adaptive system deployment, the Town will need to provide the selected adaptive and central signal system vendor with a working communications infrastructure and the necessary intersection detection configuration along the adaptive system corridor. Thus, this project design phase is a natural continuation of Iteris' previous and current work effort on this project. As a result of Iteris' work during the SE process, Iteris has already collected traffic signal as-builts, communications infrastructure and configuration, and performed a field inventory for most of the Town's 31 signals.

**The Iteris Team understands what has been done, what needs to be done, and can move this design phase of the project in an expedited manner to meet the Town's schedule requirements.**

Our approach to this project will focus on developing a complete and thorough design package, as well as obtaining all necessary approvals, that is ready to advertise for construction by the Fall. We will leverage our previous field survey work as the Los Gatos IDEA project System Engineer to expedite our detailed design. In addition, Task A2 – Communications Design and Task A3 – Preliminary Design/Utility Coordination will commence immediately upon NTP. Mr. Shinn will work with our staff of Cisco and Microsoft certified engineers to develop the overall network architecture that will seamlessly migrate the Town's traffic network to 100% Ethernet protocols. In parallel, a locally based design team will develop the PS&E package that incorporates the network architecture.

Our approach will be proactive, communicative and punctual. ITS design projects such as this are one of Iteris' core competencies. We know the typical pitfalls and will avoid them. Our PM will keep Town staff informed every step of the way so there are no surprises and results in high quality deliverable submitted on time.

## 2.3 Resumes

Roles for Iteris' proposed team members are presented in **Section 2.1**. Detailed resumes for proposed team members are provided in the **Appendix**.



## 3. SCOPE OF SERVICES

### 3.1 - 3.2 Scope of Services and Project Deliverables

The following section describes our approach to performing the scope of services outlined in the RFP. In it, we highlight some of the key challenges and issues and provide insights into how our team and the Town of Los Gatos can collaboratively address them as the overall program moves forward.



#### TASK A. DESIGN SERVICES

Iteris will provide all design services, including but not limited to: project management, preliminary engineering, utility coordination and right-of-way, and final design and development of all contract documents. This work will be organized into the following tasks. A resource allocation table with hours per task/subtask is provided in **Table 1** in **Section 3.3**.

##### Subtask A1. Project Management

Project management will be an extremely important component of this project as coordination will be needed with this project's selected ATCS-ATMS system vendor(s) as well as Town staff and consultants. At the initiation of the project, the Iteris Team will lead a project kick-off meeting with the Town and other project stakeholders. Through Iteris' current work as the systems engineer on the IDEA portion of the program, Mr. Richard Shinn, our PM, has already built a strong relationship with the Town's staff that will have a positive contribution to engaging the Town throughout the project. The goal of this meeting will be to establish communications protocol, review the scope of services, project staff, goals and expectations, approach, methodology, schedule, and any other items the Town and its project partners would like to discuss. Iteris will hold weekly meetings with the Town's Project Manager to provide updates on project progress and to discuss and resolve any project issues. Throughout the project, Iteris will continue to also coordinate with the Town for various project elements such as design reviews and permitting. Iteris will organize and lead any necessary project meetings with the Town and any or all project partners to discuss and resolve issues in order to keep and maintain forward progress on this project.

Iteris will provide project management activities throughout the duration of this project. Iteris will prepare and distribute meeting agendas prior to each meeting and meeting minutes summarizing outcomes and any action items for each meeting, provide monthly invoices and progress reports to Town staff, and create and maintain a project schedule. Iteris understands that the Town staff have other jobs to perform outside of this project, and want to be as efficient as possible with their time. Thus, project management techniques will be modified to meet the Town's needs.

Essential to the success of this project is the development and adherence to a project schedule that identifies tasks and subtasks, deliverables, and milestones. The schedule must be realistic and include appropriate review times for deliverables, not just by the Town, but by the project partners as well. The project schedule is the foundation for planning the work and working the plan. Iteris' proposed project schedule will complete the design portion of the project within four (4) months from the Notice to Proceed (NTP). We believe strongly that Iteris' Team can meet this schedule without risk to the Town based on our current work on the IDEA project.

##### Subtask A1. Deliverables

- Meeting agendas
- Draft and Final meeting minutes with action item logs

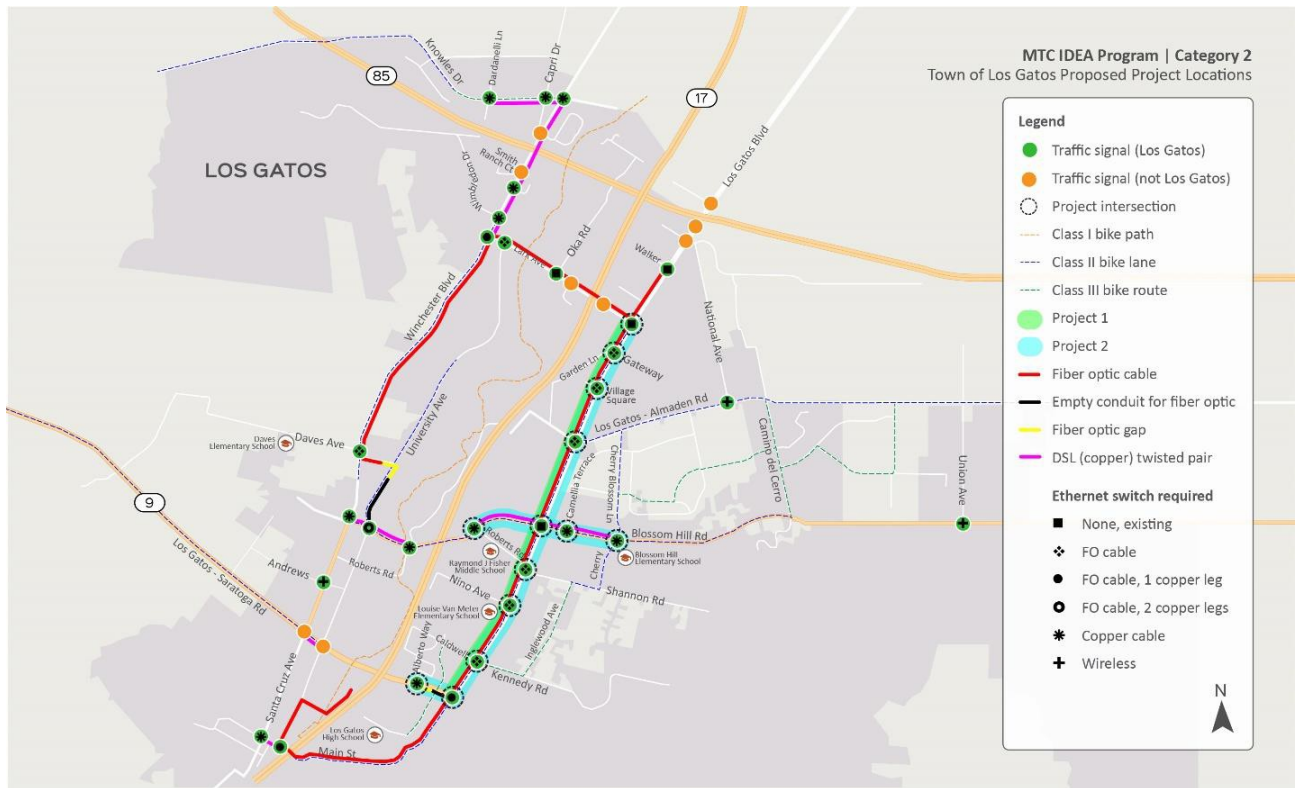


- Design schedule (Baseline within 5 days of NTP, with updates provided monthly at a minimum)
- ATCS-ATMS System Vendor discussion notes
- Monthly invoices and progress reports

#### Subtask A2. Communications Design

The installation of an Ethernet-based communications system is needed to both support the ATMS, ATCS and ATSPM system elements deployed throughout this program and serve as the foundation for all future ITS related initiatives going forward. As shown in **Figure 2**, the Town has a number of solid building blocks in place and will use this project to fill in the missing pieces.

**Figure 2 – Project Map**



The Town of Los Gatos is a partner in the regional Silicon Valley Intelligent Transportation Systems (SV-ITS) program and that program provides fiber optic links along several corridors in the Town. Installed in the early 2000's, this fiber has undergone a few changes over the years. The links listed below will remain in place going forward:

- 12 strand fiber optic cable along Lark Avenue from SR-17 to Los Gatos Boulevard.
- 24 strand fiber optic cable along Los Gatos Boulevard from Lark Avenue to Samaritan Drive-Burton Road.
- 96 strand fiber optic cable along Los Gatos Boulevard from Lark Avenue to the Town of Los Gatos Transportation Management Center.

In addition, the Town of Los Gatos installed a 72 strand fiber optic cable along Lark Avenue from Winchester Boulevard to Los Gatos Boulevard. In the near future the Town will install the following fiber links:

- 96 strand fiber optic cable along Los Gatos Boulevard from Lark Avenue to Samaritan Drive-Burton Road
- 12 strand branch cables at Walker Street/Los Gatos Boulevard, Lark Avenue/Los Gatos Boulevard and Lark Avenue/Oka Road.



Dial-up modem phone drops are used along Los Gatos Boulevard from Los Gatos-Saratoga Avenue to Roberts Road with a phone drop at Roberts Road. Along Los Gatos Boulevard between Blossom Hill Road and Lark Avenue, modems are used in conjunction with a fiber connection from the Field Master to City Hall. Overall, dial-up modem phone drops and SV-ITS fiber optic provide communications linkages to about two-thirds of the city's traffic signals (23 intersections). The remainder intersections have no communications linkages.

Seventy percent of the Town's intersections are currently equipped with twisted copper pair cables that link back to designated intersections with dial-up phone drops while the remaining traffic signals do not have any communications capabilities. When the Town is ready to check signal status, a serial-based field modem is accessed through a dial-up phone call. Four serial-based field modems provide access to dial-up locations.

Iteris will prepare preliminary designs to establish IP-based (Ethernet) communications between all project traffic signals and any equipment needed as part of the ATCS and ATMS systems. As part of preliminary design, Iteris will evaluate existing available copper signal interconnect cable (SIC) pairs and fiber optic strands and determine available SIC pairs and FO strands to use. The infrastructure upgrades anticipated include:

- Replacement of all TS-1 series cabinets with TS-2 series cabinets.
- Replacement of all serial-based field modems with Ethernet-over-Copper switches.
- Installation of fiber optic pull boxes, splice enclosures and lateral cables as needed to link all traffic signal cabinets to nearby fiber trunk lines.
- Installation of approximately 250 feet of new conduit and cable to link Alberto Way/Saratoga Road to the Los Gatos Boulevard fiber trunk line.
- Installation of approximately 1.1 miles of fiber optic cable in existing conduit on Winchester Boulevard between Lark Avenue and Daves Avenue.
- Installation of cellular modems at Blossom Hill Road & Union Avenue, Los Gatos-Almaden Road & National Avenue, and Andrews Street & Santa Cruz Avenue. These traffic signals that are not located near a fiber optic trunk line.

Our communications design will commence with a detailed field inventory of the Town's traffic signal infrastructure. This inventory will support both the Communications Design and the Detailed Design undertaken in subsequent tasks. Building off the IDEA project field inventory of thirteen intersections conducted in the fall of 2018, Iteris will inventory all traffic signal cabinets and pull boxes to ascertain the existing conditions and verify which existing conduit is suitable for reuse. Once complete, Iteris will develop a Communications plan showing the connections of all traffic signals including physical media (fiber, copper, or wireless), required Ethernet switches and standard details for connecting the traffic signal controllers to the Ethernet switches in the cabinet, and provides fiber optic cable splicing diagrams that will be included in the PS&E submittals later in the project. Accompanying the Communications Plan will be a Network Architecture Technical Memorandum that explains the rationale behind the diagrams in the Communications Plan; provides wireless communications recommendations; and assigns IP addresses, subnets and Virtual Local Area Network (VLAN) for each ITS field device in the project. Given this project will be the first large scale Ethernet deployment for the Town's traffic network, Iteris believes thorough documentation of the network architecture is critical to successful initial deployment and ongoing O&M activities.

#### Subtask A2. Deliverables

- Communications Plan sheets showing connections to all Town traffic signals showing media, Ethernet switches and connection details.
- Network Architecture Technical Memorandum
- Fiber optic cable splicing diagrams.

**The Iteris Team also has a head start on this design element as part of our field work developing the ConOps for the IDEA portion of the project.**



### Subtask A3. Preliminary (35%) Design and Utility Coordination

Leveraging the field inventory completed in Task A2, Iteris will establish and confirm the basis of design in this task. Iteris will prepare appropriate base mapping, at a scale to be discussed and agreed to by Town staff, for design and conduct all research necessary. Base mapping shall consist of digital plans including (but not limited to) all existing roadway features, traffic signal equipment, ADA considerations such as pull box locations near curb ramps, potential need for demolition activities, right-of-way, property lines/ownership information as well as compiling all necessary information for utility facilities while evaluating potential conflicts. Each site investigation shall include reviewing any/all as-built documents. Iteris will also review all existing background information regarding this project including the SE reports written by Iteris, North 40 development project plans and applicable Town and Caltrans standard specifications and details, applicable portions of the California MUTCD and other controlling design standards.

Using the base map, a preliminary (35%) design submittal will be prepared that illustrates a design/layout for the project that is consistent with the project's goals and budget. If necessary, multiple design options will be presented for specific locations along with an order of magnitude cost estimate for the recommended option. The preliminary design shall, at a minimum, include the Town's Standard Cover Sheet and Title Sheet and all plan sheets necessary to show the work included in the cost estimate. All anticipated sheets to be included in the final plan set shall be listed, such as a listing of required details to be included in subsequent submittals. A table of contents for Special Provisions shall be prepared and construction cost estimate will be presented including all anticipated cost items. Finally, permitting requirements will be identified for successful completion of the project.

Upon completion of the 35% Design, Iteris shall submit the plans showing underground work to utility companies as needed for review in accordance with utility requirements. Iteris will prepare all transmittals for signature by Town staff. Collected utility information will be shown on plans as needed when underground work is proposed.

#### Subtask A3. Deliverables

- Location of visible utilities in the project area.
- Location of property lines and easements within or immediately adjacent to the project area.
- Summary or diagram of existing conditions highlighting any special/potential conditions that may affect the final design.
- Preferred preliminary design.
- Specifications table of contents.
- Order of magnitude cost estimate for review with Town staff.
- Mapping of existing utilities, listing of potential utility conflicts and proposed solutions.

### Subtask A4. Right-of-Way Certification

If Right-of-Way certification is required for the project, Iteris shall verify and prepare the appropriate Right-of-Way certification to advance the project to the construction phase in accordance with the Caltrans Local Assistance Procedures Manual. All Right-of-Way lines will be shown on the design and construction documents.

It is anticipated that all project improvements will occur in the public right-of-way and/or existing public utility easements, and no right-of-way will need to be acquired as part of the project.

#### Subtask A4. Deliverables

- Right-of-Way Certification(s)

### Subtask A5. Final Design

Building on the 35% Design, the PS&E documents will be further developed with additional design content/details and requirements to reflect a 65% design level of completion. After the Town comments on the 35% Design submittal, Iteris shall respond and resolve any outstanding issues for the 65% design phase. Comments on the 35% design will be incorporated into the 65% design plans. Iteris will further develop the Specifications with additional details and requirements. At this state a construction schedule representing a 65% level estimate for all remaining portions of the design and project shall be prepared and included. Iteris will develop 65% level estimates of probable construction costs for the project.



The 95% submittal shall address all comments on the 65% submittal and include a fully developed set of contract documents including all plan sheets, Specifications and Special Provisions, details, and other contract documents needed for construction. The 65% plans will then be further developed with additional design details and requirements to complete a fully developed set of plans, Specifications and Special Provisions, details and other contract documents needed for construction. The construction cost estimate shall be finalized and shall include a 10% estimating contingency. The 95% submittal will be essentially complete under the assumption that only minor comments will be needed in the Final stage. Upon completion of the 95% design review submittal by the Town and project stakeholders, Iteris will prepare final contract documents for use in the construction bid process. All contract documents will be signed by a licensed Professional Engineer.

Iteris will provide an electronic copy of the final contract documents, a signed and stamped Mylar copy of the final approved plans, and a hard copy of the final signed, approved and stamped Specifications, Special Provisions and construction cost estimate. The electronic copy of the plans shall be provided as both AutoCAD and Adobe PDF files, and the electronic copy of the specifications and estimate shall be in both Microsoft Word/Excel format and PDF format.

#### Subtask A5. Deliverables

- 65% Plans, Specifications, Special Provisions and Estimates. Three hard copy sets of half-size (11"x17") plans and five hard copies of the Specifications, Special Provisions and cost estimates. The electronic copy of the plans shall be provided as both AutoCAD and PDF files, and the electronic copy of the specifications and estimate shall be in both Microsoft Word/Excel format and PDF format.
- 95% Plans, Specifications, Special Provisions and Estimates. Three hard copy sets of half-size (11"x17") plans, five hard copy sets of full-size (24"x36") plans and five hard copies of the Specifications, Special Provisions and cost estimates. The electronic copy of the plans shall be provided as both AutoCAD and PDF files, and the electronic copy of the specifications and estimate shall be in both Microsoft Word/Excel format and PDF format.
- Final contract documents. Three hard copy sets of half-size (11"x17") plans, five hard copy sets of full-size (24"x36") plans, one D-size (24"x36") mylar plans and five hard copies of the Specifications, Special Provisions and cost estimates. The electronic copy of the plans shall be provided as both AutoCAD and PDF files, and the electronic copy of the specifications and estimate shall be in both Microsoft Word/Excel format and PDF format.
- Response to comment memorandum (35%, 65% and 95%).

#### Subtask A6. Construction Phase Authorization

Iteris shall assist the Town in verifying the Request for Authorization to advance the project to construction in accordance with the Caltrans Local Assistance Procedures Manual. If additional work is required, then Iteris will prepare a budget proposal to complete the additional services needed for the Town to obtain authorization to proceed with construction.

#### Subtask A6. Deliverables

- Authorization from Caltrans to proceed with construction (E-76) (if needed).

### TASK B. BID SUPPORT SERVICES

#### Subtask B1. Bid Services

Iteris will assist the Town during the bidding and contract award phase. Iteris will respond in writing to all bidder inquiries and prepare addenda to the bid documents as needed in a format that can be easily posted online by Town staff. Iteris will update the cost estimates as needed in response to any addenda issued.

Within 10 working days of the bid date, Iteris will prepare and submit a conformed set of contract documents (plans and specifications) that incorporate any and all addenda.



The conformed set will consist of an electronic copy of the final conformed plans, and a hard copy of the final signed, approved, and stamped conformed Specifications, Special Provisions, and cost estimate. The electronic copy of the plans shall be provided as both AutoCAD files and PDF files, and the electronic copy of the specifications and estimate shall be provided in both Microsoft Word/Excel format and PDF format.

#### Subtask B1. Deliverables

- Responses to questions from bidders.
- Bidder inquiry and response log.
- Addenda as necessary with support information.
- Conformed set of Contract Documents incorporating any and all addenda (one original set for Town printing, plus five hard copies, and electronic copy in AutoCAD, MS Word/Excel and PDF formats)

### TASK C. CONSTRUCTION SUPPORT SERVICES

#### Subtask C1. Construction Support Services

Iteris will assist the Town in providing support during the construction phase of the Project. Commencing with the Town's issuance of the "Notice to Proceed" (NTP) of the construction contract, Iteris will:

- Review Contractor's submittals, including shop drawings, product data, and samples. In order to allow the contractor to maintain their schedule, Iteris will review all submittals within 5 calendar days.
- Iteris will prepare a written response with the Engineer's review comments for all submittals.
- Respond to RFI from the Contractor and Construction Manager to clarify the contract documents and the design intent. Iteris will provide a written response within 3 working days.
- Review Contractor's proposed substitutions and provide written response for Town's review and approval. Iteris will provide a written response within 3 working days.
- Prepare, review, and recommend approval of construction change orders, if any.

#### Subtask C1. Deliverables

- Written responses to Contractor's submittals, RFI's, and proposed substitutions.
- Construction contract change orders (if necessary).

## 3.3 Cost Control and Budgeting Methodology

### COST CONTROL METHODOLOGY

Iteris has a resource allocation-based project management system that is geared toward assuring that staff are productive and management is recruiting and training to provide Iteris Project Managers with the appropriate level of staff resources to complete all client commitments. This includes a monthly assessment by each project manager of the status of each project, in terms of progress against objectives, and a forecast of the resources required to complete the project on-time and within budgetary constraints.

Iteris utilizes an Oracle-based Project Management system through which all costs (labor and direct costs) for each project are recorded and tracked and project managers can monitor the status of their projects on a weekly basis. As a publicly-traded company, Iteris is required to accurately monitor and forecast costs and profits, therefore the accounting system is designed to facilitate such efforts in an accurate and transparent way. The monthly cost-to-complete estimates made by Iteris project managers are used by the management team to balance staff resources and complete projects successfully.

**The proof of Iteris' ability to develop such resource allocation plans is the fact that the majority of Iteris' business is from repeat clients. They know that Iteris delivers what it promises.**



From day one on a project, Iteris project team members are encouraged to keep in mind the desired outcome for each project. This is true for a traffic impact analysis, a multimodal mobility analysis, or development of a set of design plans; staff need to know what the final product is that we are all working to produce. This allows everyone involved in the project to understand what the project deliverables will look like and to work toward that end, with an eye on ways to expedite delivery of that product.

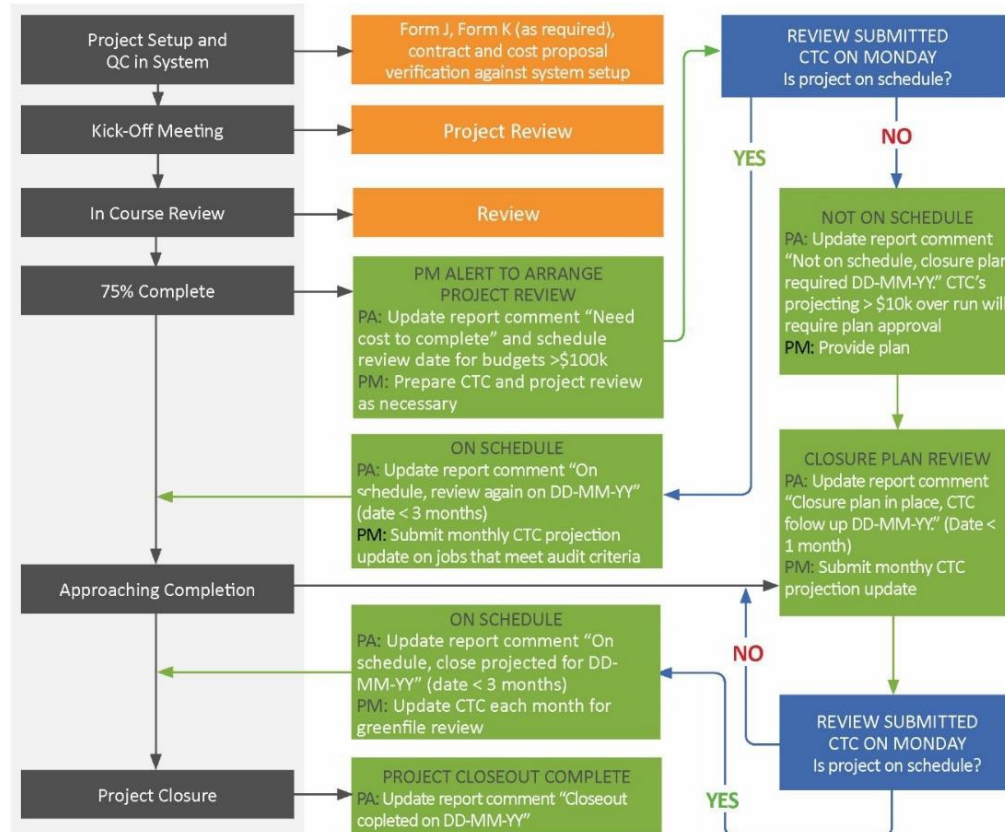
### Management Reporting Systems /Tools

Iteris has a history of successful administration of projects. Through many years of experience, Iteris' Project Manager, Richard Shinn, has developed a methodology that has proven effective in measuring progress, anticipating problems, reacting quickly to changes in project requirements, and maintaining schedule integrity. Iteris' project management process is designed with checks and balances that have resulted in our impressive track record of success on similar projects. Our project management objectives are developed to:

- Provide a complete and comprehensive technical description and work definition for the entire project.
- Develop a viable, comprehensive cost and schedule plan that reflects the planned performance of the work.
- Establish a comprehensive control system that provides the necessary status information to the project team, Town of Los Gatos, and Iteris management.
- Identify problem areas early and initiate corrective action.
- Communicate information to the Town on a regular and timely basis.
- Ensure thorough documentation through an effective Quality Assurance/Quality Control process.

Iteris' Project Controls process is shown in **Figure 3**. It is a sequential process of formal project (task order) start, regular review and estimating of cost to complete, with a fixed review point at 75% complete, then project closure.

**Figure 3 – Project Controls Process**





### Performance Monitoring

Monitoring of technical performance, schedules, and costs using a combination of automated and manual techniques provides an early indication of any deviation from planned performance. The earlier a deviation from the plan can be identified, the easier it is to implement the required corrective actions. The following activities are performed to proactively manage projects to ensure timely delivery and budget adherence:

- Monitor and control project activities with respect to schedule performance and analyze the impact of delays and cost alternatives. Actual project performance is periodically compared to planned project performance to identify deviations or areas of concern.
- Facilitate the assessment of work progress in terms of project milestones, work completed, percent in process, and dependence on future project tasks. The Iteris Project Manager will frequently hold informal discussions with the Town's Project Manager on specific tasks in addition to the regularly scheduled project team meetings. The designated Iteris Project Manager has extensive experience working with multiple agencies and has proven track record of completing projects on schedule and within budget.

For projects with subcontractors, development and tracking of subcontractor progress on their scopes of work begins with the execution of well-defined subcontract that clearly defines the roles and responsibilities of the subcontractor. Specific task responsibilities, deliverables, schedule and estimated levels of effort for each task will be agreed to prior to the initiation of work so they are no ambiguities as to the roles and responsibilities of team members. Iteris upper-level management is committed to:

- Maintaining a proper environment for the successful execution of the project
- Providing the Iteris Project Manager with adequate resources
- Monitoring the effectiveness of the Iteris Project Manager and the project team

Internal management review meetings are held monthly for each project. Current status is reviewed against the current project schedule and, most importantly, changes from baselines reported in the previous management review meeting are noted.

### Monthly Progress Reports

The Iteris Project Manager will submit a monthly written progress report to the Town. In this report, the Iteris Project Manager will discuss activities conducted during the reporting period (typically the previous calendar month) as well as a look at anticipated activities for the upcoming reporting period. The monthly progress report will provide the data necessary to track the progress of the work plan, in terms of budget and schedule adherence, and will forecast future expenditures and deliverable dates. Typical subjects covered in the monthly progress report include:

- Summary of activities during the month
- Planned activities for the next month
- Concerns or problems encountered and planned solutions
- Up-to-date project schedule
- Status of subcontractors
- Status of open and closed items
- Status of deliverables
- Forecast of cost to complete
- Documentation changes to the Scope of Work

### BUDGETING/RESOURCE ALLOCATION METHODOLOGY

At the outset of each project and task, Iteris project managers put together an outline of what the project or task deliverable will look like. This could be an outline of a final report or a list of design plans. The benefit of this approach to project delivery is that it allows the project team to develop pieces of the final deliverable as the project proceeds, rather than waiting to the end to begin to package work products. Iteris Project Managers are also trained to look for opportunities to expedite review and approval of interim products during the course of a



project. This could be the Existing Conditions/Setting section of a traffic study, or the base mapping upon which design plans will be prepared. This also includes documentation and confirmation of important decisions made on a project as work progresses. Meeting minutes are also carefully prepared and reviewed at each meeting to document decisions that have been reached with client and reviewing agency staffs to keep projects moving forward and to avoid revisiting settled issues.

An important technique to insure seamless review of work products by reviewing agencies is to make sure that they know what's coming and when. This means giving them adequate time to prepare for anticipated reviews of project deliverables and giving them an estimate of the magnitude of the product that will need to be reviewed. Providing early drafts of sections or pieces of a design package can also expedite review of the complete package.

Iteris always offers and encourages a meeting with reviewing agency staff to walk them through the submittal package. This helps the reviewing agency staff to know what they are being asked to look at and alerts them to any known outstanding items, prior to them pausing a review because something may be unresolved missing. Understanding each review cycle is a key to conducting it in a timely fashion. Iteris staff are always available to meet with agency reviewers during the review process to answer questions or clarify items in the review package. For subsequent review submittals, following an initial review, Iteris is always careful to document previous comments and responses to those comments. This directs the reviewing agency staff to those specific items within a re-submittal and avoids opening up the entire package to a re-review.

**Table 1** summarizes the hours allocated per task/subtask by each Iteris staff member.

**Table 1 – Resource Allocation Table**

TASKS	STAFF & HOURS ALLOCATED PER TASK							TOTAL HOURS PER TASK
	Richard Shinn	David Huynh, PE	Matt Wages, PE	Monique Fuhrman, PE	Tuan Nguyen, CCNP, CCNA	Kassra Rafiee, EIT	Admin	
<b>A Design Services</b>								
A1 Project Management	16						16	32
A2 Communications Design	16	2	4		8	4		34
A3 35% Design and Utility Coordination	12		40	48		80		180
A4 Right-of-Way Certification				8		8		16
A5 Final Design								
65% Submittal	16	4	40	48		80		188
95% Submittal	8	4	20	24		40		96
Final Contract Documents	4	4	8	24		20		48
A6 Construction Phase Authorization	4		8	8		8		28
<b>B Bid Support Services</b>								
B1 Bid Services	4	2	4	4		4		18
<b>C Construction Support Services</b>								
C1 Construction Support Services	16	4	16	16		16		68
<b>TOTAL HOURS</b>	<b>96</b>	<b>20</b>	<b>140</b>	<b>168</b>	<b>8</b>	<b>260</b>	<b>16</b>	<b>708</b>



## 3.4 Responses

### A) CRITICAL ENGINEERING DESIGN ISSUES

Overall, Iteris views this project as being very straight-forward. At a high level, this project is focused on modifying and enhancing the Town's existing communications and traffic signal infrastructure to support a new ATMS, an adaptive system, and ATSPM system. However, there are a few design issues that warrant close attention.

- **Ethernet Network Setup:** As mentioned previously, this project is the first major deployment of Ethernet communications protocols in the Town's traffic system. Developing an IP addressing scheme, subnet assignments and Virtual Local Area Network (VLAN) scheme that scales to meet the Town's current and future transportation needs. Iteris has included these activities in Task A.2 – Communications Design. Iteris will develop a high level network architecture as well as specific Ethernet configuration assignments (IP address, subnet and VLAN) for every IP addressable device included in the project. We will work with Town traffic engineering and IT staff to ensure these assignments fit into the Town's overall network architecture. This will allow the Town to easily and seamlessly expand their traffic network to support additional types and quantities of field devices in the future.
- **Traffic Signal Cabinet Selection:** Based on our various IDEA project meetings with Town staff, it is our understanding the Town plans on deploying TS-2 controllers and cabinets. This will result in all but six traffic signals receiving a new cabinet. Iteris intends to reuse as many cabinet foundations as possible in order to conserve costs.
- **Construction Schedule:** Iteris understands the Town's goal is to advertise this project for construction by mid-October 2020. In order to meet this schedule, Iteris will leverage our in-depth knowledge of this entire program. Our design efforts will be extremely efficient and focused entirely on producing a reliable network that will support the needs of the Town's limited staffing resources.

### B) CRITICAL ENVIRONMENTAL ISSUES

It is our understanding that this project is Categorically Exempt and therefore does not anticipate there to be any environmental issues.

### C) MINIMIZING PROJECT COST AND SCHEDULE

In addition to applying the cost control and budgeting methodologies described earlier, the following strategies will be utilized to minimize the cost and schedule for this particular project.

Iteris assembled a team of Engineers that with expertise in Ethernet based ITS communication systems. Iteris has a wealth of hands-on integration experience where we implement and deploy the elements in our design package. This allows us to apply lessons learned to make subsequent design and integration projects more efficient and cost effective for our public agency clients. Iteris continues to innovate in the communication system design with the latest technologies as well as innovate in the design plans improving the level of information and detail placed on engineering plans to eliminate change orders during construction.



- **Leverage Past Field Work:** Iteris staff conducted detailed inventories of the thirteen traffic signals included in the IDEA program portion of this project. While we will visit these traffic signals a second time as part of this project, we expect the field work to be completed faster. We will be updating the documentation at approximately 40% of the traffic signals versus documenting them for the first time. As a result, Task A.3 – Preliminary (35%) Design and Utility Coordination will be completed in 30 working days instead of the maximum two months listed in the RFP.



- **Leverage Familiarity with the Town:** In addition to completing a sizable portion of the field work previously, Iteris will leverage our past working experience with Town staff to produce a design that meets or exceeds the Town's expectations. Through our IDEA program SE work the Town made it abundantly clear they wanted an advanced system that are reliable and easy to use. The Town's traffic engineering staff is limited in number and assigned a myriad of responsibilities. To that end, our focus will be to provide a modern, reliable and low maintenance traffic signal network that will support deploying advanced ITS and Smart City strategies well into the future.
- **Complete Tasks A2 and A3 in Parallel:** The Communications Design and Preliminary (35%) Design & Utility Coordination tasks will be commence immediately upon NTP. These two tasks do not overlap and feed into Task A.5 – Final Design. Performing these two tasks in parallel will save 10 working days from the project.
- **Network Architecture Integration:** By developing the detailed design based on the network architecture will result in a smoother construction and system integration phases of the project.



## ITERIS' RESPONSES TO QUESTIONS

1. **Iteris' Response:** Iteris has summarized the requested information in the following tables:

**Table 1 – Current and Pending Projects of Key Personnel (May 2020 to July 2020)**

A.	B.	C.	D.	E.	F.
<b>Rich Shinn</b> Project Manager, Task Leader – A2, B1 and B2	12%	48%	Webster – Posey Tube Fiber Design (5%)	Los Gatos ATCS-ATMS Project (6%) Fashion Island System Integration Project (5%)	35%
<b>David Huynh, PE</b> Quality Control/Quality Assurance	1%	49%	I-880 ICM System Integrator (20%)	Los Gatos ATCS-ATMS Project (1%) San Jose ATSPM Project (5%)	35%
<b>Matt Wages PE</b> Task Leader - A3 and A5	16%	56%	I-880 ICM System Integrator (20%)	Los Gatos ATCS-ATMS Project (8%) San Jose ATSPM Project (5%)	25%
<b>Monique Fuhrman, PE</b> Task Leader - A4 and A6	20%	42%	Webster – Posey Tube Fiber Design (10%) Ridgeline HS Signal Design (5%)	Los Gatos ATCS-ATMS Project (10%) MTC 511/Express Lanes Ops Center (25%)	15%
<b>Kassra Rafiee</b> Project Engineer	33%	32%	I-880 ICM System Integrator (20%) Ridgeline HS Signal Design (5%)	Los Gatos ATCS-ATMS Project (16.5%) San Jose ATSPM Project (15%)	1%

**Table 2 – Current and Pending Projects of Key Personnel (August 2020 to June 2021)**

A.	B.	C.	D.	E.	F.
<b>Rich Shinn</b> Project Manager, Task Leader – A2, B1 and B2	2%	35%	Webster – Posey Tube Fiber Design (5%)	Los Gatos ATCS-ATMS Project (1%) Fashion Island System Integration Project (5%)	35%
<b>David Huynh, PE</b> Quality Control/Quality Assurance	1%	40%	I-880 ICM System Integrator (20%)	Los Gatos ATCS-ATMS Project (1%)	35%
<b>Matt Wages PE</b> Task Leader - A3 and A5	3%	30%	I-880 ICM System Integrator (20%)	Los Gatos ATCS-ATMS Project (1.5%) San Jose ATSPM Project (10%)	25%
<b>Monique Fuhrman, PE</b> Task Leader - A4 and A6	3%	20%	Webster – Posey Tube Fiber Design (5%)	Los Gatos ATCS-ATMS Project (1.5%) MTC 511/Express Lanes Ops Center (25%)	15%
<b>Kassra Rafiee</b> Project Engineer	4%	40%	I-880 ICM System Integrator (20%)	Los Gatos ATCS-ATMS Project (2%) San Jose ATSPM Project (15%)	1%



**2. Iteris' Response:** In assessing an existing traffic signal controller cabinet, and our subsequent recommendations for whether the cabinet needs to be replaced, we generally evaluate 1) the physical condition of the cabinet, 2) the standards that the cabinet was built to, and 3) the ability of the cabinet to accommodate and support the proposed project improvements. Each of these is described in detail below:

- Physical Condition – Our assessment starts with an evaluation of the physical condition of the overall cabinet shell, looking for signs of damage, dents, and rust. While most dents may be superficial and cosmetic, we look for dents that may impact or compromise the internal components of the cabinet, such as a dent that may be pushing up against the load bay or stretching or crimping internal wiring. When it comes to rust, we especially look for signs of rust in the cabinet flange where it is bolted to the foundation. We find that flanges that have deteriorated due to rust is very common and have led to the cabinet no longer being properly secured to the foundation.
- Standards – Our next assessment looks at the standards in which the cabinet was built. Based on our field work thus far, the Town primarily uses cabinets built on the NEMA standards. Cabinets built based on the current NEMA TS-2 tends to be newer and in good shape. Our focus will be on cabinets built based on the older NEMA TS-1 standard (the previous standard). These cabinets will tend to have more issues related to upkeep and maintenance as it may be difficult to find replacement parts and components. In particular, older cabinets that were built with using a printed-circuit (PC) board load bay are very difficult to maintain and repair in the event of a failure as PC load bays are no longer made. We would recommend any cabinet with a PC load bay be the first priority for replacement. Given this, we still do find that some TS-1 cabinets remain in very good condition and do not need to be replaced. This will be a discussion with the Town as to whether the Town would like all NEMA TS-1 cabinets to be upgraded to NEMA TS-2, as dictated by available project budget.
- Ability to Accommodate Proposed Project Improvements – Finally, and most importantly, is our assessment of the existing cabinet's ability to accommodate the additional components and equipment that would be installed as part of this project's improvements. For example, with the project's implementation of adaptive and ATSPM, the ability for the existing cabinet to support the more robust detection requirements of these systems will be critical. A constraint of NEMA TS-1 cabinets is that by default, they only support 16 channels of detection, which may not be adequate. While there are ways around this (such as by utilizing an SDLC connection when using video detection) that we will assess for, this may sometimes not be feasible. Based on our experience on other projects, we sometimes find that replacing an old NEMA TS-1 cabinet with a newer TS-2, while more costly initially, results in an overall savings in the end when trying to integrate new technology into an old cabinet. Also, we would assess the physical space within the cabinet to ensure any additional equipment (i.e., switches, fiber terminal panels, additional detection, etc.) can fit within the available space. Given that the City uses Type P sized cabinets, this is not likely to be an issue.

Iteris has done this exact work on two recent projects for Daly City as part their Traffic Management System upgrade (which is almost identical in scope to this project) and for AC Transit as part of the Line 97 Transit Priority Initiative (which also had a few project components similar to this project). For the Los Gatos IDEA Category #2 Systems Engineering project we followed the same process for 13 of the Town's intersections. The Attachment following Iteris' responses provides the inventory sheets for a few of these intersections.

**3. Iteris' Response:** In the event that Rich Shinn became unavailable to serve as the Project Manager (PM), then David Huynh would assume all of Rich's duties. Similarly, If Matt Wages and Monique Fuhrman would assume the other's duties in the event one of them were unable to lead their assigned tasks. Their availability is provided in the response to Question #1. All resumes have been included with our original proposal.

**4. Iteris' Response:** As discussed on page 14 of our proposal, the communications design will commence with a detailed field inventory of the Town's traffic signal infrastructure. This inventory will support both the Communications Design and the Detailed Design undertaken in subsequent tasks. Building off the IDEA project field inventory of thirteen intersections conducted in the fall of 2018, Iteris will inventory all traffic signal cabinets and pull boxes to ascertain the existing conditions and verify which existing conduit is suitable for reuse. Once complete, Iteris will develop a Communications plan showing the connections of all traffic signals including physical media (fiber, copper, or wireless), required Ethernet switches and standard details for connecting the trafficsignal



controllers to the Ethernet switches in the cabinet, and provides fiber optic cable splicing diagrams that will be included in the PS&E submittals later in the project. Accompanying the Communications Plan will be a Network Architecture Technical Memorandum that explains the rationale behind the diagrams in the Communications Plan; provides wireless communications recommendations; and assigns IP addresses, subnets and Virtual Local Area Network (VLAN) for each ITS field device in the project. A key decision to be made will be determining how the traffic network will interface with the Town's Wide Area Network. This will impact the actual IP address and VLAN assignments. Integrating the traffic and Town WAN could also subject the traffic network to the Town IT department's security policies and practices.

The Task A.2 deliverables include Communications Plan sheets showing connections to all Town traffic signals showing the physical media, Ethernet switches and connection details; Network Architecture Technical Memorandum; and fiber optic cable splicing diagrams. Given this project will be the first large scale Ethernet deployment for the Town's traffic network, Iteris believes thorough documentation of the network architecture is critical to successful initial deployment and ongoing O&M activities.

Our approach for designing the fiber optic and copper cable network will be to transform the network from supporting serial communications protocols to Ethernet protocols in a manner that provides as much redundancy as practical given the Town's budget constraints. From a practical viewpoint, this translates to connecting each traffic signal in a drop-and-repeat configuration and striving to establish a ring topology with multiple links between the signals on the east and west of SR17. The existing fiber connection on Lark Avenue between Winchester Boulevard and Los Gatos Boulevard. A second link across SR17 is in place on the southern end of town where Main Street intersects with Santa Cruz Avenue. A ring could be completed by either deploying Town-owned 5.9 GHz license-free Ethernet radios on Santa Cruz Avenue between Main Street and Blossom Hill Road or deploying those same type of radios to cross SR17 at Blossom Hill Road. A wireless site survey will be conducted to determine the best option.

In terms of fiber optic and copper cable requirements, Iteris recommends deploying 96 strand fiber trunk cables along with 12 strand lateral cables that will connect an Edge Ethernet switch residing in each traffic controller cabinet to the network. This architecture can be implemented using as few as two strands of fiber trunk cable and four strands of fiber lateral cable. On the copper cable side, Generally speaking, Iteris has found that 24 AWG cable or thicker performs best in arterial ITS deployments such as this project. However utilizing SHDSL based Ethernet-over-Copper switches allows for a margin of error in the event thinner copper cable is already in place.

Concerning the high-resolution controller data needed to support the Town's ATSPM solution, controller data does not require significant amounts of bandwidth at all. It typically requires less than 50 Kbps compared to 1 Mbps – 2 Mbps for CCTV cameras. While not needed to support the Town's ATSPM system, latency is critical for adaptive traffic control systems. Latency is defined as the time it takes for a data packet to travel from origin to destination. Adaptive traffic control system typically requires once per second communications between the controller and the server. This translates to designating traffic controller data as the highest priority traffic on an Ethernet network with rock solid connections and redundancies built in to compensate for any communications outages.

**5. Iteris' Response:** Our approach to cellular/wireless design in this project is to be as practical as possible. Given the hilly terrain east of SR17, Iteris recommends deploying cellular modems at Union Ave/Blossom Hill Road and National Ave/Los Gatos-Almaden Road. For these locations the wireless modem will be placed in the controller cabinet and will be connected to an antenna attached to the outside of the cabinet. Iteris recommends placing these devices in a network segment that is designated by the provider as private to the Town of Los Gatos. This will ensure that none of the data goes onto the public internet. As part of our design effort, Iteris will work with the Town's IT department to obtain pricing from the Town's preferred provider and include the details of the modem, antenna and mounting instructions into the applicable portions of the PS&E submittal. Iteris will also work with Town staff to quantify the expected recurring monthly charges which are expected to be between \$50 and \$75 per location. In our experience on similar projects, the agency's IT department and finance department typically handles the communications provider's billing and maintenance issues. The Public Works department will need to coordinate with these entities going forward after construction is completed.



As discussed in our response to Question #4, Iteris recommends a detailed evaluation of Town-owned 5.9GHz Ethernet radios on Santa Cruz Avenue between Main Street and Blossom Hill Road. A preliminary review of the topology of this segment is encouraging and worthy of a detailed site survey. Establishing wireless communications in this segment will improve the redundancy of the entire network and provide communications for the third location designated for wireless communications in the RFP, Andrews Street/Winchester Boulevard. At a high level our design will entail a radio mounted on a traffic signal pole or in close proximity to the controller cabinet. The radio and antenna will be mounted on a traffic signal pole in close proximity to the traffic signal cabinet.

When evaluating Ethernet switches, Iteris seeks to select or recommend a product(s) that meet or exceed the project's needs and requirements. From a network technology perspective, factors to be considered include: number of autosensing fiber ports that can support 10/100/1000 Mbps fiber connections, number of copper twisted pairs supported for backbone Ethernet communications, and the number of copper Ethernet ports (i.e. RJ-45 ports) at 10/100/1000 Mbps for local edge communications. The IEEE 802 LAN/MAN Standards Committee develops and maintains networking standards for local, metropolitan and other networks. While there is not sufficient space to explain the multitude of IEEE 802 standards, there are a few that are critical for projects like this. These include 1) IEEE 802.1Q which supports the ability to separate and prioritize different types of network traffic such as controller data and CCTV video through the creation of Virtual Local Area Networks (VLAN), 2) Internet Group Management Protocol (IGMP) Snooping which is used in conjunction with VLAN's to ensure network elements receive only the data packets of interest thereby reducing the chances of broadcast storms and optimizing available bandwidth, 3) support for Simple Network Management Protocol (SNMP) version 3 which is used for network elements such as switches and routers to exchange information and monitor the health of network, and 4) support for Spanning Tree Protocol (IEEE 802.1D) (or other vendor proprietary redundancy protocol) by controlling the use of redundant links in order to prevent data loops that can cripple a network.

Specific to Ethernet-over-Copper Ethernet switches, Iteris prefers to utilize switches that employ Single-pair High Speed Digital Subscriber Line (SHDSL) protocols due to its ability to bond multiple pairs of copper together to form a single high speed link and its ability to successfully operate with lower quality copper cable due to its relatively low carrier frequency when compared to the other protocols such as VDSL. Very high Digital Subscriber Line (VDSL) protocols do not support bonding multiple copper pairs into a single communications link and operate at a higher carrier frequency leaving users limited to a shorter operating range and the bandwidth generated by a single copper pair.

An overarching requirement for all ITS field devices is their ability to meet the - NEMA TS2 standards. In particular, operating at a temperature range of -34°C to +74°C with a relative non-condensing humidity that meets or exceeds 18 to 95% humidity over the temperature range.

Understanding the Town's preference for simplicity and ease of operations, standardizing on Ethernet switches from a single manufacturer will allow Town staff to be trained on only one manufacturer's equipment.

In terms of experience with similar deployments, Iteris has been at the forefront of converting ITS networks such as Los Gatos from serial based to Ethernet for over 15 years. What differentiates Iteris from our competition is our proven track record of sustained performance across the full project spectrum from high level planning to detailed design to 'hands-on' configuration and deployment of the actual network gear and ongoing Operations & Maintenance. Our firm has deployed thousands of field hardened Ethernet switches across the country. Our PM has over 20 years of experience in IT management. Among his many projects in this technical area is the San Mateo County Smart Corridor where he oversaw the deployment of approximately 1,000 Ethernet enabled field devices and is currently overseeing the entire system as an extension of C/CAG staff.

**6. Iteris' Response:** The following are the plan sheets anticipated for this project: Title Sheet; General Notes and Abbreviations; Construction Notes; Index Map; Table of Intersections; Signal Modification (1:20), 1 sheet per signal; Communication Plans (SIC and Fiber Optic) (1:40), 5-6 sheets; Communications (Wireless), 1 sheet; Communication Schematics. 1-2 sheets; Fiber Optic Splicing Diagrams, 3-5 sheets; Signal Interconnect Termination Diagrams, 3-5 sheets; and Details Sheet (fiber optic pull box, equipment mounting, etc.), 1-2 sheets.



**7. Iteris' Response:** We anticipate the key issues to resolve during design will be related to the communications infrastructure, particularly verifying the condition and understanding any constraints of the existing signal interconnect (SIC) and fiber optic (FO) cables.

- SIC – As part of the conversion to an IP-based (Ethernet) communications to signals, Ethernet-over-copper devices will be deployed to leverage the use of this existing SIC infrastructure. To the extent possible, our design plans to utilize any existing SIC as a project cost savings measure. In order to do so, we have to verify that the existing SIC is in good working order. This means verifying that the SIC cable runs continuously between signal cabinets with no breaks and also verifying that all conductor pairs within the cable are in working order. Since the Ethernet-over-copper devices allows the bonding of multiple pairs of SIC conductors, we want to leverage this and bond together as many pairs (up to 4 pairs) as possible to maximize communications bandwidth. As part of the verification, in addition to visual inspections, we would want to perform an end-to-end tone test on each individual SIC conductor to verify that each conductor is continuous and in working order. We did this exact work on our project in Daly City and found a couple of instances where the SIC was indeed not continuous and thus not in working order to utilize (in once instance, we suspect there was a break as a result of new sidewalk work related to construction of a new development). At that point, we discussed this finding with City staff and proposed alternatives. In this example, it was decided that a point-to-point wireless Ethernet radio system was the best solution to bridge the broken gap in the SIC. Catching this and resolving it during the design is obviously preferable to the Contractor discovering this during construction which would have resulted in delays and contract change orders.
- FO – Similar to the SIC, understanding the condition of the existing FO cables will be important as this project intends to utilize this existing asset. This includes understanding what strands are currently being used and how existing splices are made and routed. Knowing this will inform our design in terms of providing logical strand assignments that will make it easier to maintain and expand the use of the fiber optic network in the future. We also need to determine where existing fiber optic splice closures are located in the field as part of the design to intercept existing the FO cable with laterals. For example, it may be that an existing splice closure cannot accept any additional entry FO cable and would need to be upsized. Our design would also need to account for situations where an existing FO cable needs to be intercepted but lacks the coil length to perform the required splicing work to a lateral.

**8. Iteris' Response:** In our proposal, our Cover Letter discussed three of our team's advantages. These include an established relationship with Town staff, familiarity with Los Gatos' IDEA program and design engineers that know network design. Richard Shinn and David Huynh have been working with Town staff, W-Trans and MTC on the Town's IDEA program for the last 26 months beginning with the technical evaluation of the Town's IDEA program application on behalf of MTC. Our involvement has continued through Systems Engineering process where we have worked with the project stakeholders to develop several SE documents including a Needs Assessment, Concept of Operations, System Requirements, Verification Plan and input to the RFP's that will select the ATCS, ATSPM and VBD/BSP systems that will utilizing the infrastructure to be designed in this project. Our staff have observed school dismissal along Los Gatos Boulevard and seen the extremely large number of bicyclists that flood the corridor. We have conducted detailed inventories of the 13 traffic controller cabinets included in the IDEA program. This accounts for roughly 42% of the Town's traffic signals.

We know how important it is for the Town to deploy a system that not only meets or exceeds the IDEA program goals and objectives but does so in a manner that does not place an undue burden on the Town's extremely busy traffic engineering and maintenance staff. To make that happen, our team will design and architect a rock solid ITS field network that will support the four systems being deployed currently but also easily support future transportation technology solutions. Projects like this are the foundation of Iteris' consulting practice. We look forward to the opportunity to continue serving the Town of Los Gatos.



**EXHIBIT B – SCHEDULE**



## 8. COST PROPOSAL

**Table 2** provides detailed rates by task for all team members that will be assigned to this project.

**Table 2 – Cost Proposal**

TASK	Rich Shinn	David Huynh, PE	Matt Wages, PE	Monique Fuhrman, PE	Tuan Nguyen, CCDP, CCNP, CCNA	Kassra Rafiee, EIT	Admin	HOURS/ QUANT.		LABOR COST	ODC	TOTAL
	Rates	\$285.00	\$285.00	\$240.00	\$195.00	\$185.00	\$115.00	\$115.00				
A1. Project Management	16						16	32	\$6,400	\$250	\$6,650	
A2. Communications Design	16	2	4		8	4		34	\$8,030		\$8,030	
A3. 35% Design & Utility Coordination	12		40	48		80		180	\$31,580	\$1,000	\$32,580	
A4. Right-of-Way Certification				8		8		16	\$2,480		\$2,480	
A5. Final Design								0	\$0		\$0	
65% Submittal	16	4	40	48		80		188	\$33,860	\$500	\$34,360	
95% Submittal	8	4	20	24		40		96	\$17,500	\$250	\$17,750	
Final Contract Documents	4	4	8	12		20		48	\$8,840		\$8,840	
A6. Construction Phase Authorization	4		8	8		8		28	\$5,540		\$5,540	
B1. Bid Services	4	2	4	4		4		18	\$3,910	\$250	\$4,160	
C1. Construction Support Services	16	4	16	16		16		68	\$14,500	\$500	\$15,000	
TOTAL	96	20	140	168	8	260	16	708	\$132,640	\$2,750	\$135,390	

### Standard Terms and Conditions

- Billings will be monthly at the individual Categories and Maximum Rates for the persons actually performing the work during the performance period and are subject to annual adjustments.
- An escalation of 4% will apply to the rates above effective June 1 of each year.
- Expenses will be billed at cost plus 10% for services and handling. Expenses include project-related costs, such as subcontractor services, traffic counts, postage/delivery service, reproduction, transportation, and subsistence.
- All mileage rates will be based upon current IRS standard rates.





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 5/19/2020

ITEM NO: 4

ADDENDUM

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DATE: May 18, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization)

REMARKS:

Attachment 2 contains public comment received 11:01 a.m. May 14, 2020 to 11:00 a.m. May 18, 2020.

Attachments previously received with Staff Report:

1. Draft Agreement with Iteris, Inc.

Attachment receive with this Addendum:

2. Public Comment received 11:01 a.m. May 14, 2020 to 11:00 a.m. to May 18, 2020.

PREPARED BY: YING SMITH  
Transportation and Mobility Manager

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

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Public Comment received 11:01 a.m. May 14, 2020 to 11:00 a.m. to May 18, 2020

**From:** William Sylvester  
**Sent:** Sunday, May 17, 2020 1:27 PM  
**To:** PublicComment <[PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov)>  
**Subject:** Fwd: Smart Signals project plan

The intersection at Los Gatos Almaden and Union Ave. has the highest count of bicycle traffic in Los Gatos and serves both Union Middle School and Leigh High School. Please include it in the Smart Signals project plan.

Bill Sylvester  
Santa Clara County Firefighter-Retired

VP TEAM G CHILDHOOD  
CANCER FOUNDATION  
BOARD OF DIRECTORS  
[408-497-8856](tel:408-497-8856)  
[bill@teamgfoundation.org](mailto:bill@teamgfoundation.org)  
501(c)3. #[46-2127958](tel:46-2127958)  
[www.teamgfoundation.org](http://www.teamgfoundation.org)

**From:** Michelle Navarro  
**Sent:** Sunday, May 17, 2020 1:45 PM  
**To:** PublicComment <[PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov)>  
**Subject:** Smart Signals project plan

To whom it may concern,

I think the intersection of Los Gatos Almaden Rd & Union Ave should be included in the Smart Signals project plan. Vast amount of children (including mine) ride their bicycles through this intersection daily. Children going to and from Alta Vista, Union Middle School & Leigh High School all travel through this intersection. I would like to petition for the safety of our children and all in our neighborhood that this intersection be included immediately please.

Thank you in advance,

*Michelle Navarro*

ATTACHMENT 2





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 5/19/2020

ITEM NO: 4

DESK ITEM

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DATE: May 19, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Negotiate and Execute an Agreement for Consultant Services with Iteris, Inc. in an Amount Not to Exceed \$135,390 for Design for Field Improvements for the Los Gatos Smart Signals Project (Project #813-0227 Traffic Signal Modernization)

REMARKS:

Attachment 3 contains public comment received 11:01 a.m. May 18, 2020 to 11:00 a.m. May 19, 2020.

Attachment previously received with Staff Report:

1. Draft Agreement with Iteris, Inc.

Attachment previously received with Addendum:

2. Public Comment received 11:01 a.m. May 14, 2020 to 11:00 a.m. to May 18, 2020.

Attachment previously received with Addendum:

3. Public Comment received 11:01 a.m. May 18, 2020 to 11:00 a.m. May 19, 2020.

PREPARED BY: YING SMITH  
Transportation and Mobility Manager

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

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**From:** Jamie Perkins

**Sent:** Monday, May 18, 2020 3:44 PM

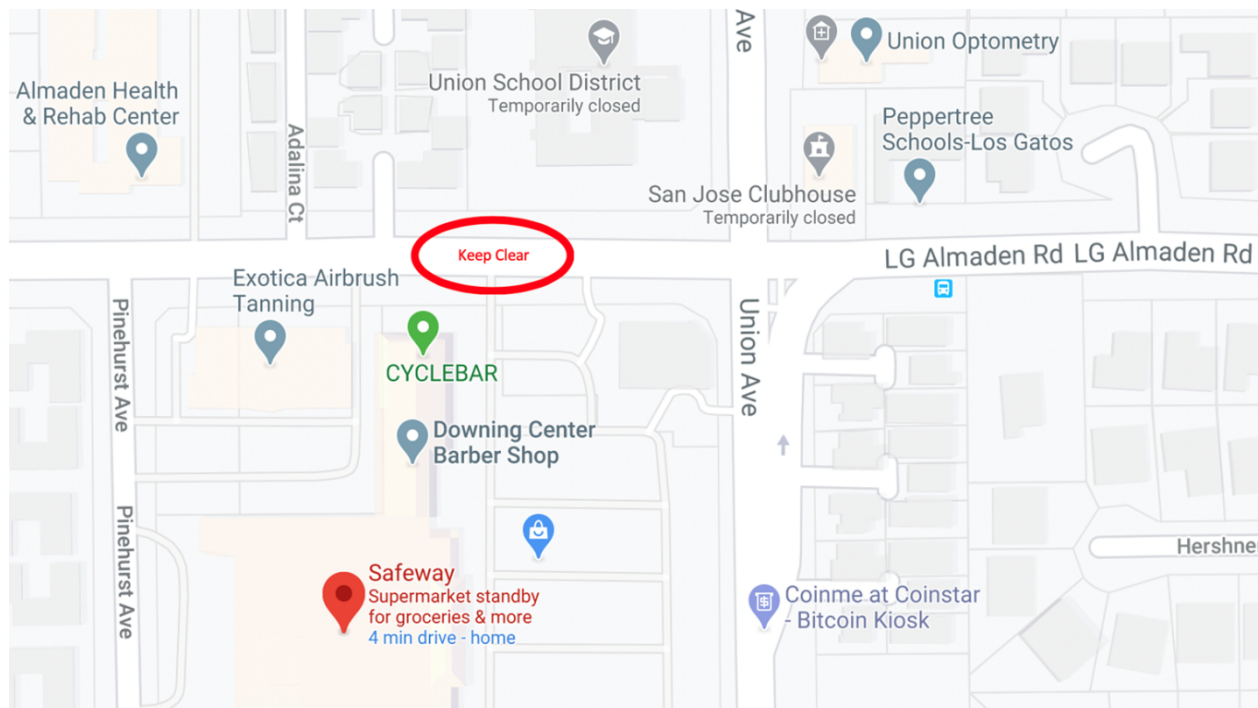
**To:** PublicComment <[PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov)>

**Subject:** Smart Signals project plan- add Los Gatos Almaden and Union Ave

Hello,

The intersection at Los Gatos Almaden and Union Ave has a high number of bicyclists, especially during commute hours as a number of middle school children access this road to get to Union Middle School. This should be on the Smart Signal project plan.

Additionally, the entrance into Downey shopping center on Los Gatos Almaden Rd (closest to Cyclebar) is a hazard and should have "Keep Clear" message painted on the road. Too many people cross over the turning lane as they are driving westbound on Los Gatos Almaden Rd making a left into the Downey shopping center. It's also very difficult for people exiting the shopping center to make a left onto Los Gatos Almaden Rd. I have seen too many close calls in this location and accidents are inevitable.



Thank you for your consideration.

Jamie Perkins





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 5

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DATE: May 14, 2020  
TO: Mayor and Town Council  
FROM: Laurel Prevetti, Town Manager  
SUBJECT: Authorize the Town Manager to Amend the Agreement for Consultant Services with Construction Testing Services (CTS) for Materials Testing Services for the Annual Street Repair and Resurfacing Projects (19-811-9901) in an Amount Not to Exceed \$94,000

**RECOMMENDATION:**

Authorize the Town Manager to amend an Agreement for Consultant Services with Construction Testing Services (CTS) for materials testing services for the Annual Street Repair and Resurfacing Projects (19-811-9901) in an amount not to exceed \$94,000.

**BACKGROUND:**

The Town's adopted FY 2019/20 Capital Improvement Program (CIP) Budget designates funding for the Town's Street Repair and Resurfacing Program. This is a recurring annual project for street rehabilitation activities throughout the Town to enhance safety for all travel modes and maintain the roadway infrastructure in Los Gatos. It is important for the Town to complete the annual street maintenance projects each year to prevent Town streets from falling into more expensive repair categories.

The Town annually hires a materials testing consultant to monitor compliance of construction materials for the Annual Street Repair and Resurfacing projects (Asphalt Overlay and Slurry Seal/Rubber Cape Seal) and the Annual Curb, Gutter, and Sidewalk project. A consultant from the Town's On-Call Materials Testing Services list submits a quote to perform the work and a final cost is negotiated with the Town.

**PREPARED BY:** Lisa Petersen  
Assistant Director of Parks and Public Works / Town Engineer

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

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PAGE 2 OF 3

SUBJECT: Authorize the Town Manager to Amend the Agreement for Consultant Services with Construction Testing Services for Materials Testing Services for the Annual Street Repair and Resurfacing Projects 19-811-9901 in an Amount Not to Exceed \$94,000

DATE: May 14, 2020

DISCUSSION:

The Town initially prepared an agreement with CTS to perform testing for the Annual Curb, Gutter, and Sidewalk project and Annual Street Repair and Resurfacing (Slurry Seal/Rubber Cape Seal) project in the amount of \$46,532. Further testing is required for the third related project occurring this summer, the asphalt overlay project. Additional quotes were requested and negotiated with CTS to perform additional materials testing.

CTS has already performed materials testing for the Annual Curb, Gutter, and Sidewalk project. If the Town Council approves the additional funding for the contract with CTS, it is anticipated that the work would begin immediately with the start of the asphalt overlay and slurry seal/rubber cape seal projects.

CONCLUSION:

Authorize the Town Manager to amend the Agreement for Consultant Services with Construction Testing Services for materials testing services for the Annual Street Repair and Resurfacing Projects (19-811-9901) in an amount not to exceed \$94,000.

COORDINATION:

This project has been coordinated with the Finance Department.

FISCAL IMPACT:

The fiscal table below highlights the actual bids received for the upcoming slurry seal and overlay projects. The projects have sufficient funding for the agreement with Construction Testing Services (CTS) for materials testing services.



SUBJECT: Authorize the Town Manager to Amend the Agreement for Consultant Services with Construction Testing Services for Materials Testing Services for the Annual Street Repair and Resurfacing Projects 19-811-9901 in an Amount Not to Exceed \$94,000

DATE: May 14, 2020

FISCAL IMPACT (continued):

Street Repair & Resurfacing Project 811-9901		
	Budget	Costs
GFAR	\$3,681,401	
Gas Tax	\$1,064,292	
Prior Reimbursements	\$64,865	
Anticipated Reimbursement - Monte Sereno	\$47,000	
Anticipated Reimbursement - WVSD & SJW	\$130,000	
<b>Total Budget</b>	<b>\$4,987,558</b>	
Overlay		\$1,484,264
Slurry Seal		\$1,880,515
10% Contingency		\$336,478
Construction Testing Services (CTS)		\$94,000
Contract Inspection		\$50,000
<b>Total Expenditures</b>		<b>\$3,845,256</b>
<b>Remaining Balance</b>		<b>\$1,142,302</b>

<b>Staff Costs</b>		
Operating Budget (Full time with benefits)		\$292,000
<b>Total</b>		<b>\$292,000</b>

ENVIRONMENTAL ASSESSMENT:

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

Attachment:

1. Amendment to the Agreement



## **FIRST AMENDMENT TO AGREEMENT FOR CONSULTANT SERVICES**

This FIRST AMENDMENT TO AGREEMENT is dated for identification this 19<sup>th</sup> day of May 2020 and amends that certain agreement for Agreement for Services dated April 24, 2020, made by and between the Town of Los Gatos, ("Town") and Construction Testing Services ("Consultant").

### RECITALS

- A. Town and Consultant entered into an Agreement for Consultant Services on April 24, 2020, ("Agreement"), a copy of which is attached hereto and incorporated by reference as Exhibit A to this Amendment.
- B. Town desires to amend the Agreement for Consultant Services to increase compensation for the Scope of Services.

### AMENDMENT

2.1 Scope of Services is amended to add the following:

Consultant shall provide services as described in that certain Proposal sent to the Town on (DATE), which is hereby incorporated by reference and attached as Exhibit C.

2.6 Compensation is amended to add the following:

Compensation for Consultant's professional services shall not increase in an amount of \$46,532, for a total agreement amount not to exceed \$94,000 for Project #411-811-9901, inclusive of all costs. Payment shall be based upon Town approval of each task.

All other terms and conditions of the Agreement remain in full force and effect.



IN WITNESS WHEREOF, the Town and Consultant have executed this Amendment.

Town of Los Gatos

Consultant by:

By: \_\_\_\_\_  
Laurel Prevetti, Town Manager

\_\_\_\_\_

Department Approval:

\_\_\_\_\_  
Name/Title

\_\_\_\_\_  
Matt Morley  
Director of Parks and Public Works

Approved as to Form:

Attest:

\_\_\_\_\_  
Robert Schultz, Town Attorney

\_\_\_\_\_  
Shelley Neis, MMC, CPMC, Town Clerk



**DATE:** 01/31/20  
**PROPOSAL No.:** P17375  
**CLIENT:** TOWN OF LOS GATOS  
**PROJECT:** ANNUAL STREET REPAIR AND RESURFACING ASPHALT OVERLAY  
**LOCATION:** LOS GATOS, CA

Revised 2.21.2020

ITEM: I ONSITE TESTING & INSPECTIONS		ESTIMATED DAYS	ESTIMATED HOURS	UNIT PRICE	ESTIMATED TOTAL
<b>GEOTECHNICAL SERVICES</b>					
	AB PLACEMENT	5	4	\$85	\$1,700
	AC PAVING	5	4	\$85	\$1,700
	PORTAL TO PORTAL TRAVEL TIME FOR NUCLEAR GAUGE USE	10	2	\$85	\$1,700
	PORTAL TO PORTAL MILEAGE FOR NUCLEAR GAUGE USE	10	82	\$0.58	\$476
<i>Preliminary Sub-Total of Onsite Testing &amp; Inspection (approx.)</i>					<b>\$5,576</b>

ITEM: II LABORATORY TESTING & ENGINEERING		ESTIMATED UNITS/HOURS	UNIT PRICE	ESTIMATED TOTAL
<b>EARTHWORK/GEOTECHNICAL TESTING</b>				
	COMPACTION CURVES (ASTM D 1557)	2	\$250	\$500
	R VALUE	2	\$300	\$600
	SAND EQUIVALENT	2	\$175	\$350
	SIEVE ANALYSIS	2	\$125	\$250
	DURABILITY	2	\$250	\$500
<b>HOT MIX ASPHALT TESTING</b>				
	LTMD	5	\$500	\$2,500
	SAMPLE PICK-UPS	15	\$10	\$150
	STAFF ENGINEER	3	\$125	\$375
	PROJECT MANAGEMENT	1	\$140	\$140
	FINAL LETTER	1	\$275	\$275
<i>Preliminary Subtotal of Laboratory Testing &amp; Engineering (approx.)</i>				<b>\$5,640</b>
<i>Preliminary Estimated Fees</i>				<b>\$11,216</b>
<i>Project Administration 6%</i>				<b>\$673</b>
<i>Total Preliminary Estimated Fees</i>				<b>\$11,889</b>

If work is performed at night a 12.5% differential will be charged.

A 6% project administration fee will be charged monthly per invoice.

No contingency is budgeted by CTS for uncontrollable overtime, union or prevailing wage increases and unforeseen requirements that may arise in the specifications, as well as for work over the estimated hours. Owner should budget appropriate amount for budgetary purposes.

Estimate based on plans by NCE, dated 11/18/2019. No construction schedule was available at the time this estimate was prepared. See attached fee schedule for basis of charges.

Estimate revised based on email from Suyesh Shrestha, Town of Los Gatos, dated 2/4/2020, 2/6/2020 and 2/19/2020.

The liability of Construction Testing Services (CTS) is limited to CTS's contract value. See attached fee schedule for basis of charges.

Estimate includes portal to portal travel time for nuclear gauge transport from laboratory per requirements of the CA Radiological Health Branch.





**2017 FEE SCHEDULE - P12613 4/28/17**  
**PERSONNEL FEES AND BASIS OF CHARGES**  
**INSPECTIONS, ENGINEERING & SPECIAL SERVICES**

	<b>Standard Rate/Hour</b>	<b>Discounted Rate/Hour</b>
<b>* FIELD INSPECTION AND LABORATORY SERVICE</b>		
Steel	\$195.00	\$82.00
Nondestructive - UT, MT, PT	\$200.00	\$85.00
Steel Visual/UT Combination	\$200.00	\$82.00
Concrete ACI	\$195.00	\$82.00
Concrete ICC	\$195.00	\$82.00
Masonry	\$195.00	\$82.00
Fireproofing	\$195.00	\$82.00
Soil Technician w/Nuclear Gauge and/or Sand Cone ( <i>portal-to-portal</i> )	\$195.00	\$85.00
Roofing & Waterproofing	\$195.00	
Multi-Disciplined Inspector	\$195.00	
Inspector Requiring G1 Pay Grade	\$225.00	
Specialty Inspector or Where Formal Certification is Required	\$195.00	
Field Inspector with Special Enhancement	\$195.00	
Laboratory Technician	\$195.00	
Technician Typist	\$195.00	
<b>**PROFESSIONAL ENGINEERING SERVICES</b>		
Principal Engineer (Civil/Structural)	\$320.00	
Geotechnical Engineer	\$270.00	\$170.00
Consulting Engineer (Civil/Structural)	\$245.00	\$160.00
Associate Engineer, Licensed	\$220.00	\$150.00
Project Manager	\$195.00	\$140.00
Staff Engineer	\$195.00	\$125.00
Field Supervision	\$170.00	\$125.00
ASNT Level III	\$185.00	\$130.00
Drafting	\$135.00	
Quality Control Manager	QOR	
<b>SPECIAL SERVICES</b>		
Portable and Mobile Laboratories, NDT and Soils	QOR	
* Epoxy Bolt/Expansion Anchor - Installation Observation	\$195.00	\$80.00
* Epoxy Bolt/Expansion Anchor Proof Load Testing ( <i>portal-to-portal</i> )	\$195.00	\$80.00
* Coring, 1 Person (including equipment) ( <i>portal-to-portal</i> )	\$180.00	
* Coring, 2 Persons (including equipment) ( <i>portal-to-portal</i> )	\$230.00	
Project Research	QOR	
Ultrasonic Testing for Non-Metallic Materials	QOR	
Pavement Rehabilitation Analysis Using Deflections	QOR	
Roof Moisture Survey	QOR	
Soil Drilling Equipment	QOR	
Geotechnical Site Investigations/Foundation Reports	QOR	
Pachometer, Schmidt Hammer, Windsor Probe ( <i>portal-to-portal</i> )	\$260.00	
Floor Flatness Testing FF/FL - Equipment Fee \$110/Day ( <i>portal-to-portal</i> )	\$260.00	
Measuring Moisture Vapor Emission Rate (Calcium Chloride) - \$50/Kit ( <i>portal-to-portal</i> )	\$260.00	
Relative Humidity Testing - \$70/Kit ( <i>portal-to-portal</i> )	\$260.00	
Ferrosan - Equipment Fee \$110/day ( <i>portal-to-portal</i> )	\$260.00	
GPR - Equipment Fee \$110/day ( <i>portal-to-portal</i> )	\$305.00	
Administration, Secretarial, Special Projects, Notary, Certified Payroll	\$145.00	
Concrete/Grout/Mortar Mix Design Review (less than 48 hours notice - \$500)	\$340.00	\$250.00
Welding Procedure Review (less than 48 hours notice - \$500)	\$340.00	\$250.00
Welder Qualification Test	\$210.00	
DSA Interim Reports	\$160.00	
Geotechnical Pad Letter (less than 48 hours notice - \$500)	\$310.00	
Final Letter (less than 48 hours notice - \$500)	\$340.00	\$275.00
<b>EXPERT WITNESS TESTIMONY</b>		
Court appearance, per day	\$2,000.00	
Court appearance, per half day	\$1,000.00	

\* Field inspection services will be billed in accordance with minimums shown on Basis of Charges.

\*\*Professional engineering services and laboratory technician services will be billed at actual time.





## BASIS OF CHARGES

### GENERAL

Fees for tests and inspection include cost of technician, normal equipment and regular reports. Engineering services will be charged at applicable rates and will require travel and mileage charges for equipment transport and storage per code (portal to portal) from the nearest CTS laboratory. Soils testing with nuclear gauge and/or sand cone equipment and inspections requiring equipment will require applicable travel and mileage charges for equipment transport and storage per code (portal-to-portal) from the nearest CTS laboratory. Fees for special projects, services overseas, or elsewhere in the United States, will be quoted on request. With prior notification to Client; charges are subject to change at any time. Construction Testing Services reserves the right to adjust the rates quoted in this contract based upon any Union or prevailing wage increases and/or changes in any industry requirements.

### MINIMUM HOURLY CHARGES – INSPECTION

Technician personnel and the following minimum charges are contractual commitment:

One-half day or less	4 Hours
Over one-half day	8 Hours
Show-up time (less than 2 hours notice = 4 hour charge)	2 Hours

### WORKING HOURS AND PREMIUM TIME

Regular workday is the first 8 hours between 6:00 am and 6:00 pm Monday through Friday. Premium time is as follows:

Overtime, Weekdays and Saturdays (first 8 hours)	1.5 x quoted hourly rate
Overtime Saturdays (over 8 hours) and Sundays (first 8 hours)	2 x quoted hourly rate
Overtime Sundays (over 8 hours) and Holidays	3 x quoted hourly rate
Shift differential, swing and graveyard - (Work performed between 2:00 pm and 4:00 am)	12.5%/hour additional to base or quoted rate.

### MISCELLANEOUS CHARGES - Only Where Applicable

Notary Services Fee	\$27.50/each	
Facsimile Charges. Plus \$1.00/page (n/c for cover page)	\$5.50 minimum	
Wireless Router/Data Card for Jobsite Internet	\$110.00/day	
Parking Fees	At Cost	
Air Travel	Cost Plus 5%	
Outside Services	Cost Plus 20%	
Subsistence (per union contract)	\$120.00/day	
Mileage	Standard Federal Rate	
Sample Pickup	<del>\$20.00/each</del>	\$10.00/each
Weekend Sample Pickup	\$85.00/hour	
Project Administration	6% of Monthly Invoice	
Samples Made by Others: Concrete Cylinders	\$110 + Test	
Samples Made by Others: All Other Tests	\$45 + Test	
Laboratory Sample Witness Fee	\$110.00	
EZ Cure Boxes (Thermostatically Controlled Curing Boxes)	QOR	
Returned Check Fee	\$110.00	

### TESTS

Testing fees shown include normal time for performing test. Samples requiring special preparation will be charged at the laboratory technician rate. Fees for tests not listed will be quoted upon request. There will be a minimum charge of \$100.00 for any engineering report. Please note some tests maybe tested by subconsultants. Samples delivered to the laboratory after 3:00pm or samples needing results within 24 hours will incur a 50% mark-up.

### INSURANCE

For the waiver of subrogation if required by client, a 2% CTS administrative fee will be added to all gross billings/revenue in addition to the 3% fee from State Fund. The liability of Construction Testing Services (CTS) is limited to CTS's contract value.

### PAYMENT

Invoices will be submitted monthly or bimonthly for services performed during the preceding month and are payable on receipt. Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principle unpaid amount. Attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by client. Visa, MasterCard and American Express payments are accepted however fees will apply. Visa and MasterCard payments require an additional 3% on top of the amount of the invoice being paid. American Express payments require an additional 4% on top of the amount of the invoice being paid.





## CONCRETE AND MASONRY TESTS

		<b>Standard Rate/Each</b>	<b>Discounted Rate/Each</b>
<b>CONCRETE</b>			
Compressive Strength of Cylindrical Concrete Specimens (6x12)	ASTM C39	<del>\$66.00</del>	\$45.00
Compressive Strength of Cylindrical Concrete Specimens (4x8)	ASTM C39	<del>\$66.00</del>	\$45.00
Compressive Strength of Cylindrical Concrete Specimens (Over 8000 PSI)	ASTM C39	\$117.00	
Cylinder molds. 6" x 12" and 4" x 8"	ASTM C470	\$55.00	
Compressive Strength of Lightweight Insulating Concrete	ASTM C495	\$77.00	
Obtaining and Testing Sawed Beams and Drilled Cores of Concrete (Cores)	ASTM C42	\$99.00	
Flexural Toughness of Fiber Reinforced Concrete (Round Panel)	ASTM C1550	\$363.00	
Flexural Strength of Concrete (Using Simple Beam with Third-Point Loading)	ASTM C78	\$253.00	
Flex Beams per Caltrans Test Methods	CT523 and CT524	\$253.00	
Length Change of Hardened Hydraulic-Cement Mortar and Concrete (Shrinkage, 1 Sample)	ASTM C157	\$121.00	
Shotcrete Nozzleman Qualification Letter (Per Nozzleman, Per Position)	ACI 506, ASTM C42 and C1140	\$363.00	
Shotcrete Pre-Qualification Cores (Compression and Visual)	ACI 506, ASTM C42 and C1140	\$88.00	
Shotcrete Production Cores	ASTM C1140	\$88.00	
Coefficient of Thermal Expansion	AASHTO T336	\$440.00	
Determining Density of Structural Lightweight Concrete (Cylinders)	ASTM C567	\$330.00	
Standard Specification for Concrete Made by Volumetric Batching and Mixing	ASTM C685	\$798.00	
Cement Quality Sampling	CBC 2010	\$550.00	
Physical Testing of Gypsum, Gypsum Plasters and Gypsum Concrete	ASTM C472	\$44.00	
Splitting Tensile Strength of Cylindrical Concrete Specimens	ASTM C496	\$209.00	
Static Modulus of Elasticity and Poisson's Ratio of Concrete in Compression	ASTM C469	\$177.00	
Grab Sample, Sealing and Storing in a Humidity and Temperature Controlled Room	CBC	\$121.00	
Density of Hydraulic Cement	ASTM C188	\$160.00	
Testing of Controlled Low Strength Material (CLSM) Test Cylinders	ASTM D4832	\$121.00	
GFRC Pull Test	PCI	\$308.00	
GFRC Flexural Test	PCI	\$308.00	
Foaming Agents for Use in Producing Cellular Concrete Using Preformed Foam (Cell-Crete)	ASTM C796	\$423.00	
<b>MASONRY</b>			
Compressive Testing of Grout (Masonry)	ASTM C1019	<del>\$99.00</del>	\$60.00
Compressive Strength of Hydraulic Cement Mortars Using 2" Cube Specimens	ASTM C109	<del>\$99.00</del>	\$60.00
Compressive Strength of Masonry Prisms	ASTM C1314	<del>\$149.00</del>	\$100.00
Testing Concrete Masonry Units and Related Units (Core Compression)	CBC 2105A.4	\$149.00	
Compressive Strength of Molded Masonry Mortar Cylinders and Cubes (2" Sample)	ASTM C780 A7.6	<del>\$99.00</del>	\$60.00
Testing Concrete Masonry Units (CMU) and Related Units (Full Unit)	ASTM C140	\$149.00	
Linear Drying Shrinkage of Concrete Masonry Units (Per Unit)	ASTM C426	\$220.00	
Masonry Core Shear Testing	CBC 2105A.4	\$220.00	
Testing Concrete Masonry Units (Absorption, Moisture Content, Unit Weight)	ASTM C140	\$275.00	
Brick and Clay Tile (modulus of rupture, compression, saturation coefficient, suction rate, efflorescence)*	ASTM C67	\$825.00	
Mortar Molds. 2" x 4". Single Use		\$99.00	
Mortar or Grout, Stored and Cured, Not Tested (Including Mold)		\$99.00	
<b>AGGREGATES (SOILS AND CONCRETE)</b>			
Determining Sieve Analysis of Fine and Coarse Aggregates (Coarse Only)	CT202/ASTM C136	<del>\$482.00</del>	\$125.00
Sieve Analysis of Fine and Coarse Aggregates (Fine Only)	CT202/ASTM C136	<del>\$242.00</del>	\$200.00
Sieve Analysis of Fine and Coarse Aggregates (Wash Included)	CT202/ASTM C117	<del>\$303.00</del>	\$225.00
Sieve Analysis of Fine and Coarse Aggregates (200 Wash Only)	ASTM C117	<del>\$182.00</del>	\$125.00
Evaluating Cleanness of Coarse Aggregate	CT227	\$303.00	
Soundness of Aggregates by Use of Sodium Sulfate or Magnesium Sulfate	ASTM C88/CT214	\$220.00	
Unit Weight of Aggregate	CT212	\$149.00	
Clay Lumps and Friable Particles in Aggregates	ASTM C142	\$175.00	
Flat Particles, Elongated Particles or Flat and Elongated Particles in Coarse Aggregate	ASTM D4791/CT235	<del>\$303.00</del>	\$225.00
Organic Impurities in Fine Aggregates for Concrete	CT213/ASTM C40	<del>\$275.00</del>	\$200.00
Density, Relative Density(Specific Gravity), and Absorption of Coarse Aggregate	ASTM C127/CT206	<del>\$275.00</del>	\$225.00
Density, Relative Density(Specific Gravity), and Absorption of Fine Aggregate	ASTM C128/CT207	<del>\$275.00</del>	\$325.00
Resistance to Degradation of Small Size Coarse Aggregate by Abrasion and Impact in the Los Angeles Machine	ASTM C131(535) and C211	<del>\$440.00</del>	\$300.00
Percentage of Crushed Particles/Standard Test Method for Determining the Percentage of Fractured Particles in Coarse Aggregate	ASTM D5821/CT205	<del>\$330.00</del>	\$250.00
Uncompacted Void Content of Fine Aggregate (as Influenced by Particle Shape, Surface Texture, and Grading)	ASTM C1252/AASHTO T304A	<del>\$330.00</del>	
Sand Equivalent Value of Soils and Fine Aggregate	ASTM D2419/CT217	<del>\$220.00</del>	\$175.00
Durability Index (Fine)	ASTM D3744/CT229	<del>\$330.00</del>	\$250.00
Durability Index (Coarse)	ASTM D3744/CT229	<del>\$330.00</del>	\$250.00
Durability Index (Fine and Coarse)	ASTM D 3744/CT229	<del>\$347.00</del>	\$275.00
Lightweight Particles in Aggregate	ASTM C123/AASHTO T113	QOR	
Resistance of Rock to Wetting and Drying	CRD-C169	\$484.00	

\*Unusual sample preparation for brick specimen will be charged at the established hourly rate.





SOILS, AGGREGATE, ASPHALTIC CONCRETE SERVICES & TESTS

SOILS		Standard Rate/Each	Discounted Rate/Each
Direct Shear Test of Soils Under Consolidated Drained Conditions	ASTM D3080	\$440.00	
Caltrans Corrosivity Package		\$413.00	
Determining Field and Laboratory Resistivity and pH Measurements for Soil and Water	CT643	QOR	
Soils and Waters for Sulfate Content	CT417	QOR	
Soils and Waters for Chloride Content	CT422	QOR	
Particle-Size Analysis of Soils (with Hydrometer)	ASTM D422	<del>\$484.00</del>	\$300.00
		\$512.00	
Pore Water Extraction and Determination of the Soluble Salt Content of Soils by Refractometer	ASTM D4542		
Standard Test Method for Particle-Size Analysis of Soils (without Hydrometer)	ASTM D422	<del>\$440.00</del>	\$300.00
Liquid Limit, Plastic Limit, and Plasticity Index of Soils	ASTM D4318/CT204	<del>\$440.00</del>	\$225.00
Laboratory Compaction Characteristics of Soil Using Modified/Standard Effort	ASTM D1557/D698	<del>\$413.00</del>	\$250.00
Hydrometer Only	ASTM D422	\$440.00	
pH of Soils	ASTM D4972	\$385.00	
Relative Compaction of Untreated and Treated Soils and Aggregates	CT216	\$484.00	
Determining the Resistance "R" Value of Treated and Untreated Bases, Subbases, and Basement			
Soils by the Stabilometer	ASTM D2844/CT301	<del>\$484.00</del>	\$300.00
Laboratory Determination of Water(*moisture) Content of Soil and Rock by Mass	ASTM D2216/CT226	<del>\$121.00</del>	\$75.00
Density of Soil in Place by the Drive-Cylinder Method	D2937	\$94.00	
Expansion Index of Soils	ASTM D4829	\$330.00	
Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter (Permeability)	ASTM D5084/CT220	\$451.00	
Lab Compaction Characteristics of Soil 1 Point Proctor (Check Point)	ASTM D698/D1557	\$275.00	
Maximum Index Density and Unit Weight of Soils Using a Vibratory Table	ASTM D4253	\$231.00	
Minimum Index Density and Unit Weight of Soils and Calculation of Relative Density	ASTM D4254	\$231.00	
Density of Hydraulic Cement	ASTM C188	\$209.00	
Volatile Organic Content	EPA 8260B	QOR	
Semi Volatile Organics by GC/MS (Basic Target List)	EPA 8270C	QOR	
Total Organic Carbon	ASTM 2974/EPA 5310Bm	QOR	
ICP Metals Concentration	EPA 6020 - CAM/CCR 17	QOR	
Total Extractable Petroleum Hydrocarbons: TPH, MTBE, Benzene, Toluene, Ethylbenzene, Zylenes, %SS	EPA 8015B	QOR	
ICP Metals Concentration	EPA 6020	QOR	
pH	EPA 9045D	\$440.00	
Sequential Batch Extraction of Waste with Acidic Extraction Fluid	ASTM D5284	QOR	
Chromium Soluble	EPA 7196A	QOR	
Moisture, Ash and Organic Matter of Peat and Other Organic Soils (Organic Content)	ASTM D2974	\$220.00	
Universal Soil Classification System (USCS) Test	ASTM D2487	\$242.00	
California Bearing Ratio Test	ASTM D1883	\$303.00	
Unconfined Compressive Strength of Cohesive Soil	ASTM D2166/CT221	\$154.00	
ASPHALT			
Quantitative Extraction of Bitumen from Bituminous Paving Mixtures (Solvent)	ASTM D2172/CT310	\$605.00	
Determining Low Temperature Performance Grade (PG) of Asphalt Binders	ASTM 6816	QOR	
Thickness/Height of Compacted Bituminous Paving Mixture Specimens (Cores)	ASTM D3549/CT308	<del>\$220.00</del>	\$50.00
Method of Prep of Bituminous Mixture Test Specimens	ASTM D6926/CT304	\$220.00	
Bulk Specific Gravity and Density of Compacted Bituminous Mixtures (LTMD)	ASTM D1188 and D2726/CT308	<del>\$825.00</del>	\$500.00
Indirect Tensile (IDT) Strength of Bituminous Mixtures (TSR)	ASTM D6931/CT371	QOR	
Mechanical Size Analysis (Coarse and Fine) of Extracted Aggregate	ASTM D5444/CT202	\$330.00	
Marshall Stability and Flow of Bituminous Mixtures	ASTM D6927	\$825.00	
Theoretical Maximum Specific Gravity and Density (Rice)	ASTM D2041/CT309	<del>\$330.00</del>	\$250.00
Measuring the Permeability of Bituminous Pavements and Seal Coats	CT341	QOR	
Swell of Bituminous Mixtures	CT305	\$303.00	
		\$770.00	
Moisture Vapor Susceptibility of Bituminous Mixtures/Moisture or Volatile Distillates in Asphalt	ASTM D1461/CT307		
Stabilometer Value (1 sample)	CT366	<del>\$303.00</del>	\$225.00
Determination of Asphalt Content of Bituminous Paving Mixtures by the Ignition Method	CT382/ASTM D6307	<del>\$330.00</del>	\$250.00
Determination of Correction Factor of Bituminous Paving Mixtures by the Ignition Method	CT382/ASTM D6307	<del>\$330.00</del>	\$250.00
Determination of Asphalt and Moisture Contents of Bituminous Mixtures by Microwave Oven	CT370	<del>\$330.00</del>	\$250.00
Effect of Water on Compressive Strength of Compacted Bituminous Mixtures (Set of 6)	ASTM D1075	\$2,750.00	
Compressive Strength of Bituminous Mixtures	ASTM D1074	\$220.00	

\* Unusual sample preparation (dried clays, saturated clays, etc.) and all other tests for treated or untreated soils, aggregate subbase and aggregate base will be charged at established rates for laboratory technician.

\*\* Does not include sample preparation or sieve analysis





<b>MATERIALS MECHANICAL TESTS</b>		<b>Standard Rate/Each</b>
Mechanical Testing of Steel Products (General Tensile)	ASTM A370	\$385.00
Fillet Weld Break Test for Qualification (Welding)	AWS B4.0	\$165.00
Tension Testing of Metallic Materials, Tension Testing Wrought and Cast Aluminum and Magnesium-Alloy Products, (Welding Coupon Tensile)	ASTM E8, B557 and AWS B4.0	\$385.00
Mechanical Testing of Steel Products (Couplers)	ASTM A370	\$375.00
Impact Testing of Miniaturized Charpy V-Notch Specimens, Notched Bar Impact Testing of Metallic Materials	ASTM E2248 and ASTM E23	QOR
Testing, Practices, and Terminology for Chemical Analysis of Steel Products	ASTM A751	\$275.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #3-#8	ASTM A370 and E290	\$303.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #9-#11	ASTM A370 and E290	\$363.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #14+	ASTM A370 and E290	QOR
Mechanical Testing of Steel Products, Standard Specification for Steel Wire, Plain, for Concrete Reinforcement	ASTM A370, A82 and A185	\$363.00
Guided Bend Test for Ductility of Welds, Mechanical Testing of Welds	ASTM E190 and AWS B4.0	\$220.00
Determining the Mechanical Properties of Externally and Internally Threaded Fasteners, Anchor Bolts Only (Tension and Yield)	ASTM F307, F1554 and F606	\$435.00
Rockwell Hardness of Metallic Materials	ASTM E18	\$121.00
Proof Test for Carbon and Alloy Steel (Nuts Only)	ASTM A194 or A563	\$275.00
Radiographic Examination of Metallic Castings/Weldments	ASTM E94, E1030 and E1032	QOR
Macroetching Metals and Alloys	ASTM E340, E381 and AWS	\$275.00
Determining the Mechanical Properties of Externally and Internally Threaded Fasteners, Washers, Direct Tension Indicators, and Rivets (HSB Assemblies)	ASTM F606	\$303.00
Mechanical Testing of Steel Products (Terminators Tensile)	ASTM A370	\$303.00
Strength for Sewn or Bonded Seams of Geotextiles	ASTM D4884	\$275.00
Tearing Strength of Fabrics by the Tongue (Single Rip) Procedure	ASTM D2261	\$275.00
Breaking Strength and Elongation of Textile Fabrics (Grab Test)	ASTM D5034	\$220.00
Tensile Properties of Fiber Reinforced Polymer Matrix Composite Bars	ASTM D3039	\$825.00
Steel Strand, Uncoated Seven-Wire for Prestressed Concrete	ASTM A416 and A1061	\$1,210.00
<b>FIREPROOFING</b>		
Thickness and Density of Sprayed Fire-Resistive Material (SFRM)	ASTM E605	\$220.00
Cohesion/Adhesion of Sprayed Fire-Resistive Materials (Test Kit Only)	ASTM E736	\$62.00

**CONTACT INFORMATION**

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**Peninsula:** One Embarcadero Center, Suite 535 • San Francisco, CA 94111 • P 415.334.4747 • F 415.438.2357  
**Oakland:** 246 30th Street, Suite 101 • Oakland, CA 94601 • P 510.444.4747 • F 510.835.1825  
**San Jose:** 2033 Gateway Place, #500 • San Jose, CA 95110 • P 408.573.6992 • F 408.437.1201  
**Stockton:** 343 East Main Street, #711 • Stockton, CA 95202 • P 209.507.7555 • F 209.507.7554  
**Sacramento:** 4770 Duckhorn Drive • Sacramento, CA 95834 • P 916.419.4747 • F 916.419.4774  
**Las Vegas:** 3842 E. Post Road • Las Vegas, NV 89120 • P 702.257.4747 • F 702.257.4718



**DATE:** 01/31/20  
**PROPOSAL No.:** P17376  
**CLIENT:** TOWN OF LOS GATOS  
**PROJECT:** ANNUAL STREET REPAIR AND RESURFACING SLURRY SEAL RUBBER CAPE SEAL - SUPPLEMENT 1  
**LOCATION:** LOS GATOS, CA

Revised 2.25.2020

ITEM: I ON-SITE TESTING & INSPECTIONS	ESTIMATED DAYS	ESTIMATED HOURS	UNIT PRICE	ESTIMATED TOTAL
<b>GEOTECHNICAL SERVICES</b>				
ASPHALT DIGOUT AND LEVELING COURSE MATERIALS	3	8	\$85	\$2,040
DISTRIBUTOR SPRAY RATE (CHIP SEAL)	3	8	\$85	\$2,040
LIQUID RUBBERIZED ASPHALT TESTING SUITE (CHIP SEAL)	3	8	\$85	\$2,040
CHIP SEAL AGG TESTING SUITE (UNCOATED)	3	8	\$85	\$2,040
SLURRY SEAL EMULSION TESTING SUITE	3	8	\$85	\$2,040
SLURRY SEAL AGG TESTING SUITE	3	8	\$85	\$2,040
PORTAL TO PORTAL TRAVEL TIME FOR NUCLEAR GAUGE USE	18	2	\$85	\$3,060
PORTAL TO PORTAL MILEAGE FOR NUCLEAR GAUGE USE	18	82	\$0.58	\$856
<i>Preliminary Sub-Total of Onsite Testing &amp; Inspection (approx.)</i>				<b>\$16,156</b>

ITEM: II LABORATORY TESTING & ENGINEERING		ESTIMATED UNITS/HOURS	UNIT PRICE	ESTIMATED TOTAL
HOT MIX ASPHALT TESTING				
LTMD		3	\$500	\$1,500
AC CRACK SEALING				
SOFTENING POINT		3	\$120	\$360
CONE PENETRATION @77 DEG		3	\$90	\$270
RESILIENCE @77 DEG		3	\$150	\$450
FLOW		3	\$150	\$450
AC MODIFIER				
VISCOSITY		3	\$108	\$324
FLASH POINT		3	\$125	\$375
MOLEC. ANALYSIS		3	\$150	\$450
AC MODIFIER				
VISCOSITY		3	\$132	\$396
FLASH POINT		3	\$125	\$375
MOLEC. ANALYSIS		3	\$150	\$450
CRM				
ACETONE EXTRACT		3	\$162	\$486
RUBBER HYDROCARBON		3	\$162	\$486
NATURAL RUBBER CONTENT		3	\$162	\$486
CARBON BLACK CONTENT		3	\$162	\$486
ASH CONTENT		3	\$162	\$486
SIEVE ANALYSIS		3	\$125	\$375
BLENDED ASPHALT RUBBER BINDER				
CONE PENETRATION @25 DEG		3	\$90	\$270
RESILIENCE @25 DEG C, PERCENT REBOUND		3	\$150	\$450
FIELD SOFTENING POINT		3	\$120	\$360
VISCOSITY @190 DEG C		3	\$132	\$396
SCREENINGS				
SIEVE ANALYSIS		3	\$125	\$375
FILM STRIPPING		3	\$125	\$375
CLEANNESS VALUE		3	\$125	\$375
DURABILITY		3	\$125	\$375
ASPHALTIC EMULSION				
TESTS OF EMULSION				
VISCOSITY SSF, @77 DEG F		3	\$132	\$396
SIEVE TEST, % AASHTO T539		3	\$125	\$375
STORAGE STABILITY TEST, 1 DAY %		3	\$150	\$450
RESIDUE BY EVAPORATION, %		3	\$162	\$486
PARTICLE CHARGE		3	\$150	\$450
DURABILITY		3	\$250	\$750
TESTS OF RESIDUE				
PENETRATION, 77 DEG		3	\$90	\$270
DUCTILITY		3	\$125	\$375
POLYMER CONTENT, %		3	\$125	\$375
TORSIONAL RECOVERY, %		3	\$125	\$375
SAMPLE PICK-UPS		105	\$10	\$1,050
STAFF ENGINEER		3	\$125	\$375
Preliminary Subtotal of Laboratory Testing & Engineering (approx.)				\$16,908
Preliminary Estimated Fees				\$33,064
Project Administration 6%				\$1,984
Total Preliminary Estimated Fees				\$35,048

If work is performed at night a 12.5% differential will be charged.

A 6% project administration fee will be charged monthly per invoice.

No contingency is budgeted by CTS for uncontrollable overtime, union or prevailing wage increases and unforeseen requirements that may arise in the specifications, as well as for work over the estimated hours. Owner should budget appropriate amount for budgetary purposes.

Estimate based on plans by the Town of Los Gatos, dated 1/2/20. No construction schedule was available at the time this estimate was prepared. See attached fee schedule for basis of charges.

Estimate revised based on email from Sreyesh Shrestha, Town of Los Gatos, dated 2/4/2020, 2/6/2020 and 2/19/2020.

The liability of Construction Testing Services (CTS) is limited to CTS's contract value. See attached fee schedule for basis of charges.

Estimate includes portal to portal travel time for nuclear gauge transport from laboratory per requirements of the CA Radiological Health Branch.





**2017 FEE SCHEDULE - P12613 4/28/17**  
**PERSONNEL FEES AND BASIS OF CHARGES**  
**INSPECTIONS, ENGINEERING & SPECIAL SERVICES**

	<b>Standard Rate/Hour</b>	<b>Discounted Rate/Hour</b>
<b>* FIELD INSPECTION AND LABORATORY SERVICE</b>		
Steel	\$195.00	\$82.00
Nondestructive - UT, MT, PT	\$200.00	\$85.00
Steel Visual/UT Combination	\$200.00	\$82.00
Concrete ACI	\$195.00	\$82.00
Concrete ICC	\$195.00	\$82.00
Masonry	\$195.00	\$82.00
Fireproofing	\$195.00	\$82.00
Soil Technician w/Nuclear Gauge and/or Sand Cone ( <i>portal-to-portal</i> )	\$195.00	\$85.00
Roofing & Waterproofing	\$195.00	
Multi-Disciplined Inspector	\$195.00	
Inspector Requiring G1 Pay Grade	\$225.00	
Specialty Inspector or Where Formal Certification is Required	\$195.00	
Field Inspector with Special Enhancement	\$195.00	
Laboratory Technician	\$195.00	
Technician Typist	\$195.00	
<b>**PROFESSIONAL ENGINEERING SERVICES</b>		
Principal Engineer (Civil/Structural)	\$320.00	
Geotechnical Engineer	\$270.00	\$170.00
Consulting Engineer (Civil/Structural)	\$245.00	\$160.00
Associate Engineer, Licensed	\$220.00	\$150.00
Project Manager	\$195.00	\$140.00
Staff Engineer	\$195.00	\$125.00
Field Supervision	\$170.00	\$125.00
ASNT Level III	\$185.00	\$130.00
Drafting	\$135.00	
Quality Control Manager	QOR	
<b>SPECIAL SERVICES</b>		
Portable and Mobile Laboratories, NDT and Soils	QOR	
* Epoxy Bolt/Expansion Anchor - Installation Observation	\$195.00	\$80.00
* Epoxy Bolt/Expansion Anchor Proof Load Testing ( <i>portal-to-portal</i> )	\$195.00	\$80.00
* Coring, 1 Person (including equipment) ( <i>portal-to-portal</i> )	\$180.00	
* Coring, 2 Persons (including equipment) ( <i>portal-to-portal</i> )	\$230.00	
Project Research	QOR	
Ultrasonic Testing for Non-Metallic Materials	QOR	
Pavement Rehabilitation Analysis Using Deflections	QOR	
Roof Moisture Survey	QOR	
Soil Drilling Equipment	QOR	
Geotechnical Site Investigations/Foundation Reports	QOR	
Pachometer, Schmidt Hammer, Windsor Probe ( <i>portal-to-portal</i> )	\$260.00	
Floor Flatness Testing FF/FL - Equipment Fee \$110/Day ( <i>portal-to-portal</i> )	\$260.00	
Measuring Moisture Vapor Emission Rate (Calcium Chloride) - \$50/Kit ( <i>portal-to-portal</i> )	\$260.00	
Relative Humidity Testing - \$70/Kit ( <i>portal-to-portal</i> )	\$260.00	
Ferrosan - Equipment Fee \$110/day ( <i>portal-to-portal</i> )	\$260.00	
GPR - Equipment Fee \$110/day ( <i>portal-to-portal</i> )	\$305.00	
Administration, Secretarial, Special Projects, Notary, Certified Payroll	\$145.00	
Concrete/Grout/Mortar Mix Design Review (less than 48 hours notice - \$500)	\$340.00	\$250.00
Welding Procedure Review (less than 48 hours notice - \$500)	\$340.00	\$250.00
Welder Qualification Test	\$210.00	
DSA Interim Reports	\$160.00	
Geotechnical Pad Letter (less than 48 hours notice - \$500)	\$310.00	
Final Letter (less than 48 hours notice - \$500)	\$340.00	\$275.00
<b>EXPERT WITNESS TESTIMONY</b>		
Court appearance, per day	\$2,000.00	
Court appearance, per half day	\$1,000.00	

\* Field inspection services will be billed in accordance with minimums shown on Basis of Charges.

\*\*Professional engineering services and laboratory technician services will be billed at actual time.





## BASIS OF CHARGES

### GENERAL

Fees for tests and inspection include cost of technician, normal equipment and regular reports. Engineering services will be charged at applicable rates and will require travel and mileage charges for equipment transport and storage per code (portal to portal) from the nearest CTS laboratory. Soils testing with nuclear gauge and/or sand cone equipment and inspections requiring equipment will require applicable travel and mileage charges for equipment transport and storage per code (portal-to-portal) from the nearest CTS laboratory. Fees for special projects, services overseas, or elsewhere in the United States, will be quoted on request. With prior notification to Client; charges are subject to change at any time. Construction Testing Services reserves the right to adjust the rates quoted in this contract based upon any Union or prevailing wage increases and/or changes in any industry requirements.

### MINIMUM HOURLY CHARGES – INSPECTION

Technician personnel and the following minimum charges are contractual commitment:

One-half day or less	4 Hours
Over one-half day	8 Hours
Show-up time (less than 2 hours notice = 4 hour charge)	2 Hours

### WORKING HOURS AND PREMIUM TIME

Regular workday is the first 8 hours between 6:00 am and 6:00 pm Monday through Friday. Premium time is as follows:

Overtime, Weekdays and Saturdays (first 8 hours)	1.5 x quoted hourly rate
Overtime Saturdays (over 8 hours) and Sundays (first 8 hours)	2 x quoted hourly rate
Overtime Sundays (over 8 hours) and Holidays	3 x quoted hourly rate
Shift differential, swing and graveyard - (Work performed between 2:00 pm and 4:00 am)	12.5%/hour additional to base or quoted rate.

### MISCELLANEOUS CHARGES - Only Where Applicable

Notary Services Fee	\$27.50/each	
Facsimile Charges. Plus \$1.00/page (n/c for cover page)	\$5.50 minimum	
Wireless Router/Data Card for Jobsite Internet	\$110.00/day	
Parking Fees	At Cost	
Air Travel	Cost Plus 5%	
Outside Services	Cost Plus 20%	
Subsistence (per union contract)	\$120.00/day	
Mileage	Standard Federal Rate	
Sample Pickup	<del>\$20.00/each</del>	\$10.00/each
Weekend Sample Pickup	\$85.00/hour	
Project Administration	6% of Monthly Invoice	
Samples Made by Others: Concrete Cylinders	\$110 + Test	
Samples Made by Others: All Other Tests	\$45 + Test	
Laboratory Sample Witness Fee	\$110.00	
EZ Cure Boxes (Thermostatically Controlled Curing Boxes)	QOR	
Returned Check Fee	\$110.00	

### TESTS

Testing fees shown include normal time for performing test. Samples requiring special preparation will be charged at the laboratory technician rate. Fees for tests not listed will be quoted upon request. There will be a minimum charge of \$100.00 for any engineering report. Please note some tests maybe tested by subconsultants. Samples delivered to the laboratory after 3:00pm or samples needing results within 24 hours will incur a 50% mark-up.

### INSURANCE

For the waiver of subrogation if required by client, a 2% CTS administrative fee will be added to all gross billings/revenue in addition to the 3% fee from State Fund. The liability of Construction Testing Services (CTS) is limited to CTS's contract value.

### PAYMENT

Invoices will be submitted monthly or bimonthly for services performed during the preceding month and are payable on receipt. Interest of 1.5% per month (but not exceeding the maximum rate allowable by law) will be payable on any amounts not paid within 30 days, payment thereafter to be applied first to accrued interest and then to the principle unpaid amount. Attorney's fees or other costs incurred in collecting any delinquent amount shall be paid by client. Visa, MasterCard and American Express payments are accepted however fees will apply. Visa and MasterCard payments require an additional 3% on top of the amount of the invoice being paid. American Express payments require an additional 4% on top of the amount of the invoice being paid.





**CONCRETE AND MASONRY TESTS**

		<b>Standard Rate/Each</b>	<b>Discounted Rate/Each</b>
<b>CONCRETE</b>			
Compressive Strength of Cylindrical Concrete Specimens (6x12)	ASTM C39	\$66.00	\$45.00
Compressive Strength of Cylindrical Concrete Specimens (4x8)	ASTM C39	\$66.00	\$45.00
Compressive Strength of Cylindrical Concrete Specimens (Over 8000 PSI)	ASTM C39	\$117.00	
Cylinder molds. 6" x 12" and 4" x 8"	ASTM C470	\$55.00	
Compressive Strength of Lightweight Insulating Concrete	ASTM C495	\$77.00	
Obtaining and Testing Sawed Beams and Drilled Cores of Concrete (Cores)	ASTM C42	\$99.00	
Flexural Toughness of Fiber Reinforced Concrete (Round Panel)	ASTM C1550	\$363.00	
Flexural Strength of Concrete (Using Simple Beam with Third-Point Loading)	ASTM C78	\$253.00	
Flex Beams per Caltrans Test Methods	CT523 and CT524	\$253.00	
Length Change of Hardened Hydraulic-Cement Mortar and Concrete (Shrinkage, 1 Sample)	ASTM C157	\$121.00	
Shotcrete Nozzleman Qualification Letter (Per Nozzleman, Per Position)	ACI 506, ASTM C42 and C1140	\$363.00	
Shotcrete Pre-Qualification Cores (Compression and Visual)	ACI 506, ASTM C42 and C1140	\$88.00	
Shotcrete Production Cores	ASTM C1140	\$88.00	
Coefficient of Thermal Expansion	AASHTO T336	\$440.00	
Determining Density of Structural Lightweight Concrete (Cylinders)	ASTM C567	\$330.00	
Standard Specification for Concrete Made by Volumetric Batching and Mixing	ASTM C685	\$798.00	
Cement Quality Sampling	CBC 2010	\$550.00	
Physical Testing of Gypsum, Gypsum Plasters and Gypsum Concrete	ASTM C472	\$44.00	
Splitting Tensile Strength of Cylindrical Concrete Specimens	ASTM C496	\$209.00	
Static Modulus of Elasticity and Poisson's Ratio of Concrete in Compression	ASTM C469	\$177.00	
Grab Sample, Sealing and Storing in a Humidity and Temperature Controlled Room	CBC	\$121.00	
Density of Hydraulic Cement	ASTM C188	\$160.00	
Testing of Controlled Low Strength Material (CLSM) Test Cylinders	ASTM D4832	\$121.00	
GFRC Pull Test	PCI	\$308.00	
GFRC Flexural Test	PCI	\$308.00	
Foaming Agents for Use in Producing Cellular Concrete Using Preformed Foam (Cell-Crete)	ASTM C796	\$423.00	
<b>MASONRY</b>			
Compressive Testing of Grout (Masonry)	ASTM C1019	\$99.00	\$60.00
Compressive Strength of Hydraulic Cement Mortars Using 2" Cube Specimens	ASTM C109	\$99.00	\$60.00
Compressive Strength of Masonry Prisms	ASTM C1314	\$149.00	\$100.00
Testing Concrete Masonry Units and Related Units (Core Compression)	CBC 2105A.4	\$149.00	
Compressive Strength of Molded Masonry Mortar Cylinders and Cubes (2" Sample)	ASTM C780 A7.6	\$99.00	\$60.00
Testing Concrete Masonry Units (CMU) and Related Units (Full Unit)	ASTM C140	\$149.00	
Linear Drying Shrinkage of Concrete Masonry Units (Per Unit)	ASTM C426	\$220.00	
Masonry Core Shear Testing	CBC 2105A.4	\$220.00	
Testing Concrete Masonry Units (Absorption, Moisture Content, Unit Weight)	ASTM C140	\$275.00	
Brick and Clay Tile (modulus of rupture, compression, saturation coefficient, suction rate, efflorescence)*	ASTM C67	\$825.00	
Mortar Molds. 2" x 4". Single Use		\$99.00	
Mortar or Grout, Stored and Cured, Not Tested (Including Mold)		\$99.00	
<b>AGGREGATES (SOILS AND CONCRETE)</b>			
Determining Sieve Analysis of Fine and Coarse Aggregates (Coarse Only)	CT202/ASTM C136	\$482.00	\$125.00
Sieve Analysis of Fine and Coarse Aggregates (Fine Only)	CT202/ASTM C136	\$242.00	\$200.00
Sieve Analysis of Fine and Coarse Aggregates (Wash Included)	CT202/ASTM C117	\$303.00	\$225.00
Sieve Analysis of Fine and Coarse Aggregates (200 Wash Only)	ASTM C117	\$182.00	\$125.00
Evaluating Cleanness of Coarse Aggregate	CT227	\$303.00	
Soundness of Aggregates by Use of Sodium Sulfate or Magnesium Sulfate	ASTM C88/CT214	\$220.00	
Unit Weight of Aggregate	CT212	\$149.00	
Clay Lumps and Friable Particles in Aggregates	ASTM C142	\$175.00	
Flat Particles, Elongated Particles or Flat and Elongated Particles in Coarse Aggregate	ASTM D4791/CT235	\$303.00	\$225.00
Organic Impurities in Fine Aggregates for Concrete	CT213/ASTM C40	\$275.00	\$200.00
Density, Relative Density(Specific Gravity), and Absorption of Coarse Aggregate	ASTM C127/CT206	\$275.00	\$225.00
Density, Relative Density(Specific Gravity), and Absorption of Fine Aggregate	ASTM C128/CT207	\$275.00	\$325.00
Resistance to Degradation of Small Size Coarse Aggregate by Abrasion and Impact in the Los Angeles Machine	ASTM C131(535) and C211	\$440.00	\$300.00
Percentage of Crushed Particles/Standard Test Method for Determining the Percentage of Fractured Particles in Coarse Aggregate	ASTM D5821/CT205	\$330.00	\$250.00
Uncompacted Void Content of Fine Aggregate (as Influenced by Particle Shape, Surface Texture, and Grading)	ASTM C1252/AASHTO T304A	\$330.00	
Sand Equivalent Value of Soils and Fine Aggregate	ASTM D2419/CT217	\$220.00	\$175.00
Durability Index (Fine)	ASTM D3744/CT229	\$330.00	\$250.00
Durability Index (Coarse)	ASTM D3744/CT229	\$330.00	\$250.00
Durability Index (Fine and Coarse)	ASTM D 3744/CT229	\$347.00	\$275.00
Lightweight Particles in Aggregate	ASTM C123/AASHTO T113	QOR	
Resistance of Rock to Wetting and Drying	CRD-C169	\$484.00	

\*Unusual sample preparation for brick specimen will be charged at the established hourly rate.





SOILS, AGGREGATE, ASPHALTIC CONCRETE SERVICES & TESTS

SOILS		Standard Rate/Each	Discounted Rate/Each
Direct Shear Test of Soils Under Consolidated Drained Conditions	ASTM D3080	\$440.00	
Caltrans Corrosivity Package		\$413.00	
Determining Field and Laboratory Resistivity and pH Measurements for Soil and Water	CT643	QOR	
Soils and Waters for Sulfate Content	CT417	QOR	
Soils and Waters for Chloride Content	CT422	QOR	
Particle-Size Analysis of Soils (with Hydrometer)	ASTM D422	<del>\$484.00</del>	\$300.00
		\$512.00	
Pore Water Extraction and Determination of the Soluble Salt Content of Soils by Refractometer	ASTM D4542		
Standard Test Method for Particle-Size Analysis of Soils (without Hydrometer)	ASTM D422	<del>\$440.00</del>	\$300.00
Liquid Limit, Plastic Limit, and Plasticity Index of Soils	ASTM D4318/CT204	<del>\$440.00</del>	\$225.00
Laboratory Compaction Characteristics of Soil Using Modified/Standard Effort	ASTM D1557/D698	<del>\$413.00</del>	\$250.00
Hydrometer Only	ASTM D422	\$440.00	
pH of Soils	ASTM D4972	\$385.00	
Relative Compaction of Untreated and Treated Soils and Aggregates	CT216	\$484.00	
Determining the Resistance "R" Value of Treated and Untreated Bases, Subbases, and Basement		<del>\$484.00</del>	
Soils by the Stabilometer	ASTM D2844/CT301		\$300.00
Laboratory Determination of Water(*moisture) Content of Soil and Rock by Mass	ASTM D2216/CT226	<del>\$121.00</del>	\$75.00
Density of Soil in Place by the Drive-Cylinder Method	D2937	\$94.00	
Expansion Index of Soils	ASTM D4829	\$330.00	
Hydraulic Conductivity of Saturated Porous Materials Using a Flexible Wall Permeameter (Permeability)	ASTM D5084/CT220	\$451.00	
Lab Compaction Characteristics of Soil 1 Point Proctor (Check Point)	ASTM D698/D1557	\$275.00	
Maximum Index Density and Unit Weight of Soils Using a Vibratory Table	ASTM D4253	\$231.00	
Minimum Index Density and Unit Weight of Soils and Calculation of Relative Density	ASTM D4254	\$231.00	
Density of Hydraulic Cement	ASTM C188	\$209.00	
Volatile Organic Content	EPA 8260B	QOR	
Semi Volatile Organics by GC/MS (Basic Target List)	EPA 8270C	QOR	
Total Organic Carbon	ASTM 2974/EPA 5310Bm	QOR	
ICP Metals Concentration	EPA 6020 - CAM/CCR 17	QOR	
Total Extractable Petroleum Hydrocarbons: TPH, MTBE, Benzene, Toluene, Ethylbenzene, Zylenes, %SS	EPA 8015B	QOR	
ICP Metals Concentration	EPA 6020	QOR	
pH	EPA 9045D	\$440.00	
Sequential Batch Extraction of Waste with Acidic Extraction Fluid	ASTM D5284	QOR	
Chromium Soluble	EPA 7196A	QOR	
Moisture, Ash and Organic Matter of Peat and Other Organic Soils (Organic Content)	ASTM D2974	\$220.00	
Universal Soil Classification System (USCS) Test	ASTM D2487	\$242.00	
California Bearing Ratio Test	ASTM D1883	\$303.00	
Unconfined Compressive Strength of Cohesive Soil	ASTM D2166/CT221	\$154.00	
ASPHALT			
Quantitative Extraction of Bitumen from Bituminous Paving Mixtures (Solvent)	ASTM D2172/CT310	\$605.00	
Determining Low Temperature Performance Grade (PG) of Asphalt Binders	ASTM 6816	QOR	
Thickness/Height of Compacted Bituminous Paving Mixture Specimens (Cores)	ASTM D3549/CT308	<del>\$220.00</del>	\$50.00
Method of Prep of Bituminous Mixture Test Specimens	ASTM D6926/CT304	\$220.00	
Bulk Specific Gravity and Density of Compacted Bituminous Mixtures (LTMD)	ASTM D1188 and D2726/CT308	<del>\$825.00</del>	\$500.00
Indirect Tensile (IDT) Strength of Bituminous Mixtures (TSR)	ASTM D6931/CT371	QOR	
Mechanical Size Analysis (Coarse and Fine) of Extracted Aggregate	ASTM D5444/CT202	\$330.00	
Marshall Stability and Flow of Bituminous Mixtures	ASTM D6927	\$825.00	
Theoretical Maximum Specific Gravity and Density (Rice)	ASTM D2041/CT309	<del>\$330.00</del>	\$250.00
Measuring the Permeability of Bituminous Pavements and Seal Coats	CT341	QOR	
Swell of Bituminous Mixtures	CT305	\$303.00	
		\$770.00	
Moisture Vapor Susceptibility of Bituminous Mixtures/Moisture or Volatile Distillates in Asphalt	ASTM D1461/CT307		
Stabilometer Value (1 sample)	CT366	<del>\$303.00</del>	\$225.00
Determination of Asphalt Content of Bituminous Paving Mixtures by the Ignition Method	CT382/ASTM D6307	<del>\$330.00</del>	\$250.00
Determination of Correction Factor of Bituminous Paving Mixtures by the Ignition Method	CT382/ASTM D6307	<del>\$330.00</del>	\$250.00
Determination of Asphalt and Moisture Contents of Bituminous Mixtures by Microwave Oven	CT370	<del>\$330.00</del>	\$250.00
Effect of Water on Compressive Strength of Compacted Bituminous Mixtures (Set of 6)	ASTM D1075	\$2,750.00	
Compressive Strength of Bituminous Mixtures	ASTM D1074	\$220.00	

\* Unusual sample preparation (dried clays, saturated clays, etc.) and all other tests for treated or untreated soils, aggregate subbase and aggregate base will be charged at established rates for laboratory technician.

\*\* Does not include sample preparation or sieve analysis





<b>MATERIALS MECHANICAL TESTS</b>		<b>Standard Rate/Each</b>
Mechanical Testing of Steel Products (General Tensile)	ASTM A370	\$385.00
Fillet Weld Break Test for Qualification (Welding)	AWS B4.0	\$165.00
Tension Testing of Metallic Materials, Tension Testing Wrought and Cast Aluminum and Magnesium-Alloy Products, (Welding Coupon Tensile)	ASTM E8, B557 and AWS B4.0	\$385.00
Mechanical Testing of Steel Products (Couplers)	ASTM A370	\$375.00
Impact Testing of Miniaturized Charpy V-Notch Specimens, Notched Bar Impact Testing of Metallic Materials	ASTM E2248 and ASTM E23	QOR
Testing, Practices, and Terminology for Chemical Analysis of Steel Products	ASTM A751	\$275.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #3-#8	ASTM A370 and E290	\$303.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #9-#11	ASTM A370 and E290	\$363.00
Mechanical Testing of Steel Products & Bend Testing of Material for Ductility; #14+	ASTM A370 and E290	QOR
Mechanical Testing of Steel Products, Standard Specification for Steel Wire, Plain, for Concrete Reinforcement	ASTM A370, A82 and A185	\$363.00
Guided Bend Test for Ductility of Welds, Mechanical Testing of Welds	ASTM E190 and AWS B4.0	\$220.00
Determining the Mechanical Properties of Externally and Internally Threaded Fasteners, Anchor Bolts Only (Tension and Yield)	ASTM F307, F1554 and F606	\$435.00
Rockwell Hardness of Metallic Materials	ASTM E18	\$121.00
Proof Test for Carbon and Alloy Steel (Nuts Only)	ASTM A194 or A563	\$275.00
Radiographic Examination of Metallic Castings/Weldments	ASTM E94, E1030 and E1032	QOR
Macroetching Metals and Alloys	ASTM E340, E381 and AWS	\$275.00
Determining the Mechanical Properties of Externally and Internally Threaded Fasteners, Washers, Direct Tension Indicators, and Rivets (HSB Assemblies)	ASTM F606	\$303.00
Mechanical Testing of Steel Products (Terminators Tensile)	ASTM A370	\$303.00
Strength for Sewn or Bonded Seams of Geotextiles	ASTM D4884	\$275.00
Tearing Strength of Fabrics by the Tongue (Single Rip) Procedure	ASTM D2261	\$275.00
Breaking Strength and Elongation of Textile Fabrics (Grab Test)	ASTM D5034	\$220.00
Tensile Properties of Fiber Reinforced Polymer Matrix Composite Bars	ASTM D3039	\$825.00
Steel Strand, Uncoated Seven-Wire for Prestressed Concrete	ASTM A416 and A1061	\$1,210.00
<b>FIREPROOFING</b>		
Thickness and Density of Sprayed Fire-Resistive Material (SFRM)	ASTM E605	\$220.00
Cohesion/Adhesion of Sprayed Fire-Resistive Materials (Test Kit Only)	ASTM E736	\$62.00

**CONTACT INFORMATION**

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**Peninsula:** One Embarcadero Center, Suite 535 • San Francisco, CA 94111 • P 415.334.4747 • F 415.438.2357  
**Oakland:** 246 30th Street, Suite 101 • Oakland, CA 94601 • P 510.444.4747 • F 510.835.1825  
**San Jose:** 2033 Gateway Place, #500 • San Jose, CA 95110 • P 408.573.6992 • F 408.437.1201  
**Stockton:** 343 East Main Street, #711 • Stockton, CA 95202 • P 209.507.7555 • F 209.507.7554  
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**Las Vegas:** 3842 E. Post Road • Las Vegas, NV 89120 • P 702.257.4747 • F 702.257.4718





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 6

DATE: May 14, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Operating and Capital Budgets

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for Fiscal Year (FY) 2020/21
  - 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25
- C. Approve Budget Adjustments for FY 2019/20:
  - 1. Authorize a Total Revenue Decrease Adjustment in the Amount of \$1,699,411 [Decrease Sales Tax by \$618,744, Decrease Transient Occupancy Tax (TOT) by \$974,678, and Decrease Business License Tax by \$105,989] and
  - 2. Authorize an Expenditure Decrease Adjustment in the Amount of \$4,232,500 to Reflect that the Additional Discretionary Payment Toward the Unfunded Pension Liability to CalPERS is Scheduled After July 1, 2020.

**RECOMMENDATION:**

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for FY 2020/21
  - 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25.
- C. Approve budget adjustments for FY 2019/20:
  - 1. Authorize a total revenue decrease adjustment in the amount of \$1,699,411 [decrease Sales Tax by \$618,744, decrease Transient Occupancy Tax (TOT) by \$974,678, and decrease Business License Tax by \$105,989] and

**PREPARED BY:** Stephen Conway  
Finance Director

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



2. Authorize an expenditure decrease adjustment in the amount of \$4,232,500 to reflect that the additional discretionally payment toward the unfunded pension liability to CalPERS is scheduled after July 1, 2020.

**BACKGROUND:**

The Proposed Operating and Capital Budget for FY 2020/21 (Attachment 1) is the Town Manager's recommended comprehensive financial plan to provide services to the Town of Los Gatos and address the priorities set by the Town Council. The Proposed FY 2020/21 – 2024/25 Capital Improvement Program (Attachment 2) is a five-year capital improvement plan which identifies projects to construct and maintain the Town's infrastructure.

Both budget documents were prepared with contributions from all Town Departments. Of particular note, the Finance Department took the lead in developing revenue and expenditure forecasts, ensuring that the most current information was used in the preparation of the proposed budgets. In addition, the Department of Parks and Public Works identified high priority projects for inclusion in the Capital Budget based on its familiarity with the Town's facilities, equipment, and infrastructure, and its work with various Town Commissions on these assets.

The Town Council is being asked to consider the elements of the Operating and Capital Proposed Budgets and provide any additional guidance. Any recommended changes and additional direction to the Proposed Operating and/or Capital Budgets provided by Council at the May 19, 2020 budget hearing will be incorporated into the implementing documents to be presented for Council approval on June 2, 2020. In addition, the Council is asked to review the annual list of donations and approve budget adjustments for FY 2019/20. The revenue adjustments reflect decreases in Sales, Business License, and Transient Occupancy Taxes due to the economic impact of the COVID-19 pandemic emergency.

**DISCUSSION:**

**Five-Year Forecast**

On January 21, 2020, the Town Council received the following Five-Year Forecast which became the basis of Strategic Priority planning and budgetary considerations. As stated in January, a modest base case revenue growth forecast best reflected the economic environment at the time. As discussed with the Town Council in January, sensitivity analyses with respect to revenues and expenditures demonstrate that the Town organization is vulnerable to changes in forecasted economic conditions.



DISCUSSION (continued):

Original 5 Year Forecast "Base Case"	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)
Total Revenues, Transfers & Use of Reserves	\$45.8	\$47.3	\$48.4	\$49.6	\$51.2
Total Expenses & Allocations	\$45.3	\$45.6	\$46.8	\$47.3	\$48.1
Original Surplus/Deficit	\$0.5	\$1.7	\$1.6	\$2.3	\$3.1

Since the development of that original forecast, the unprecedented economic impacts associated with the local, national, and global mitigation of COVID-19 have necessitated significant revisions to growth projections for the Town's primary revenues of Property Tax, Sales Tax, and Transient Occupancy Tax (TOT). In close consultation with the Santa Clara County Assessor, Town Sales Tax consultant MuniServices, and a review of national and regional hospitality research.

In addition to reassessing revenue growth, the proposed Budget also forecasts anticipated increases in the Town's pension obligations. Given recent volatility in financial markets, it is anticipated that CalPERS will not achieve its assumed investment rate of return of 7% in FY 2019/20. With two months left in the 2019/20 fiscal year, the 0% return scenario most closely approximates CalPERS current return and is used for this Forecast. The combined effects of changing these budget assumptions in conjunction with others is illustrated in the following updated FY 2020/21 Proposed Operating Budget and Five-year Forecast.

COVID-19 Scenario	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)
Total Revenues, Transfers & Use of Reserves	\$53.2	\$45.5	\$46.2	\$47.7	\$48.2	\$48.2
Total Expenses & Allocations	\$53.2	\$45.5	\$46.8	\$47.8	\$48.9	\$49.3
Surplus/Deficit	\$0.0	\$0.0	(\$0.6)	(\$0.1)	(\$0.7)	(\$1.1)

The Town is affected economically by the COVID-19 pandemic and due to the Council's proactive efforts over the years, the Town is expected to be in a position to maintain the Town's high quality services in the short and medium terms. The updated forecast indicates



DISCUSSION (continued):

that for the Proposed FY 2020/21 Operating Budget and the following FY 2021/22 budget projected revenues and expenditures are in balance.

The Town does face projected moderate deficits in the range of \$100K to a maximum of \$1.1M per year in the remaining years of the forecast. The forecasted deficits represent approximately 0.2% to 2.7% of the Town's proposed General Fund operating budget for FY 2020/21 out of a total of \$43,420,8255, (net of capital transfers out, one-time expenses, and pass through expenditures of \$6,358,150). Given that the deficits are currently projected to be relatively modest they are within the Town's demonstrated ability to be absorbed without affecting services. However, the ultimate impact to the organization is not expected to be known until the depth and breadth of the pending recession is fully understood. Given the unknown nature of the transitioning economy, staff anticipates that more definitive information regarding revenue trends and any subsequent necessity to address service levels will be better known at mid-year FY 2020/21.

**Positioning the Town for Economic Uncertainty**

The proposed Budget addresses the Council identified Strategic Priorities and considers other areas of importance to our community, the Council, and the Town organization. The proposed Budget also acknowledges the current economic realities associated with the global COVID-19 pandemic and continues to position the organization for what will likely be the nation's first recession since 2008. This Budget also provides for limited strategic new investments toward important wildfire vegetation management, critical improvements to evacuation-related roadways, and other necessary infrastructure improvements, as the pandemic is not the only threat to our community's health and safety.

The Town's conservative budgeting practices have historically yielded modest annual surpluses which, among other priorities, has provided the Town Council the latitude over the years to address increases in pension obligations. To date, the Town has allocated or programmed approximately \$35.0 million in additional discretionary payments towards its pension and OPEB obligations.

In addition to conservative budgeting practices and proactive additional funding of pension and OPEB obligations, the Town has also taken a conservative approach to staffing. Since 2001 the Town has reduced its full-time employees by 16.7% to 150 FTE employees.

And lastly, the Town identified early on the threats that economic downturns could pose to the Town's primary revenue sources and service stability. In March 2018, the Town Council received a presentation from staff entitled "*Preparing for the Next Recession.*" Among other things, that presentation precipitated the voters of Los Gatos approving an 1/8 cent sales tax in



DISCUSSION (continued):

2018 which generates approximately \$1.0 million in additional ongoing sales tax revenue annually.

Additionally, in 2019, the Town Council initiated the annexation of 24 unincorporated urban islands within the Town of Los Gatos. In addition to the efficiencies associated with the uniform provision of municipal services to island residents, the annexation ended the diversion of property tax revenue generated within Town limits to the County. The Council initiated annexation resulted in approximately \$1.0 million in ongoing annual property tax revenue for the Town.

The combined effect of retaining a tradition of conservative budgeting practices, maintaining reduced staffing levels, and enhancing ongoing revenue sources prepared the Town well for this pending recession.

**FY 2020/21 Operating Budget**

Budget Principles

The proposed Operating Budget recognizes the Town's current economic reality and long term fiscal picture, as well as high priority service needs. Key budget principles include:

- Develop and recommend a balanced budget that maintains current, high service levels,
- Position for a multi-year recession,
- Continue to make progress on the Town Council's Strategic Priorities, and
- Identify opportunities to enhance service delivery through new revenue sources, technology, and open government.

Budget Balancing Strategies

The transmittal letter in the Proposed FY 2020/21 Operating Budget provides an executive summary of the budget, including the fiscal outlook, key budget assumptions, and other information (Attachment 1). As previously mentioned, the FY 2020/21 budget is in balance.

For FY 2020/21 the Proposed Operating Budget was balanced utilizing three primary budget balancing strategies. The first was to budget salaries for FY 2020/21 at actual salary plus a one-step increase, which is a departure from previous practice. While 68% of the workforce are already at top step or one step below top step, this strategy provides budgetary savings of approximately \$550,000.



DISCUSSION (continued):

The second strategy reassessed and recalculated the Internal Service Fund charges for the Town's Equipment Replacement and Information Technology Funds. The decreased charges for Equipment Replacement and Information Technology resulted in approximate savings of \$68,000 and \$200,000, respectively.

The third strategy, per the Town's General Fund Reserves Policy, transferred approximately \$800,000 from the Capital/Special Project Reserve. It should be noted that the Capital/Special Project Reserve transfer was from excess funds after recommended capital project additions contained in the Proposed Capital Improvement Program.

Taken together, the FY 2019/20 budget proposes to maintain the Town's existing high levels of service and provide for minimal staffing changes.

Budget Allocations

Page A-11 of the proposed Operating Budget identifies specific allocations for Council consideration. Of particular note, staff is recommending that the expected proceeds from the sale of the Winchester property (\$1.2 M) not be programmed at this time. Staff recommends that it be considered for future Council allocation once the impacts of the COVID-19 pandemic are known for FY 2019/20. In other words, these funds may be needed to make up for potential shortfalls that are not known at this time.

Staff looks forward to the Council's discussion and direction on spending priorities. If the Council wishes to place more resources towards a specific item (e.g., pension payments), a commensurate reduction would be needed elsewhere in the Operating or Capital Budgets. Motions made at the May 19 hearing will be incorporated in a revised budget for consideration in June.

Donation Opportunities - FY 2020/21 List of Town Needs

As part of the budget development process, the List of Town Needs is updated per Town Council Donation Policy to reflect goods, services, and other contributions that would help enhance Town services, programs, and events (Attachment 3).

**FY 2020/21 – FY 2024/25 Capital Improvement Program**

The FY 2020/21 – FY 2024/25 Capital Improvement Program (CIP) sets forth a five-year plan for proposed streets, parks, and public facility projects (Attachment 2). The transmittal letter contained in the CIP provides a summary of the program including funding sources, recently completed projects, and the proposed projects for FY 2020/21. Only the first year of the plan is formally adopted with funds appropriated by the Town Council as part of the budget process.



DISCUSSION (continued):

During the January 2020 Strategic Priorities discussion, the Town Council stated its priorities to begin to implement the Comprehensive Parking Study, continue mobility improvements for all transportation modes, manage the vegetation on Town lands to protect against wildfire, and advance other needed improvements. These projects as well as others, such as annual street maintenance, are recommended as part of the CIP. The Proposed CIP for FY 2020/21 includes a total budget of \$33.5 million of new and carry-forward funding.

Town staff go through a rigorous process to evaluate all previously funded projects and potential new projects when preparing the CIP. There are more needs than available funding, and staff recommends high priority projects that are consistent with the Strategic Priorities and Core Goals. On May 13, 2020, the Planning Commission reviewed the proposed CIP, found it consistent with the General Plan, and recommended its adoption by the Town Council.

**FY 2019/20 Budget Adjustments**

Given the economic impact of the COVID-19 pandemic, previous revenue estimates for the current fiscal year are not likely to be realized. For this reason, staff is recommending budget adjustments to Sales, Transient Occupancy, and Business License Taxes. An expenditure adjustment is also needed to reflect that the additional discretionary payment to CalPERS will occur after July 1, 2020.

BUDGET HEARING AND NEXT STEPS:

At its May 19, 2020 meeting, the Council will have an opportunity to listen to public testimony, ask questions, and direct changes to the Proposed Operating and/or Capital Improvement Program Budgets. Any changes to the Proposed Operating and/or Capital Budgets directed by Council or identified by staff will be included for Council consideration in the resolution formally adopting the Budgets to be considered by Council in June.

COORDINATION:

The preparation of the budget documents involved the participation of all Town Departments.

FISCAL IMPACT:

The fiscal impact is presented in summary form in the Financial Summaries chapter of the Proposed Operating and Capital Budget for FY 2020/21. The total proposed budget is \$77.5million, an decrease of \$1.2 million from the FY 2019/20 Adopted Budget.



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SUBJECT: Operating and Capital Budgets

DATE: May 14, 2020

ENVIRONMENTAL ASSESSMENT:

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

Attachments:

1. FY 2020/21 Proposed Operating and Capital Budget
2. FY 2020/21 – FY 2024/25 Proposed Capital Improvement Program Budget
3. Town of Los Gatos Donation Opportunities: FY 2020/2





# TOWN OF LOS GATOS

## CALIFORNIA



## Operating & Capital Summary Budget

Fiscal Year 2020/21

ATTACHMENT 1



**Cover Photos: Constantino, Evie Julian**



# TOWN OF LOS GATOS



## CALIFORNIA

### Proposed Operating and Capital Summary Budget

for

Fiscal Year July 1, 2020 to June 30, 2021

#### Town Council

Marcia Jensen ..... Mayor  
Barbara Spector ..... Vice Mayor  
Rob Rennie ..... Council Member  
Marico Sayoc ..... Council Member  
Vacant..... Council Member

*Prepared under the direction of:*

Laurel Prevetti..... Town Manager  
Stephen D. Conway..... Finance Director

110 E. Main Street, Los Gatos, CA 95030  
[www.losgatosca.gov](http://www.losgatosca.gov)



# TOWN VISION STATEMENT

The Town of Los Gatos' Vision Statement describes the community at its full potential, and is the basis for the Five-Year Strategic Plan and accompanying priorities and goals. This Vision Statement articulates the future for Los Gatos and reflects the high ideals identified by the community:

*Residents are united in their desire to maintain a high quality of life and preserve the character of the Town. The overall community consensus is that Los Gatos be a full-service community that is also environmentally sensitive; that Los Gatos maintains a balanced, well-designed mix of residential, commercial, service and open space uses, fostering a pedestrian-oriented community with a small town, village-like character; that Los Gatos supports an active business community that provides a wide variety of goods and services and a broad range of employment opportunities, eliminating the need to travel to other communities; and that Los Gatos provides a well-run, efficient municipal government that is fiscally healthy, with high levels of public safety, recreational, art and cultural amenities and is committed to high quality education.*



# TOWN OF LOS GATOS

## OPERATING AND CAPITAL SUMMARY BUDGET

### FISCAL YEAR 2020/21

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**OPERATING AND CAPITAL SUMMARY BUDGET**  
**FISCAL YEAR 2020/21**

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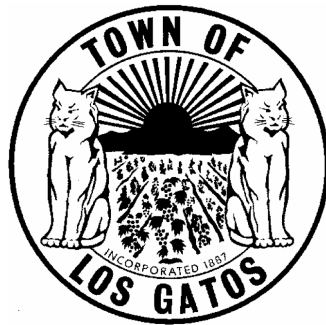
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# *Introduction*



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May 7, 2020

Honorable Mayor and Town Council:

I am pleased to present to you a balanced Fiscal Year (FY) 2020/21 Proposed Operating Budget for the Town of Los Gatos. I would also like to take this opportunity to thank the current Town Council as well as past Councils for your proactive and conservative approach to the Town's budget and finances over the years. Your fiscal stewardship has put the Town in an enviable position to manage the unprecedented nature of the COVID-19 pandemic crisis and its associated economic impacts.

The proposed Budget addresses the Council identified Strategic Priorities and considers other areas of importance to our community, the Council, and the Town organization. The proposed Budget also acknowledges the current economic realities associated with the global Covid-19 pandemic and positions the organization for what will likely be the nation's first recession since 2008. However, the ultimate impact to the organization is not expected to be known until the depth and breadth of the pending recession is fully understood.

The FY 2020/21 General Fund Budget programs total revenues and reserve transfers of \$53.2 million and expenditures and allocations of \$53.2 million. The Budget currently anticipates a slight surplus of \$11,905 and maintains existing service levels. This Budget also provides for limited strategic new investments toward important wildfire vegetation management, critical improvements to evacuation-related roadways, and other necessary infrastructure improvements, as the pandemic is not the only threat to our community's health and safety.

#### **BUDGET DEVELOPMENT CONTEXT**

An important aspect of the Town's budget development process is taking a multi-year approach. Serving as the foundation of the budget planning process, the Town updates the Five-Year Financial Forecast beginning in the fall of each year and it is presented to Council in early winter. The Forecast includes developing assumptions for Town revenues and expenditures with the goal of defining the expenditure limitations for the forthcoming budget year and forecast period.

On January 21, 2020, the Town Council received the following Five-Year Forecast which became the basis of Strategic Priority planning and budgetary considerations. As stated in January, a modest base case revenue growth forecast best reflected the economic environment at the time. As discussed with the Town Council in January, sensitivity analyses with respect to revenues and expenditures demonstrate that the Town organization is vulnerable to changes in forecasted economic conditions.



Original 5 Year Forecast "Base Case"	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)
Total Revenues, Transfers & Use of Reserves	\$45.8	\$47.3	\$48.4	\$49.6	\$51.2
Total Expenses & Allocations	\$45.3	\$45.6	\$46.8	\$47.3	\$48.1
Original Surplus/Deficit	\$0.5	\$1.7	\$1.6	\$2.3	\$3.1

Since the development of that original forecast, the unprecedented economic impacts associated with the local, national, and global mitigation of COVID-19 have necessitated significant revisions to growth projections for the Town's primary revenues of Property Tax, Sales Tax, and Transient Occupancy Tax (TOT). In close consultation with the Santa Clara County Assessor, Town Sales Tax consultant MuniServices, and a review of national and regional hospitality research, the following table illustrates the updated primary revenue growth projections.

	2020/21 Forecast	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast
Original Base Case Property Tax Growth Projection	3%	3%	3%	3%	3%
Updated Proposed Budget Recession Scenario	2%	0%	3%	3%	3%
Original Base Case Sales Tax Growth Projection	MuniService Base Case	MuniService Base Case	MuniService Base Case	MuniService Base Case	MuniService Base Case
Updated Proposed Budget Recession Scenario	MuniService COVID-19 Scenario	MuniService COVID-19 Scenario	MuniService COVID-19 Scenario	MuniService COVID-19 Scenario	MuniService COVID-19 Scenario
Original Base Case Sales TOT Growth Projection	0%	0%	0%	0%	0%
Updated Proposed Budget Recession Scenario	-15%	-5%	0%	0%	0%



The net result of these revenue changes alone account for a \$1.8 million swing from the original FY 2020/21 base case revenue projections and an additional \$2.6 million revenue reduction in FY 2021/22 projected base case projection.

Net Changes in Revenues to Base Case	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)
Sales Tax COVID-19 Scenario	(\$0.98)	(\$1.02)
TOT Shock Scenario	(\$0.4)	(\$0.1)
Property Tax Slow/No Growth Scenario	(\$0.4)	(\$1.5)
Totals	(\$1.78)	(\$2.62)

In addition to reassessing revenue growth, the Proposed Budget also forecasts anticipated increases in the Town's pension obligations. One of the major cost drivers for the Town over the past decade has been unanticipated increases in pension and other post-employment benefits (OPEB). The Town's plans over the past several decades, like all other CalPERS participants, have experienced unfavorable investment returns, changes in actuarial assumptions, and demographic changes which have outweighed any positive plan experiences. The outcome of these unfavorable economic and demographic results is the development of unfunded pension and OPEB obligations for the Town. According to the 2018 actuarial valuations, the unfunded actuarial liability for pensions was \$59.3 million and \$8.7 million for OPEB as of June 30, 2019.

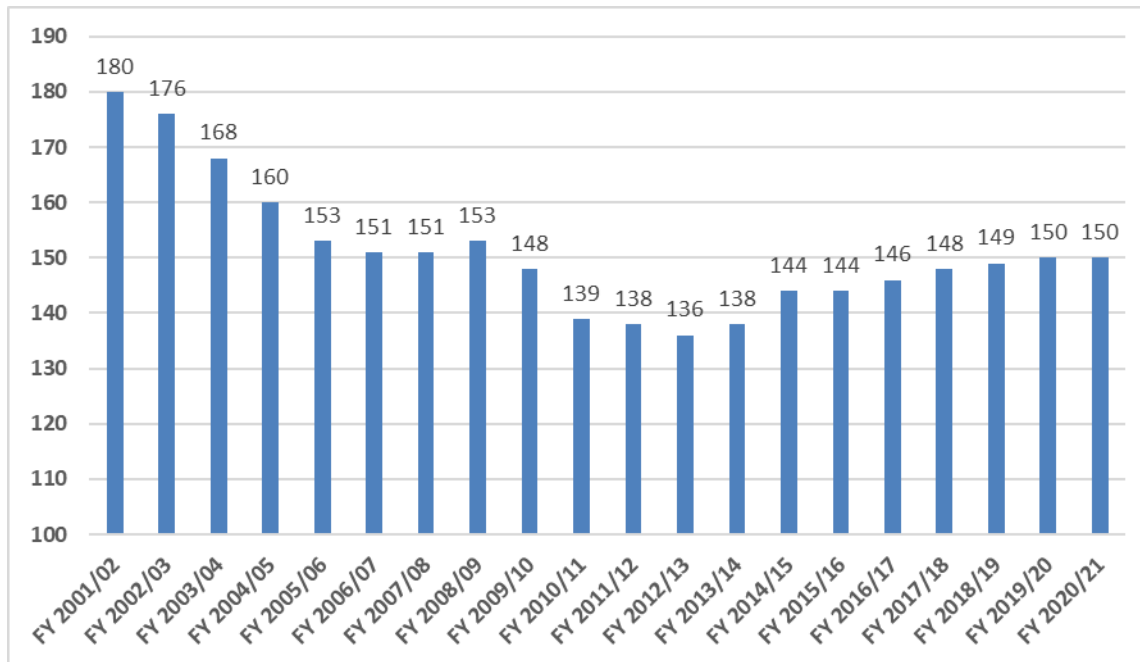
Given recent volatility in financial markets, it is anticipated that CalPERS will not achieve its assumed investment rate of return of 7% in FY 2019/20. As such, staff modeled what the anticipated net increases in Unfunded Actuarial Liability (UAL) payments would be under varying investment return scenarios. As the following table illustrates, while there is no initial impact to the forecast due to lags in actuarial reporting, increased UAL payments start to erode previous surpluses projected in the later years of the forecast. With two months left in the 2019/20 fiscal year, the 0% return scenario most closely approximates CalPERS current return and is used for this Forecast.

Net Changes in UAL Payments to Base Case (millions)	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)
CalPERS Investment Loss 5% – Additional UAL	N/A	N/A	(\$0.07)	(\$0.15)	(\$0.22)
CalPERS Investment Loss 0% – Additional UAL	N/A	N/A	(\$0.26)	(\$0.51)	(\$0.77)
CalPERS Investment Loss -5% – Additional UAL	N/A	N/A	(\$0.44)	(\$0.88)	(\$1.30)



The Town's conservative budgeting practices have historically yielded modest annual surpluses which, among other priorities, has provided the Town Council the latitude over the years to address these increases in pension obligations. To date, the Town has allocated or programmed approximately \$35.0 million in additional discretionary payments towards its pension and OPEB obligations.

In addition to conservative budgeting practices and proactive additional funding of pension and OPEB obligations, the Town has also taken a conservative approach to staffing. As the table below illustrates, since 2001 the Town has reduced its full-time employees by 16.7% to 150 FTE employees.



In March 2018, the Town Council received a presentation from staff entitled “*Preparing for the Next Recession.*” The presentation illustrated how the Town organization utilized expense reductions almost exclusively during the last two recessions and ultimately downsized the organization approximately twenty percent. As a result, expense reductions exclusively would be extremely challenging during the next recession if current high-quality level of services that the Los Gatos community deserves and has come to expect were to be maintained. As such, a sales tax increase dedicated exclusively for Los Gatos was identified as one way to help maintain Town service levels during the next economic downturn. In November 2018, the voters of Los Gatos approved a 1/8 cent sales tax which generates approximately \$1.0 million in additional ongoing sales tax revenue annually.

In 2019, the Town Council initiated the annexation of 24 unincorporated urban islands within the Town of Los Gatos. In addition to the efficiencies associated with the uniform provision of municipal services to island residents, the annexation ended the diversion of property tax revenue generated within Town limits to the County. The Council initiated annexation resulted in approximately \$1.0 million in ongoing annual property tax revenue for the Town.



The combined effect of retaining a tradition of conservative budgeting practices, maintaining reduced staffing levels, and enhancing ongoing revenue sources prepared the Town well for this pending recession.

The Town is affected economically by the COVID-19 pandemic and due to the Council's proactive efforts over the past few years, the Town is expected to be in a position to maintain the Town's high quality services in the short and medium terms. Below is a summary table of the Five-Year Forecast showing a balanced budget in the next two years and potential deficits in the out years which are within a reasonable margin that currently could be absorbed without affecting services. The Town continues to monitor economic indicators and other data. The Council will be apprised of any needed updates.

COVID-19 Scenario	2020/21 Forecast (\$M)	2021/22 Forecast (\$M)	2022/23 Forecast (\$M)	2023/24 Forecast (\$M)	2024/25 Forecast (\$M)	2025/26 Forecast (\$M)
Total Revenues, Transfers & Use of Reserves	\$53.2	\$45.5	\$46.2	\$47.7	\$48.2	\$48.2
Total Expenses & Allocations	\$53.2	\$45.5	\$46.8	\$47.8	\$48.9	\$49.3
Surplus/Deficit	\$0.0	\$0.0	(\$0.6)	(\$0.1)	(\$0.7)	(\$1.1)

#### **FISCAL YEAR (FY) 2020/21 BUDGET BALANCING STRATEGIES**

For FY 2020/21 the Proposed Operating Budget was balanced utilizing three primary budget balancing strategies. The first was to budget salaries for FY 2020/21 at actual salary plus a one-step increase, which is a departure from previous practice. While 68% of the workforce are already at top step or one step below top step, this strategy provides budgetary savings of approximately \$550,000.

The second strategy reassessed and recalculated the Internal Service Fund charges for the Town's Equipment Replacement and Information Technology Funds. The decreased charges for Equipment Replacement and Information Technology resulted in approximate savings of \$68,000 and \$200,000, respectively.

The third strategy, per the Town's General Fund Reserves Policy, transferred approximately \$800,000 from the Capital/Special Project Reserve. It should be noted that the Capital/Special Project Reserve transfer was from excess funds after recommended capital project additions contained in the Proposed Capital Improvement Program.



## **FIVE-YEAR FINANCIAL FORECAST**

Similar to prior years, the Five-year Forecast serves as the foundation of the budget planning process. The Forecast includes updates to Town revenues and expenditures with the first year of the Forecast's revenue estimates being the most critical in the process as they ultimately define the expenditure limitations for the upcoming budget year. The revenue projections further refine the Town's planning for current and future expenditures based on future projections. The preliminary assumptions are used to forecast the Town's fiscal capacity and provide the financial framework within which the proposed Department service levels must be developed. They also serve as the basis to test the potential impacts of proposed policy and operational modifications based upon the Town Council's most recently adopted Strategic Priorities.

The Five-Year Forecast was developed with a recessionary/COVID-19 scenario. Lower revenues in the early years have ramifications throughout the forecast period as future revenue growth is extrapolated off lower initial base revenues. The revenue assumptions are informed by the County Tax Assessor, the Town's sales tax consultant, and direct communication with the Town's hospitality industry.

On the expenditure side, the Forecast recognizes higher pension costs due to the assumption that CalPERS will not meet its investment return expectations. This information was determined in coordination with the Town's actuarial consultant and CalPERS. In addition, the Town did scenario testing with a CalPERS cost model to understand the depth and breadth of the pension cost impact.

As previously mentioned, the Forecast includes a multitude of primary revenue and expenditure adjustments, the culmination of which is depicted in the Table below.



**Town of Los Gatos General Fund 5-Year Forecast**  
(in \$ million)

Account	Revenue Category	2020/21 Budget	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
4100	Property Tax	\$ 14.7	\$ 15.1	\$ 15.8	\$ 16.2	\$ 16.7	\$ 16.5
4110	VLF Backfill Property Tax	4.0	4.0	4.1	4.2	4.3	4.3
4200	Sales & Use Tax	8.0	8.1	8.2	8.4	8.5	8.6
4250	Franchise Fees	2.5	2.6	2.7	2.8	2.9	2.9
4251	Transient Occupancy Tax	2.3	2.2	2.2	2.2	2.2	2.2
4400	Business License Tax	1.3	1.3	1.3	1.4	1.4	1.4
4400	Licenses & Permits	3.1	2.9	3.0	3.0	3.1	3.1
4500	Intergovernmental	1.0	0.7	0.8	0.8	0.9	0.9
4600	Business License Tax	4.0	4.1	4.2	4.2	4.2	4.3
4700	Fines & Forfeitures	0.4	0.4	0.4	0.5	0.5	0.5
4800	Interest	0.6	0.8	0.2	0.7	0.2	0.2
4850	Other Sources	2.3	2.2	2.2	2.2	2.2	2.2
4900	Fund Transfers In	0.6	0.5	0.5	0.5	0.5	0.5
<b>TOTAL OPERATING REVENUES &amp; TRANSFERS*</b>		\$ 44.8	\$ 44.9	\$ 45.6	\$ 47.1	\$ 47.6	\$ 47.6
	Use of Capital/Special Project Reserve - Capital	3.4	0.6	0.6	0.6	0.6	0.6
	Use of Pension/OPEB Reserve	4.2	0	0	0	0	0
	Use of Capital/Special Project Reserve - Other	0.8	0	0	0	0	0
<b>TOTAL REVENUES, TRANSFERS, AND USE OF RESERVES</b>		\$ 53.2	\$ 45.5	\$ 46.2	\$ 47.7	\$ 48.2	\$ 48.2
Account	Expenditure Category	2020/21 Budget	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
5110	Salary	20.2	19.9	19.9	20.0	20.1	20.1
5120	CalPERS Benefits	7.3	7.3	8.2	8.7	9.0	9.0
5200	All Other Benefits	4.1	4.1	4.2	4.3	4.4	4.5
6211	OPEB Pay as You Go	1.3	1.4	1.4	1.5	1.7	1.8
6000	Operating Expenditures	6.6	5.8	6.1	6.2	6.5	6.5
7200	Grants & Awards	0.2	0.2	0.3	0.3	0.3	0.3
7400	Utilities	0.6	0.6	0.6	0.7	0.7	0.7
8060	Internal Service Charges	2.4	2.7	2.8	3.0	3.2	3.4
8900	Debt Service	1.9	1.9	1.9	1.9	1.9	1.9
<b>TOTAL OPERATING EXPENDITURES</b>		\$ 44.6	\$ 44.0	\$ 45.4	\$ 46.5	\$ 47.7	\$ 48.1
	GASB 45 Retiree Medical Actuarial	0.6	0.5	0.4	0.3	0.2	0.2
	Additional Discretionary Payment - Pension	4.6	0.4	0.4	0.4	0.4	0.4
<b>TOTAL OPERATING &amp; DISCRETIONARY EXPENDITURES</b>		\$ 49.8	\$ 44.9	\$ 46.2	\$ 47.2	\$ 48.3	\$ 48.7
	Capital Transfers Out to GFAR	3.4	0.6	0.6	0.6	0.6	0.6
	Transfer to Internal Service Funds	0	0	0	0	0	0
	Pension/OPEB Transfer to Pension Trust Fund	0	0	0	0	0	0
	Allocate to Compensated Absences	0	0	0	0	0	0
	Surplus	0	0	0	0	0	0
	Allocate to Property Surplus Reserve	0	0	0	0	0	0
<b>TOTAL EXPENDITURES &amp; RESERVE ALLOCATIONS</b>		\$ 53.2	\$ 45.5	\$ 46.8	\$ 47.8	\$ 48.9	\$ 49.3
<b>NET REVENUES RESERVE TRANSFERS LESS EXPENDITURES &amp; RESERVE ALLOCATIONS</b>		\$ -	\$ -	\$ (0.6)	\$ (0.1)	\$ (0.7)	\$ (1.1)
* Due to rounding of individual categories FY 2020/21 Total Expenditures and Reserve Allocations omits \$0.1 million.							



## **STRATEGIC GOALS AND PRIORITIES**

In January 2020, the Town Council determined the Strategic Priorities for 2020-2022, providing guidance to Town staff on workload prioritization. The Town Council reaffirmed its Core Goals, including: Community Character, Good Governance, Fiscal Stability, Quality Public Infrastructure, Civic Enrichment, and Public Safety. Even with the significant budgetary revisions outlined in this Proposed Operating Budget, I am proud to report that many of Council's primary goals and priorities continue to be programed.

Several Strategic Priorities are not one-time projects, but rather are ongoing commitments due to their critical significance in ensuring the Town's fiscal and infrastructure stability and the safety and quality of life for Los Gatos residents, businesses, and visitors. These commitments include continuing to address the Town's unfunded pension and other post-employment benefits (OPEB) obligations; developing Measure B transportation projects so the Town is positioned to receive its fair share of the funds; and fostering emergency preparedness and community resilience.

In terms of capital projects, the Town Council affirmed its interest in investing in bicycle and pedestrian improvements and implementing elements of the Comprehensive Parking Study. In addition to capital projects, the Council identified new policy priorities which include preparing for the Regional Housing Needs Allocation process and exploring regional transportation solutions to alleviate increased roadway congestion.

Other Strategic Priorities position the Town for its future. The Council continues the General Plan Update to engage the community in land use planning and policies to guide development for the next couple of decades. Other Priorities address State housing legal mandates and enhancing economic and community vitality. As the Town transitions from sheltering-in-place to the reopening of businesses, the significance of enhancing economic and community vitality are paramount.

The following illustrates the Strategic Priorities adopted for FY 2020-22. Some of these priorities were acted upon during FY 2019/20 and the remaining items are included in this Operating and Capital Budget for FY 2020/21.



# STRATEGIC PRIORITIES FY 2020-2022



**CORE GOALS: COMMUNITY CHARACTER • GOOD GOVERNANCE • FISCAL STABILITY •  
QUALITY PUBLIC INFRASTRUCTURE • CIVIC ENRICHMENT • PUBLIC SAFETY**

## ONGOING PRIORITIES

### SAFETY

#### *Emergency Preparedness*

- CERT Recruitment and Training
- Community communication

#### *Fire Protection*

- Vegetation management on Town properties
- Enhanced community education

### QUALITY OF LIFE

#### *Community Vitality*

- Events and Other Efforts Town-wide
- Community Engagement

#### *Economic Vitality*

- Policies and Ordinances

#### *Land Use Planning*

- *Housing Element*
- *Potential Area Plans and rezoning to implement General Plan*

### TRAFFIC/TRANSPORTATION

#### *Comprehensive Parking Study*

- Short, Medium, and Long Term Actions

#### *Transportation Demand Management*

- Summer/Rush Hour/School Traffic
- Develop Measure B Transportation Projects
- Install Bicycle and Pedestrian Improvements
- Community Shuttle

### PRUDENT FINANCIAL MANAGEMENT

#### *Address Pension and OPEB Obligations*

- Additional Discretionary Payments (ADPs)
- Reduced Amortization Strategies
- Pension Contribution Management Strategies

#### *Sell or Lease Certain Town Properties*

## NEW

#### *Regional Housing Needs Allocation Process*

#### *Updating Town Ordinances in Alignment with New State Housing Legislation*

#### *Regional Transportation*

## IN PROGRESS

#### *General Plan 2040*

- Objective Standards
- Environmental Sustainability/  
Climate Resiliency

#### *Vehicle Miles Travelled Policy*

#### *Streamline regulations to enhance Town businesses*

#### *School Bus Pilot*

#### *EOC Upgrades*

## RECENTLY COMPLETED

#### *Almond Grove Streets*

#### *Measure G (Sales Tax) Implementation*

#### *\$8.9 M CalPERS Pension Payment*

#### *Short Term Rentals*

#### *Complete Streets Policy*

#### *One-Way Downtown Street Pilot*

#### *Annexation of Small County Pockets*

**SMALL TOWN SERVICE, COMMUNITY STEWARDSHIP, FUTURE FOCUS**



## UNDERSTANDING THE BUDGET DOCUMENT

The Operating Budget document includes Town-wide information as well as information specific to each fund and each Department. The Town receives revenues from different sources, many of which have restrictions on how they can be used. Separate funds are established to account for the different types of revenues and allowable uses of those revenues.

The budget is prepared in accordance with Generally Accepted Accounting Principles. The budget for governmental funds has been prepared on a modified accrual basis. The modified accrual basis recognizes expenditures when the related fund liability is incurred. Revenues are recognized when they become both measurable and available. “Measurable” means the amount of the transaction can be determined and “available” means collectible within the current period or soon enough thereafter to be used to pay liabilities of the current period.

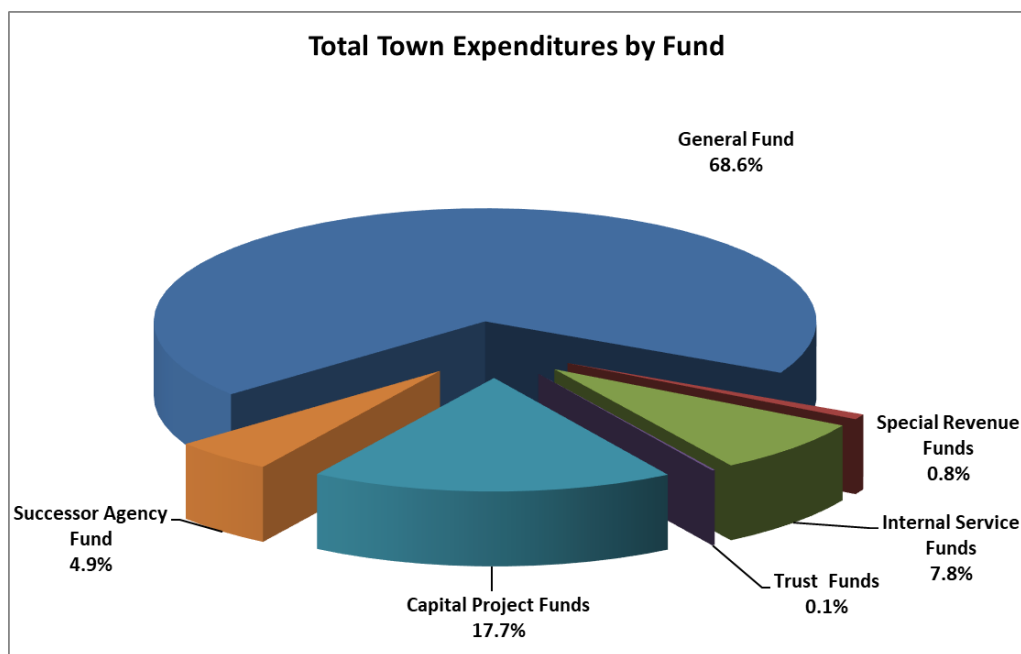
## FY 2020/21 FISCAL OUTLOOK

### Overview

The workload and budgetary prioritization process took into account the Town’s current economic reality and long term fiscal picture, as well as high priority service delivery needs. Key principles include:

- Develop and recommend a balanced budget that maintains service levels;
- Position for multi-year recession
- Continue to make progress on Strategic Priorities identified by the Town Council; and
- Identify opportunities to enhance service delivery through new revenue sources, technology, and open government.

As shown in the chart below, the Proposed Budget is largely funded by the General Fund (68.6%).





For Council's consideration, staff is recommending the following allocations:

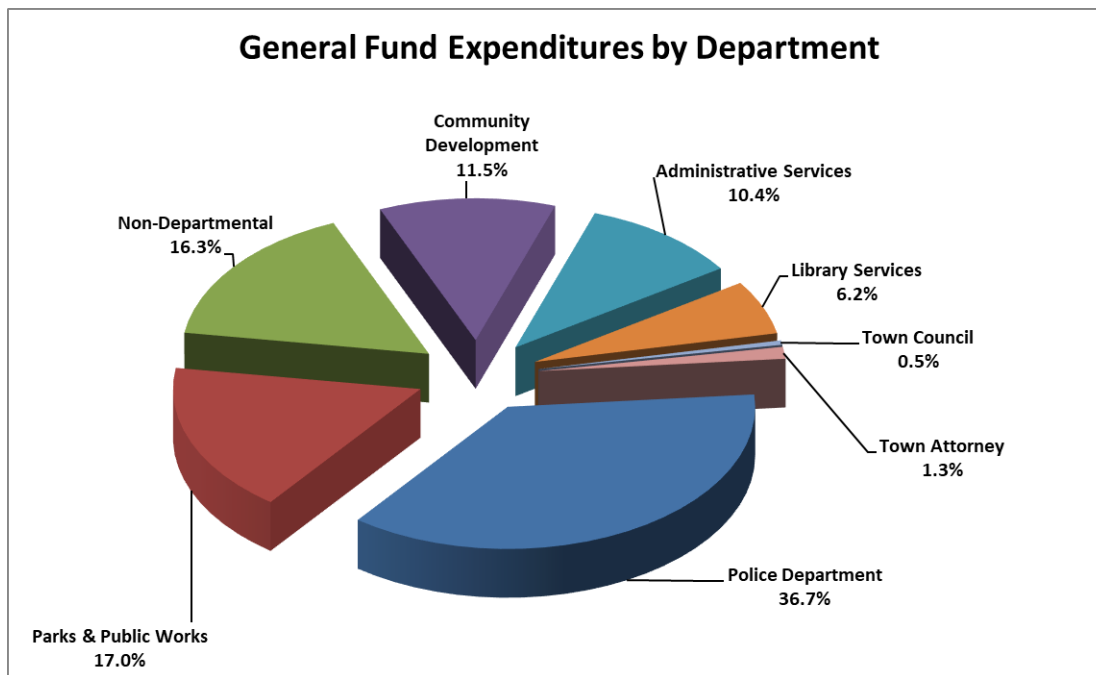
- \$3,660,342 from the Pension/OPEB Reserve to pay off the 2015 CalPERS Gain/Loss base and transfer the residual balance to the restricted IRS 115 Pension Trust [California Employers' Pension Prefunding Trust (CEPPT)].
- \$572,158 residual balance from the Pension/OPEB Reserve to the restricted IRS 115 Pension Trust (CEPPT).
- \$390,000 annual General Fund Reserve Policy scheduled payment to the Pension/OPEB Reserve which will be transferred to the restricted IRS 115 Pension Trust (CEPPT).
- \$3,401,479 from the General Fund Capital/Special Projects Reserve to fund to the proposed Capital Improvement Program.
- \$1,200,000 from the Winchester property sale to Surplus Property Reserve for future Council allocation, including but not limited to potential COVID-19 economic impacts in FY 2019/20 and/or other potentially impacted fiscal years.
- \$769,308 from the General Fund Capital/Special Projects Reserve to fund one-time initiatives in FY 2020/21, including tree services, engineering consultants, temporary Parking Manager to implement the Comprehensive Parking Study, continuation of a part-time Code Compliance Officer, and other one-time expenses.
- \$35,306 residual balance from the Vehicle Maintenance and Store Reserve to the General Fund Capital/Special Projects Reserve per the General Fund Reserve Policy.
- \$17,762 from the General Fund Capital/Special Projects Reserve to the Budget Stabilization and Catastrophic Reserves to maintain the required 25% funding level of the proposed Operating Budget consistent with the General Fund Reserve Policy.

If the Town Council does not agree with these proposed recommendations, the Council should provide specific guidance as to the allocation of these funds. For example, should the Council wish to put more resources towards the Pension/OPEB Reserve, then a commensurate reduction would be needed in the Town's Capital Improvement Program.

#### *General Fund*

The General Fund pays for core services such as public safety, community development, parks and public works, library, and other services. The revenue used to pay for these services comes primarily from local taxes such as property tax, sales tax, transient occupancy tax, franchise fees, licenses and permits, Town services, fines and forfeitures, and a variety of other sources. As illustrated in the chart below, the majority of General Fund revenue supports the services provided by Police, Parks and Public Works, Community Development, and Library.





General Fund revenue is estimated at \$41.3 million in the FY 2020/21 Proposed Budget, excluding debt service, restricted pension trust activity, and fund transfers. This is a decrease of \$1.5 million (3.6%) when compared to the FY 2019/20 Adopted Budget. While Property Tax, Vehicle License Fee (VLF) backfill property tax, and Franchise Fees are projected to increase, Sales Tax, Transient Occupancy Tax, Business License Tax, and license and permit revenues are projected to decrease due to the impacts of the COVID-19 pandemic.

The Town's General Fund operating budget expenditures for FY 2020/21 are projected to increase slightly by \$0.4 million compared to the prior year's Adopted Budget (excluding fund transfers, \$4.2 million payment to CalPERS, and debt service). The increase in FY 2020/21 is primarily attributable to the negotiated one year cost of living adjustment to attract and retain high performing employees. Other components of the expenditures include employee benefits, grants and awards, internal service charges, operating expenses for supplies and services, and debt service. The delivery of Town services is highly dependent on labor, which makes up 59.5% of budgeted General Fund expenditures for FY 2020/21.

#### *Internal Service Funds*

Internal Service Funds are used for areas where goods or services are provided to other Town Departments. Internal Service Funds include funds and programs for Information Technology, Liability Insurance, Workers' Compensation, Facilities Maintenance, and Equipment Replacement. Staff is proposing reduced charges for the Town's Equipment Replacement and Information Technology Funds. The reassessment and recalculation of these funds results in decreased charges and budgetary savings of approximately \$68,000 and \$200,000, respectively.

#### *Capital Projects Fund*

The Capital Improvement Projects Fund is typically used to account for financial resources that are used for the acquisition or construction of major capital infrastructure or to provide or



improve facilities for Town Departments as identified in the five-year Capital Improvement Program (CIP).

The proposed FY 2020/21 Town-wide expenditures from the Capital Projects Funds is \$13.8 million (excluding transfers out) which is inclusive of \$5.8 million in General Fund Appropriated Reserve for the Town's CIP program.

#### *Special Revenue Funds*

Special Revenue Funds are a fund type used to account for the proceeds of specific revenue sources that are legally restricted to expenditures for specific purposes. Special Revenue Funds account for 0.8% of the Town-wide expenditure budget. The Town's largest Special Revenue Fund is the Urban Run-Off Source Fund. The total proposed Budget for Special Revenue Funds for FY 2020/21 is \$596,814.

#### *Trust Funds*

Trust funds are used to account for assets held by the Town as a trustee agent for individuals, private organizations, and other governments. The Town's Trust Funds are comprised of four trusts established to provide for the servicing of donations and bequests to the Town's Library program. The FY 2020/21 budgeted expenditures in this trust fund total \$114,455.

#### *Successor Agency to the Los Gatos RDA Funds*

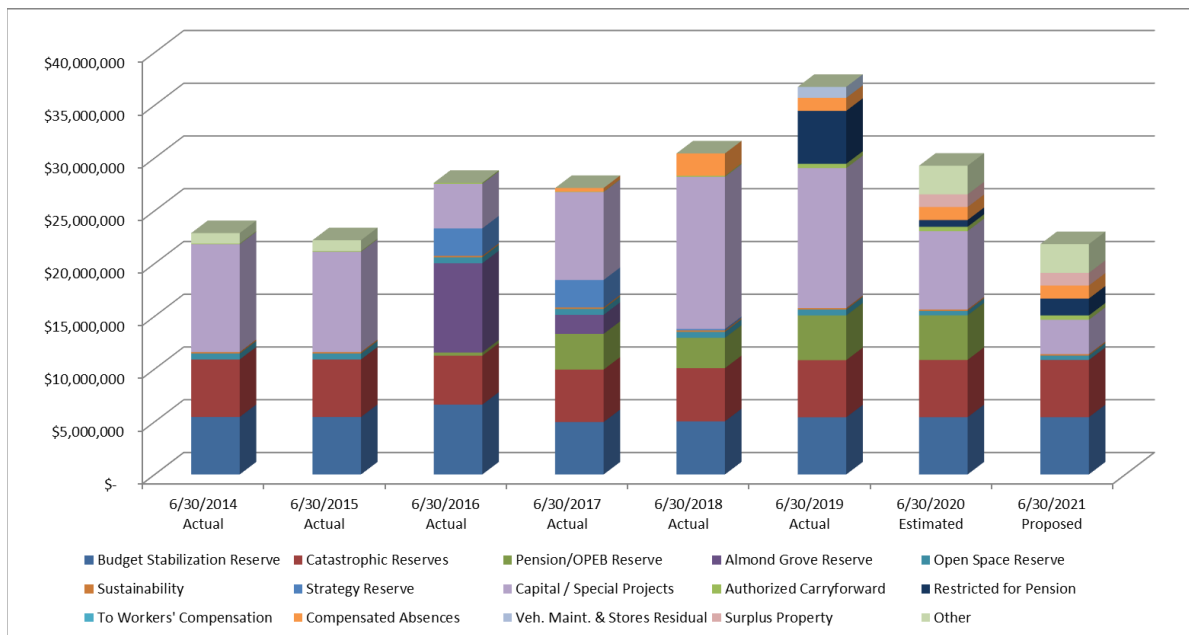
The Successor Agency to the Los Gatos Redevelopment Agency (RDA) is a private purpose trust fund that accounts for the assets, liabilities, and operations transferred from the dissolution of the Town's RDA. These funds include Certificates of Participation issued to finance several capital improvement projects throughout the Town and repayment of obligations incurred by the Town's RDA prior to its dissolution. The FY 2020/21 budgeted expenditures in this trust fund total \$3.8 million.

### **GENERAL FUND RESERVES**

The total General Fund Reserves are forecasted at a balance of approximately \$21.8 million as of June 30, 2021. Additional information on the estimated FY 2019/20 and FY 2020/21 year-end General Fund balances can be found in the Financial Summaries section. As indicated in the next chart, the General Fund reserves are decreasing from prior years due primarily to previous programmed payments toward the Town's unfunded pension/OPEB obligations and transfers to the CIP program. Transfers to the CIP program include \$7.0 million (FY 2016/17), \$2.4 million (FY 2017/18), \$2.4 million (FY 2018/19), \$5.7 million (FY 2019/20), and \$3.4 million in FY 2020/21.

Pension/OPEB transfers of note include the \$4.5 million California Public Employees Retirement System (CalPERS) side-fund payoff in June 2014 and \$4.8 million in FY 2019/20. In FY 2020/21, the proposed transfer to CalPERS and the CEPPT Trust is \$5.8 million





General Fund Reserve	6/30/2014 Actual	6/30/2015 Actual	6/30/2016 Actual	6/30/2017 Actual	6/30/2018 Actual	6/30/2019 Actual	6/30/2020 Estimated	6/30/2021 Proposed
<b>Restricted for:</b>								
Pension						\$ 5,015,316	\$ 639,519	\$ 1,601,677
<b>Committed to:</b>								
Budget Stabilization	\$ 5,450,000	\$ 5,450,000	\$ 6,621,808	\$ 4,969,847	\$ 5,037,243	\$ 5,419,222	\$ 5,427,603	\$ 5,427,603
Catastrophic	5,450,000	5,450,000	4,637,406	4,969,847	5,037,243	5,419,222	5,427,603	5,427,603
Pension/OPEB	-	-	300,000	3,388,913	2,878,913	4,232,500	4,232,500	-
Almond Grove	-	-	8,459,973	1,801,318	-	-	-	-
<b>Assigned to:</b>								
Open Space	562,000	562,000	562,000	562,000	562,000	562,000	410,000	410,000
Sustainability	140,553	140,553	140,553	140,553	140,553	140,553	140,553	140,553
Strategy			2,600,000	2,600,000	129,090	-	-	-
Capital / Special Projects	10,218,579	9,511,527	4,222,405	8,332,953	14,421,203	13,262,303	7,422,640	3,251,853
Authorized Carryforward	56,741	56,741	99,284	34,852	99,927	413,729	413,729	413,729
Compensated Absences				350,329	2,122,512	1,232,654	1,232,654	1,232,654
To Workers' Compensation						1,232,654		
Veh. Maint. & Stores Residual						1,040,375	-	-
Surplus Property						-	1,200,000	1,200,000
Other	1,001,265	1,032,563					2,715,949	2,727,854
<b>Total General Fund Reserve</b>	<b>\$ 22,879,138</b>	<b>\$ 22,203,384</b>	<b>\$ 27,643,429</b>	<b>\$ 27,150,612</b>	<b>\$ 30,428,684</b>	<b>\$ 37,970,528</b>	<b>\$ 29,262,750</b>	<b>\$ 21,833,526</b>

### *Catastrophic and Budget Stabilization Reserves*

As per the Town's General Fund Reserve Policy and reaffirmed by Council, the Catastrophic and Budget Stabilization Reserves are to be maintained at combined minimum funding level of 25% of General Fund ongoing operating expenditures. The funding requirement is equally divided between the Catastrophic Reserve (12.5%) and the Budget Stabilization Reserve (12.5%). Fund balance in these reserves is used to fund future fluctuations in the economy due to catastrophic events and mitigating cyclical changes in locally generated revenues from temporary downturns in the local economy. Staff recommends transferring \$16,762 from available prior year-end saving to meet the required 25% funding level, or \$10.8 million total for FY 2020/21.



### *Pension/OPEB Reserve*

Committed fund balance in this reserve is used to fund pension and Other Post-Employment Benefits (OPEB) unfunded obligations. This reserve is primarily used to house additional discretionary payments budgeted for future allocation to CalPERS. The Town's Pension/OPEB Oversight Committee has determined that additional discretionary payments will be allocated directly to CalPERS.

With Council direction, upon the close of the fiscal year, the CalPERS/OPEB Reserve receives \$300,000 of the available year-end savings. In FY 2018/19 the Council approved development of an additional reserve policy to reduce the amortization period for prior amortization bases from 30 years to 20 years. Initial annual programming of \$390,000 was established subject to final adjustment based upon updated CalPERS actuarial valuations. The Council Finance Committee makes recommendations for the allocation methodology for use of these funds for future Town Council/Oversight Committee consideration.

### *Capital / Special Projects*

With Council direction, upon the close of the fiscal year, the Capital/Special Projects Reserve receives the Town's annual revenues above operating expenditures after funding all legally restricted reserves at their required levels. Fund balance is assigned for the acquisition and construction of capital facilities. In FY 2020/21, the amount being allocated to the Capital Improvement Program is \$3.4 million. Approximately \$800,000 is proposed to be allocated for one-time uses in FY 2020/21 as described previously. It is anticipated the Reserve will have approximately \$3.3 million as of June 30, 2021.

### *Compensated Absences Reserve*

A reserve is maintained annually to fund 50% of all vested hours of vacation earnings. It is anticipated the reserve will have approximately \$1.2 million as of June 30, 2021.

### *Surplus Property Reserve*

A reserve established for placing the proceeds from surplus property sales until further Town Council reallocation. It is anticipated the reserve will have approximately \$1.2 million as of June 30, 2021.

### *Other*

The Town has several other smaller reserves that have been classified as other. These reserves include an authorized carryforward, open space reserve which may be used to make selective open space acquisitions, and a sustainability reserve which will be used to fund projects that enhance the community environment. Please refer to the Financial Summaries section (C-1) for additional information.

## **KEY BUDGET ASSUMPTIONS**

### *Revenues*

The FY 2020/21 Budget incorporates anticipated impacts of the COVID-19 epidemic and the subsequent recessionary environment with the General Fund revenues (excluding debt payments, restricted pension trust activity, and fund transfers in) expected to decrease by \$0.6



million to \$42.3 million from prior year budgeted revenues. Revenue projections for each category were based upon estimates provided to the Town by the Santa Clara County Assessor, the Town's sales tax consultant, and careful examination of revenue trends, patterns, and industry research.

The net decrease in overall revenues is mostly due to forecasted increases in some revenues such as property tax and franchise fees. Sales tax, business license tax, licenses and permits, and transient occupancy tax are projected to decrease in FY 2020/21 and then increase gradually over time albeit from a lower base. The sales tax projections include the voter approved one-eighth general purpose sales tax dedicated to the Town of Los Gatos. Revenue collection began in April 2019. Additional details regarding the assumptions used in the development of revenue estimates can be found in the Forecast Assumptions discussion later in this section.

### *Expenditures - Staffing*

The proposed Budget includes minor adjustments to staffing.

	FY 2019/20 Authorized/Funded Town Staff Position	FY 2020/21 Authorized/Funded Town Staff Position
<b>Departments</b>		
Town Council	0.50	0.50
Town Attorney	1.88	1.88
administrative Services	20.18	20.18
Community Development	20.08	20.20
Police Department	60.00	60.00
Parks & Public Works	34.50	34.75
Library	12.50	12.50
<b>Total Position</b>	<b>149.63</b>	<b>150</b>
All Hourly Employee Staff Converted to FTE's	10.68	11.03
	<b>160.31</b>	<b>161.03</b>

The FY 2020/21 Operating Budget has 161.03 budgeted FTEs, including temporary staff. This reflects an increase of 0.72 FTE compared to the prior year. The recommended FY 2020/21 staffing levels also reflect the following changes from the prior year's Adopted Budget:

- *Administrative Services and Town Offices* - The FY 2020/21 budget reflects the remaining year of a part time, two-year position to assist with the Town's emergency preparedness activities and regional emergency management engagement.
- *Police* –The FY 2020/21 budget contains one-time requests for Temporary Parking and Project Managers to assist with the review and the implementation of the Comprehensive Parking Study and critical operational technology needs.
- *Community Development Department (CDD)* –The FY 2020/21 budget reflects a one-time request to continue the part time Code Compliance Officer and an 0.12 FTE increase of an Associate Planner position.
- *Parks and Public Works (PPW)* – The FY 2020/21 budget also includes a reclassification of a 1.0 FTE Engineer Technician position to a 1.00 FTE Senior Engineer Technician position and a 0.25 FTE increase of an Administrative Assistant position.



### *Non-Personnel Operating Expenditures*

Non-Personnel expenditure budgets were developed based on actual expenditures in prior years, adjusted for FY 2020/21 funding needs. In light of limited available resources, the FY 2020/21 proposed budgeted non-personnel expenditures are conservative, with additions primarily limited to non-discretionary, contractually obligated, or mandated increases. Additional details regarding the assumptions used in the development of the expenditure estimates can be found in the Forecast Assumptions discussion later in this section.

## **STATE BUDGET IMPACTS**

Preliminary data on the State of California FY 2020/21 Proposed Budget anticipate a \$54.3 billion deficit. The \$54.3 billion deficit is driven by three factors: approximately \$41 billion in revenue loss, \$7 billion increase in health and human services programs (mainly the state's Medi-Cal health program for the poor) and about \$6 billion in additional spending, mainly driven by the state's response to COVID-19. Full details will be available as part of the Governor's May Revised Budget.

Aside from tax payment deferral programs which are largely a question of cash flow, local revenues are well insulated from the state's budgetary problems. Unlike in prior recessions, local governments have strong and encompassing constitutional protection from state actions that might affect revenues and mandates. We can, however, expect substantial impacts in Local Streets and Roads (LSR) funds including from the Highway Users Tax Account (HUTA) and the SB1 Road Maintenance and Rehabilitation Account (RMRA).

The estimated Gas Tax revenue totals approximately \$1.2 million for FY 2020/21 due to the recently enacted Road Recovery and Repair Act of 2017 (SB1). These funds can only be used for new construction and reconstruction of Town streets.

## **ONGOING BUDGET CONSIDERATIONS:**

### ***Fire Protection Services***

Fire Protection Services for the Town of Los Gatos are provided by the Santa Clara County Central Fire Protection District. These services have been provided under an annexation agreement effective March 18, 1970 in which the tax rate then in effect for Town's fire protection services was essentially transferred to the County's Central Fire Protection District. Based upon the latest assessed valuation reports provided by the County of Santa Clara, the property tax collected from Los Gatos residents for FY 2019/20 and remitted to the Santa Clara County Central Fire Protection District for fire protection services is estimated to be approximately \$18.7 million.



### ***Unfunded Other Post-Employment Benefits (OPEB) and Pension Liabilities***

The Town's pension unfunded actuarial liability (UAL) as of June 30, 2018 (the "date of value" for our most up to date actuarial valuation from the California Public Employees Retirement System or "PERS") is approximately \$59.3 million. The Town's unfunded actuarial OPEB liabilities are projected to total approximately \$8.7 million as of June 30, 2019.

In March 2017, the Town appointed three residents with financial expertise as non-voting members to the Town Council Finance Committee. The Committee is providing valuable guidance to the Town Council and staff in the development of long term strategies to pay down and manage OPEB and pension liabilities.

### **CONCLUSION**

While the full effect of the COVID-19 pandemic on the national, State, and local economies remains uncertain, its impacts to the current budget and Five-Year Forecast are clearly significant. For this reason, the FY 2020/21 budget proposes positioning to a defensive posture to ensure the Town's high service levels are maintained, while also addressing the Town Council's priorities.

Considering future anticipated deficits, opportunities to enhance service delivery, while lowering operating costs through resource and workload redeployments and organizational restructuring will continue to be explored, evaluated, and implemented. As developments unfold at the local and State level, including additional unanticipated changes in major revenue source distributions or other unforeseen State revenue emergency orders, these items will be brought to Town Council's attention in a timely manner so that any potential budget actions can be taken.

Due to the proactive and conservative fiscal policies of the past, the Town is in an enviable position to manage the unprecedented nature of the current pandemic crisis. With this budget, we continue to fund important priorities, including new investments toward important wildfire vegetation management, critical improvements to evacuation related roadways, and other necessary infrastructure improvements. In addition, the Proposed Budget provides resources for the Town Council's new Strategic Priorities, such as implementation of the comprehensive parking study, other transportation demand management options, and exploring regional transportation solutions to alleviate increased roadway congestion.

I wish to thank all of the Departments, including Department Directors and the members of their management, analytical, and support staff, who worked diligently on the preparation of this budget document. In addition, I would like to recognize the efforts of the entire Finance Department and the Assistant Town Manager:

Stephen Conway, Finance Director  
Gitta Ungvari, Finance and Budget Manager  
Mark Gaeta, Accountant  
Maurice De Castro, Accountant



Melissa Ynegas, Administrative Analyst  
Diane Howard, Payroll Technician  
Dorrie Romero, Administrative Technician  
Arn Andrews, Assistant Town Manager

Again, I wish to thank the current Council for your fiscal stewardship which has left the Town on firm footing to navigate the unprecedented nature of the current pandemic crisis.

Respectfully submitted,

A handwritten signature in dark ink, reading "Laurel Prevetti". The script is cursive and fluid, with the first name "Laurel" being more prominent than the last name "Prevetti".

Laurel Prevetti  
Town Manager







# FORECAST ASSUMPTIONS

## REVENUE BASELINE AND PROJECTION FACTORS

Type of Revenue	Base Line Estimate	FY 2020/21 Forecast	FY 2021/22 Forecast	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast
<b>Property Tax/VLF Backfill</b>	Current baseline set by SCC Assessor Office May 2020 report.	2%	0%	3%	3%	3%
<b>Annexation Additional</b>	\$1,000,000 starting FY 2020/21	0%	0%	3%	3%	3%
<b>North 40 Property Sales</b>	Starting in 2021/22	N/A	North 40 Phase 1 Sales	North 40 Phase 1 Sales	3%	3%
<b>ERAF</b>	Current baseline set by SCC Assessor Office May 2020 report 40% decline	SCCA recommend 50% of FY 2019/20 anticipated proceeds	\$400K	\$400K	\$400K	\$400K
<b>Sales Tax</b>	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates
<b>Sales Tax - Measure G</b>	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates	MuniServices 5/1/2020 COVID-19 Estimates
<b>Franchise Fee</b>	Current baseline set by FY 2019/20 Adopted Budget.	3%	3%	3%	3%	3%
<b>Transient Occupancy Tax</b>	Current baseline set by FY 2018/19 actual proceeds	-15%	-5%	0%	0%	0%



# FORECAST ASSUMPTIONS

## REVENUE BASELINE AND PROJECTION FACTORS

Type of Revenue	Base Line Estimate	FY 2020/21 Forecast	FY 2021/22 Forecast	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast
<b>Business License Tax</b>	Current baseline set by FY 2019/20 Activity	0%	0%	3%	3%	3%
<b>License &amp; Permits</b>	Current baseline set by FY 2019/20 Adopted Budget.	-8.7%	0%	3%	3%	3%
<b>Town Services</b>	Current baseline set by FY 2019/20 Adopted Budget.	-7.3%	0%	3%	3%	3%
<b>Fine &amp; Forfeitures</b>	Current baseline set by FY 2019/20 Adopted Budget.	Varies	Varies	Varies	Varies	Varies
<b>Interest</b>	Current baseline set by FY 2019/20 Adopted Budget.	1%	1%	2%	2%	2%
<b>Other Sources</b>	Current baseline set by FY 2019/20 Adopted Budget.	Varies	Varies	Varies	Varies	Varies



## FORECAST ASSUMPTIONS

### EXPENDITURE BASELINE AND PROJECTION FACTORS

Beginning in FY 2020/21, the Town is budgeting salaries at the actual salary plus a one-step increase. 68% of the workforce is already top step or one step below to step. Currently the Town has nine vacant positions and is actively recruiting eight of these positions. In the Five-Year Forecast, positions are forecasted at the actual rate of pay including salaries and benefits as of April 1, 2020 and rate is increasing in the actual anniversary date.

Type of Expenditure	FY 2020/21 Forecast	FY 2021/22 Forecast	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast	FY 2025/26 Forecast
<b>Salaries*</b>	1% increase & 2% Non-PERSable Cash Bonus	0%	0%	0%	0%	0%
<b>Benefit - Medical**</b>	7%	7%	7%	7%	7%	7%
<b>Operating Expenditures***</b>	Varies	3%	3%	3%	3%	3%
<b>Grants &amp; Awards</b>	0%	0%	0%	0%	0%	0%
<b>Utilities***</b>	Varies	3%	3%	3%	3%	3%
<b>Internal Service Charges***</b>	Based on operating cost and scheduled replacement	Based on operating cost and scheduled replacement	Based on operating cost and scheduled replacement	Based on operating cost and scheduled replacement	Based on operating cost and scheduled replacement	Based on operating cost and scheduled replacement
<b>Debt Service</b>	Debt Service Schedules					

\*Salary increases are based on actual step increases and approved Memoranda of Understanding with the bargaining units.

\*\* Benefit increase estimates are provided by CalPERS/Public Employees' Medical and Hospital Care Act (PEMHCA)

\*\*\* Based on historical trends.



## FORECAST ASSUMPTIONS

The Town's required employer contribution rate estimates were developed using estimates provided by each plan's most recent actuarial valuation received from CalPERS. The employer contribution rates illustrated below reflect percentages of covered payroll. All plans reflect estimates of increased contributions beginning in FY 2022/23 related to the current estimate of zero return on investments for FY 2019/20. Beginning in FY 2021/22, the estimates of employer contributions were credited with an anticipated reduction associated with the approximate \$4.8M 2016 unfunded amortization base paid off in October 2019 and the approximate \$3.7M 2015 unfunded amortization base expected to be paid off in early FY 2020/21.

Type of Expenditure	FY 2020/21 Budget	FY 2021/22 Forecast	FY 2022/23 Forecast	FY 2023/24 Forecast	FY 2024/25 Forecast	FY 2025/26 Forecast
<b>Safety POA</b>	58.98%	67.67%	72.14%	75.91%	79.46%	81.56%
<b>Safety Management POA</b>	61.98%	66.67%	75.14%	78.91%	82.46%	84.56%
<b>Safety POA - PEPRA</b>	15.95%	15.99%	16.58%	17.14%	15.29%	15.71%
<b>Miscellaneous TEA/Confidential/ Management</b>	34.23%	31.59%	33.66%	35.46%	37.12%	35.50%
<b>Miscellaneous TEA/Confidential/ Management PEPRA</b>	37.43% Separate PEPRA rate for Miscellaneous has not been established yet by CalPERS.	36.30%	36.30%	36.30%	42.43%	40.82%

\*Safety Classic Rate reflects 3% decrease in employer's contribution rate to reflect 3% contribution as negotiated with the Town's POA during the collective bargaining process effective FY 2019/20.





GOVERNMENT FINANCE OFFICERS ASSOCIATION

*Distinguished  
Budget Presentation  
Award*

PRESENTED TO

**Town of Los Gatos  
California**

For the Fiscal Year Beginning

**July 1, 2019**

*Christopher P. Morrell*

Executive Director

The Government Finance Officers Association of the United States and Canada (GFOA) has presented a Distinguished Budget Presentation Award to the Town of Los Gatos, California for its annual budget since the fiscal year beginning July 1, 2003. In order to receive this award, a government unit must publish a budget document that meets program criteria as a policy document, as an operations guide, as a financial plan, and as a communications device.

This award is valid for a period of one year only. We believe our current budget continues to conform to program requirements, and we are submitting it to GFOA to determine its eligibility for another award.







# FUND DESCRIPTIONS

The basic accounting and reporting entity for the Town is a fund. A fund is "an independent fiscal and accounting entity used to record all financial transactions related to the specific purpose for which the fund was created." Funds are established for the purpose of carrying on specific activities or attaining certain objectives in accordance with special regulations, restrictions, or limitations.

Funds used in government are classified into three broad categories: governmental, proprietary, and fiduciary. Governmental funds include activities usually associated with a typical state or local government's operations (public safety, general government activities, etc.). Proprietary funds are used in governments to account for activities often found in the private sector (utilities, stadiums, and golf courses are prime examples). Trust and Agency funds are utilized in situations where the government is acting in a fiduciary capacity as a trustee or agent. The various funds are grouped in fund types and categories as follow:

## MAJOR AND NON-MAJOR GOVERNMENTAL FUNDS

These funds support activities usually associated with the governmental entities' operation (police, fire, and general government functions).

### General Fund

The **General Fund is a Major Fund** and is the chief operating fund of the Town. All general tax revenues and other receipts not allocated by law or some other contractual agreement to other funds are accounted for in the General Fund. Expenditures of this fund include the general operating expenses traditionally associated with governments such as administration, engineering, and public safety.

### Special Revenue Funds

Special Revenues Funds are used to account for specific revenues that are legally restricted to expenditure for particular purposes. The following funds are **Non-Major Special Revenue Funds**:

- **Non-Point Source Maintenance Fund** - budgets and accounts for environmental services such as storm water management.
- **Community Development Block Grant Fund** - budgets and accounts for federal Community Development Block Grant monies.
- **Landscape and Lighting Special Assessment District Funds** - budgets and accounts for revenues and expenditures within special districts. The Town provides maintenance of the trees, landscaping, irrigation systems, lighting, sound wall and fences for improvements in the public right-of-way, within specific district boundaries.



## ∞ FUND DESCRIPTIONS ∞

### Capital Project Funds

Capital Project Funds are used to account for the acquisition, construction, and improvement of capital facilities other than those financed by proprietary funds. The Town accounts for the following **Major Capital Project Funds**:

- **General Fund Appropriated Reserve** – established to provide resources for capital projects not fully funded from other sources.

The Town also accounts for the following **Non-Major Capital Project Funds**:

- **Storm Drain Basin Project Funds** – established to account for fees paid in conjunction with the development in three drainage areas.
- **Construction Tax Fund** – established to levy a tax based upon building additions or alterations. The types of taxes imposed include Capital Improvement, Utility Underground, and Parks.
- **Gas Tax Fund** – established to budget and account for revenues and expenditures pertaining to the maintenance and construction of Town streets.

### NON-MAJOR PROPRIETARY FUNDS

There are two classifications of Proprietary Funds: Enterprise Funds and Internal Service Funds. Enterprise Funds are used to account for activities that are operated in a manner similar to a private business enterprise, where the cost of the goods or services are to be financed or recovered primarily through user charges. The Town does not currently utilize Enterprise Funds.

### Internal Service Funds

Used to account for the revenues and expenditures of services provided to Town Departments. The Town has several **Non-Major Internal Service Funds**:

- **Equipment Replacement Fund** – established to accumulate monies for the replacement of major Town equipment and vehicles. When vehicles and equipment are acquired at a cost greater than \$10,000, a normal life span is calculated, and replacement costs are charged directly to the Departments over that life span with funds accruing to the Equipment Reserve Fund.
- **Vehicle Maintenance Fund** – established to budget and account for the cost of operating, maintaining and replacing automotive equipment used by other Town Departments. This fund is discontinued with the Fiscal Year 2019/20 Budget. Any fund balance was added to the General Fund Assigned Vehicle Maintenance and Store Residual Reserve.
- **Information Technology (IT) Fund** – established to budget and account for the cost of maintaining, replacing, and updating existing information technology used by Town Departments.
- **Office Stores Fund** - established to budget and account for photocopy equipment, postage and bulk meter expenses are controlled at one source point and expended to the Departments as they requisition the goods or services. Photocopies are charged to Departments at \$.05/copy. This fund discontinued with the Fiscal Year 2019/20 Budget. Any fund balance was added to the General Fund Assigned Vehicle Maintenance and Store Residual Reserve.



## 80 FUND DESCRIPTIONS 83

- **Workers' Compensation Fund** – established to budget and account for revenues derived from charges made to operating Departments at rates based on the State Compensation Fund, annually adjusted to ensure an adequate reserve for future claims. This fund is charged for administrative costs of settling claims as well as material and other costs of job-related illness or injury.
- **The Pooled Liability Assurance Network (PLAN) Self-Insurance Fund** - established to ensure an adequate reserve for future property and liability claims.

### FIDUCIARY FUNDS

Fiduciary Funds are used to account for assets held by the Town acting in a fiduciary capacity for other entities and individuals. Such funds are operated to carry out the specific actions of trust agreements, ordinances and other governing regulations. There are two categories of fiduciary funds, Trust and Agency.

#### Trust Funds

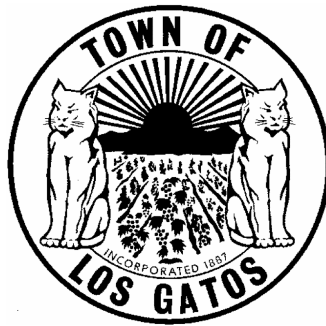
Accounts for assets held by the Town in a trustee capacity under formal trust agreement. The Town currently administers the following funds:

- **Library Trust Fund** - established to account for the accounts for assets held in trust, through receipt of donations and bequests. Funds received from individuals, services organizations, and a library specific non-profit organization.
- **Clelles Ness Trust** – established to account for the accounts for a specific bequest subject to an agreement made for its use.
- **Susan McClendon Trust** – established to account for the accounts for a specific bequest subject to an agreement made for its use.
- **Barbara Jones Cassin Trust** – established to account for the accounts for a specific bequest subject to an agreement made for its use.
- **RDA Successor Agency Private Purpose Trust Fund** – established to account for the assets and liabilities transferred from the dissolution of the Town's former Redevelopment Agency and the continuing operations related to the existing Redevelopment Agency obligations.

#### Debt Service Funds

A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.







# FINANCIAL PRACTICES

## REVENUE

- The Town maintains a diversified revenue base that is locally generated to shelter the community from fluctuations in any one revenue source.
- The Town audits and collects all locally generated taxes.
- The Town establishes and maintains all user charges and fees based on the cost of providing services.

## BUDGETING and EXPENDITURE

- The Town Council considers and adopts an annual balanced budget effective from July 1<sup>st</sup> to June 30<sup>th</sup> of the following calendar year. A balanced budget requires current year operating expenses to be fully funded by current year revenues and identified undesignated/unreserved fund balance.
- Fund Balance Reserves are used only for non-recurring “one-time” and capital projects and not for on-going operations.
- Long-term debt is confined to capital improvements or special projects that cannot be financed from current revenues.
- The Town Manager is authorized to implement the programs as approved in the adopted budget. Within a specific fund the Town Manager may transfer appropriations between categories, Departments, projects, and programs as needed to implement the adopted budget.
- With the approval of the Town Manager, unexpected appropriations may be carried forward to the next fiscal year provided funds have been previously encumbered for a specific purpose.
- The annual budget includes a \$100,000 Designated Contingency for non-recurring, unanticipated expenditures. The Town Manager may approve expenditures from this contingency if needed during the fiscal year.
- A capital outlay (fixed asset) purchase is any single item or piece of equipment which costs more than \$10,000 and has an expected useful life exceeding one year.
- A mid-year budget report is submitted to the Town Council to provide information on the status of the Town’s financial condition.

## FUND BALANCE RESERVES

Reserves are established, dedicated, and maintained annually to meet known and estimated unknown future liabilities through actions of the Town Council.

Restricted fund balance is either imposed by law or constrained by grantors, contributors, or other governmental.



## ∞ FINANCIAL PRACTICES ∞

- IRS 115 Trust is established for the mitigate the Town's unfunded pension obligation
- The specific Fund Balance Reserves include but are not limited to a restricted Reserve for:
  - A fully funded workers' compensation and unemployment insurance
  - Liability insurance including one year's premium payment to the insurance carrier or pool
- Reserves are maintained at a minimum of 25% of General Fund ongoing operating expenditures, equally divided between the Catastrophic Reserve (12.5%) and the Budget Stabilization Reserve (12.5%).
- When either Reserve drops below the minimum, per Town Council adopted policy, Town Council is required to develop a one to five-year reserve replenishment plan to meet the minimum threshold of 25% of General Fund ongoing, operating expenditures, excluding one-time expenditures.
- A Reserve is maintained for the depreciation and replacement of equipment.
- A Reserve is maintained for the maintenance of buildings.
- Pension/Other Post Employment Benefits (Pension/OPEB) Reserve is maintained to use as a supplemental funding source to pay down unfunded pension and other post employment liabilities.

Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. Examples of assigned fund reserves:

- Compensated Absences – A reserve is maintained annually to fund 50% of all vested hours of vacation earnings.
- Open Space – Town Council established this reserve in FY 1998/99 with an initial balance of \$500,000 to be used for the preservation of open space, connection of open space trails, the definition of the southern boundary of the Town with passive open space, and protection of unique natural features.
- Sustainability – Established by Town Council in FY 2008/09 budget by closing the Solid Waste Management Fund and placing the initial residual fund balance of \$296,554 in a General Fund reserve dedicated for conservation, recycling, and sustainability.
- Authorized Carry forward - A reserve is maintained for materials and services on approved purchase order and contracts which were issued but not finalized or fulfilled as of the end of the fiscal year but for which funds will be carried forward to the following fiscal year.
- Vehicle Maintenance and Stores Residual – A reserve established to hold the residual fund balances transferred to the Town's General Fund upon closing the Vehicle Maintenance and Stores Internal Service Funds for future Council reallocation.
- Surplus Property – A reserve established for placing the proceeds from surplus property sales until further Town Council reallocation.



## ∞ FINANCIAL PRACTICES ∞

- Capital/Special Projects Reserve – Funds reserved under this category are designated for key infrastructure and capital/special projects as identified in the Town’s 5-year Capital Improvement Plan, as there is no ongoing funding source to support the Town’s capital needs. The Council may also allocate funds from this Reserve for other purposes.

### **CAPITAL IMPROVEMENT**

Capital Improvement Projects are funded by the following revenue sources:

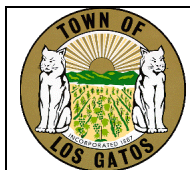
- Available General Fund Reserves
- Gas Taxes
- Construction Fund Fees
  - Utility
  - Capital
  - Parks
- Storm Drain Basin Fees
- Grant Funding
- Other state and federal funding sources as they become available
- The multi-year plan for capital improvements is updated annually. Future capital expenditures will be projected annually for a 5-year period based on changes in Council priorities or replacement of the infrastructure.
- The annual Capital Improvement Plan is based on the multi-year Capital Improvement Program.
- The Town coordinates the development of the Capital Improvement Plan with the development of the Operating Budget.
- The Town identifies the estimated costs and potential funding sources for each capital project proposed prior to its submittal to the Town Council for approval.
- Capital projects financed by issuing bonds are paid back within a period not to exceed the useful life of the project.
- The Town Manager is authorized to implement the projects as approved in the adopted Capital Improvement Plan. Within a specific fund, the Town Manager may transfer appropriations between projects as needed to implement the adopted Capital Improvement Plan.







# GENERAL FUND RESERVE POLICY



TOWN OF  
**LOS GATOS**  
CALIFORNIA

## COUNCIL POLICY MANUAL

*Small Town Service    Community Stewardship    Future Focus*

TITLE: General Fund Reserve Policy

POLICY NUMBER: 4-03

EFFECTIVE DATE: 05/16/2011

PAGES: 6

ENABLING ACTIONS:

REVISED DATES: 02/21/2017; 05/15/2018;  
06/04/2019

APPROVED:

### PURPOSE

The purpose of this Policy is to establish a target minimum level of designated reserves in the General Fund to:

- Reduce the financial impacts associated with a disaster or catastrophic event;
- Respond to the challenges of a changing economic environment, including prolonged downturns in the local, state, or national economy; and
- Demonstrate continued prudent fiscal management and creditworthiness.

### BACKGROUND

The Town of Los Gatos has always maintained a high level of General Fund reserves, which has contributed to superior ratings by credit rating agencies; provided financial flexibility in economic downturns; contributed a source of investment income for General Fund operations; and assured financial coverage in the event of future emergencies.

### GUIDING PRINCIPLES

Following sound financial practices and adhering to the Government Finance Officers of America (GFOA) recommendations, the Town's designated reserves include reserves for known and unknown contingencies, which take into consideration the:

- Diversity of revenue base
- Volatility of revenue structure



## 80 GENERAL FUND RESERVE POLICY 83

- Changes in political environment
- Frequency of operating surpluses/deficits
- Cash flow management practices

The General Fund Reserve Policy is to be reviewed by the Town Council as part of the annual operating budget review and adoption process.

### **POLICY**

The fund balance is the difference between the assets and liabilities reported in a governmental fund. Under current accounting standards, there are five separate components of fund balance, each of which identifies the extent to which the Town is bound to honor constraints on the specific purposes for which amounts can be spent.

The following components are defined by Governmental Accounting Standards Board (GASB) Statement No. 54 and shall constitute the Town's Fund Balance:

- *Nonspendable Fund Balance* (inherently nonspendable)
- *Restricted Fund Balance* (externally enforceable limitations on use)
- *Committed Fund Balance* (self-imposed limitations on use)
- *Assigned Fund Balance* (limitation resulting from intended use)
- *Unassigned Fund Balance* (residual net resources)

The first two components listed above are not specifically addressed in this Policy due to the nature of their restrictions. The example of nonspendable fund balance is inventory. Restricted fund balance is either imposed by law or constrained by grantors, contributors, or laws or regulations of other governments. This Policy is focused on financial reporting of unrestricted fund balance, or the last three components listed above. These three components are further defined below.

The accounting policies of the Town consider restricted fund balance spent first when expenditure is incurred for purposes for which both restricted and unrestricted fund balance is available. Similarly, when an expenditure is incurred for purposes for which amounts of the unrestricted classifications of fund balance could be used, the Town considers committed amounts to be reduced first, followed by assigned amounts and then unassigned amounts.

#### *Committed Fund Balance*

The Town Council, as the Town's highest level of decision-making authority, may commit fund balance for specific purposes pursuant to constraints imposed by formal action taken, such as an ordinance or resolution. These committed amounts cannot be used for any other purpose,



## ∞ GENERAL FUND RESERVE POLICY ∞

unless the Town Council removes or changes the specific use through the same type of formal action taken to establish the commitment. The Town Council action to commit fund balance

needs to occur within the fiscal reporting period; however, the amount can be determined subsequently at the final close of the fiscal year.

The Town currently sets aside funds into four committed reserves to address unforeseen emergencies or disasters, significant changes in the economic environment, unfunded pension and Other Post-Employment Benefits (OPEB) obligations, and key infrastructure and capital projects. These include the Catastrophic Reserve, Budget Stabilization Reserve, Pension (OPEB) Reserve and Almond Grove Street Projects Reserve.

### Catastrophic Reserve

Funds reserved under this category shall be used to mitigate costs associated with unforeseen emergencies, such as a disaster or catastrophic event. Should unforeseen and unavoidable events occur that require the expenditure of Town resources beyond those provided for in the annual budget, the Town Manager or designee shall have authority to approve Catastrophic Reserve appropriations. The Town Manager or designee shall then present to the Town Council a budget amendment confirming the nature of the emergency and authorizing the appropriation of reserve funds.

The Town currently commits to maintaining this reserve at a minimum of 12.5% of General Fund ongoing operating expenditures (minus one-time expenditures).

Should a catastrophic disaster occur, the required reserve level should be adequate to meet the Town's immediate financial needs. For example, in the event of natural disaster, the Catastrophic Reserve would provide necessary coverage for basic operating expenses, including salary and benefits for safety and non-safety Town employees, while still meeting debt service obligations for approximately 60 days. This time frame would enable the Town to explore other available cash alternatives, including the use of internal service funds.

### Budget Stabilization Reserve

Funds reserved under this category shall be used to mitigate annual revenue shortfalls (actual revenues less than projected revenues) due to changes in the economic environment and/or one-time uses that will result in future efficiencies and/or budgetary savings. Examples of "economic triggers" and one-time uses include, but are not limited to:

- An unplanned, major event such as a catastrophic disaster requiring expenditures which exceed the General Fund Catastrophic Reserve;
- Drop in projected/actual revenue of more than five percent in property or sales tax, or other economically sensitive revenues;
- Budgeted revenue taken over by another entity exceeding \$100,000;
- Loss of businesses considered to be significant sales tax generators;



## ∞ GENERAL FUND RESERVE POLICY ∞

- Reductions in projected/actual revenue of more than five percent due to actions by the state/federal government;
- Workflow/technical system improvements to reduce ongoing, personnel costs and enhance customer service;
- One-time maintenance of service levels due to significant economic/budget constraints; and
- One-time transitional costs associated with organizational restructuring to secure long-term personnel cost savings.

The Town currently commits to maintaining this reserve at a minimum of 12.5% of General Fund ongoing operating expenditures (minus one-time expenditures).

Should a loss of the Town's single highest source of sales tax revenue occur, the required reserve level should be adequate to meet the Town's immediate financial needs. For example, the reserve level in the Budget Stabilization Fund would provide for an approximate 3-year transition period, giving the Town adequate time to realign its operating costs with available resources, while minimizing service impacts.

### Pension/OPEB Reserve

Funds reserved under this category shall be used to further mitigate costs associated with pension and OPEB unfunded obligations. These funds will be used as a funding source for potential additional discretionary payments to pay down unfunded pension and other post-employment obligations, or held in the reserve account to be used as a supplemental funding source for unanticipated increases to the annual pension and other post-employment costs resulting from future actuarial assumptions and investment market volatility.

This Policy requires the Town to set aside additional annual discretionary payments (ADPs) to reduce the effective amortization period of the Town's pension unfunded actuarial liabilities from approximately 30 years to 20 years. To facilitate the implementation of this Policy, staff shall update the estimated unfunded amortization schedules in conjunction with the Town's and CalPERS actuaries. This process will coincide with the annual proposed budget process to determine the additional annual discretionary payment levels required to maintain the goal of lowering the amortization period from a 30-year to a 20-year amortization period for all prior year actuarial bases through FY 18/19. The ADP is currently projected at \$390,000 for FY 2018/19 (subject to annual updates provided by CalPERS actuaries). Per Council direction ADPs will either be allocated directly to CalPERS, the Town's Pension IRS 115 Trust Fund, or the OPEB IRS 115 Trust Fund.

As part of the proposed budget for each forthcoming fiscal year, staff shall annually appropriate, to the extent possible, the amount of annual discretionary payments necessary to maintain the unfunded pension liability amortization shortening from 30 to 20 years.



## 80 GENERAL FUND RESERVE POLICY 88

In the event the annual amount required for additional discretionary payments is not available from operating revenues, the ADP shall be funded by a first lien on any one-time excess revenues above expenditures once other General Fund required reserve levels have been established at the appropriate levels as per the Town's General Fund Reserve Policy. If in any given year neither budgetary appropriations or a first lien on one-time excess revenues are sufficient to fund the annual ADP, that years ADP will be accrued to the following year until paid.

Additionally, effective upon the close of fiscal year 2015/16 and thereafter, if sufficient General Fund year-end savings are available and targeted reserve levels of 25% (12.5% for Catastrophic Reserve and 12.5% for Budget Stabilization Reserve) of the next fiscal year's operating budget and the funding the following year's proposed budget ADP have been met, upon final close of the fiscal year, a minimum of \$300,000 annually shall be deposited into the Pension/OPEB Reserve fund. In addition, Council can assign additional amount deposited to the Pension/OPEB Reserve with a formal Council action from available year end savings.

### Almond Grove Street Project Reserve

Funds reserved under this category shall be used to reconstruct the 10 streets identified in the Almond Grove Street Rehabilitation Project specification.

The Council awarded the bid in April 2017 allowing for \$2.9 million savings within the project. The Council reappropriated the use of the savings through the FY 2017/18 budget process. The Almond Grove Reserve should be reduced by the identified \$2.9 million savings. The Almond Grove Street Reserve balance will be reduced at each fiscal year end by the funds expended on the Almond Grove Street Rehabilitation Project during the fiscal year.

### Assigned Fund Balance

Amounts that are constrained by the Town's intent to be used for specific purposes, but are neither restricted nor committed, should be reported as assigned fund balance. This Policy hereby delegates the authority to assign amounts to be used for specific purposes to the Town Manager for the purpose of reporting to assign amounts in the annual financial statements. A few examples of assigned fund balance follow.

- Encumbrances – material s and services on purchase order and contracts which are unperformed.
- Reappropriations – appropriated by the Council for specific projects or programs that were not completed and not encumbered by year end.
- GASB 31 Adjustments – unrealized investment gains that have been recorded in the financial statements in accordance with GASB 31.



## ⌘ GENERAL FUND RESERVE POLICY ⌘

### Capital and Special Projects Reserve

Funds reserved under this category are designated for key infrastructure and capital/special projects as identified in the Town 5-year Capital Improvement Plan, as there is no ongoing funding source to support the Town's capital needs.

### Unassigned Fund Balance

At the end of each fiscal year, the Finance Department reports on the audited year-end budgetary fiscal results. Should actual General Fund revenues exceed expenditures and encumbrances, a year-end operating surplus shall be reported. Any year-end surplus which results in the General Fund balance exceeding the level required by this Reserve Policy shall be available for allocation for the following, subject to Council approval:

- Offset projected future deficits
- Anticipated intergovernmental fiscal impacts
- One-time funding, non-recurring needs

Upon funding any of the above reserve levels pursuant to this General Fund Reserve Policy, any remaining surplus of fiscal year revenues above expenditures shall be placed in the Capital and Special Projects Reserve for appropriation within the Capital Improvement Program budget.

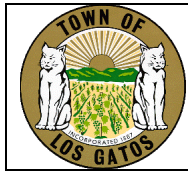
### Replenishment of Unreserved Fund Balance

In keeping with the principles discussed in this Policy, when either fund is used, Town Council will develop a 1 to 5 year reserve replenishment plan to meet the minimum threshold of 25% of General Fund ongoing, operating expenditures, excluding one-time expenditures.

/S/ Robert Schultz, Town Attorney



# LONG TERM DEBT POLICY



TOWN OF  
**LOS GATOS**  
CALIFORNIA

## COUNCIL POLICY MANUAL

*Small Town Service    Community Stewardship    Future Focus*

TITLE: Long Term Debt Policy

POLICY NUMBER: 4-01

EFFECTIVE DATE: 11/2/16

PAGES: 3

ENABLING ACTIONS: 2016-062

REVISED DATES:

APPROVED:

### PURPOSE

The Long Term Debt Policy sets forth certain debt management objectives for the Town and establishes overall parameters for issuing and administering the debt for which the Town is financially obligated or is responsible for managing.

### SCOPE

The following long term debt policy sets the considerations for issuing debt and provides guidance in the timing and structuring of long term debt commitments.

### POLICY

#### GENERAL PRACTICES

1. The Town will seek to maintain and improve the current bond rating in order to minimize borrowing costs and preserve access to credit.
2. Bond issue proposals are to be accompanied by an analysis defining how the new issue, combined with current debt, impacts the Town's debt capacity and conformance with Town debt policies.
3. Debt Service costs [General Obligation (GO) Bond, Certificate of Participation (COP), Revenue Bond, and Contractual Debt] are not to exceed 25% of the Town's operating revenue.
4. A ratio of current assets to current liabilities of at least 2/1 will be maintained to ensure the Town's ability to pay short-term obligations.



**THE TOWN WILL CONSIDER THE ISSUANCE OF LONG TERM OBLIGATIONS UNDER THE FOLLOWING CONDITIONS:**

1. The Town will use debt financing only for one-time capital improvement projects and unusual equipment purchases, and only under the following circumstances:
  - a. When the project is included in the Town's five-year capital improvement program and is in conformance with the Town's General Plan.
  - b. When the project is not included in the Town five-year capital improvement plan, but it is an emerging critical need whose timing was not anticipated in the five-year capital improvement program, or it is a project mandated immediately by State or Federal requirements.
  - c. When the project's useful life, or the projected service life of the equipment, will be equal to or exceed the term of the financing.
  - d. When there are designated revenues sufficient to service the debt, whether from project revenues, other specified and reserved resources, or infrastructure cost-sharing revenues.
  - e. Debt financing (other than tax and revenue anticipation notes) is not considered appropriate for any recurring purpose such as current operating and maintenance expenditures.
2. The costs of developing and maintaining the Successor Agency to the Town of Los Gatos Redevelopment Agency (Agency) long term debt policy will be borne by the Agency and will be developed in conjunction with amendments to existing redevelopment project area plans and/or new proposals to issue debt by the Successor Agency to the Town of Los Gatos Redevelopment Agency.
3. The Town will follow all State and Federal regulations and requirements regarding bond provisions, issuance, taxation and disclosure.
4. Costs incurred by the Town, such as bond counsel and financial advisor fees, printing, underwriters' discount, and project design and construction costs, will be charged to the bond issue to the extent allowable by law.
5. The Town will monitor compliance with bond covenants and adhere to federal arbitrage and disclosure regulations.



## PROCEDURES

This Long Term Debt Policy shall be adopted by resolution of the Town Council. The Treasurer shall present this Long Term Debt Policy as needed to the Town Council for review to ensure its consistency with the Town's long term debt objectives, and current law. Any amendments to this Long Term Debt Policy shall be approved by the Town Council.



/S/ Robert Schultz, Town Attorney







# INVESTMENT POLICY

				<b>COUNCIL POLICY MANUAL</b> <i>Small Town Service    Community Stewardship    Future Focus</i>	
TITLE: Investment Policy				POLICY NUMBER: 4-02	
EFFECTIVE DATE: 11/1/16				PAGES: 8	
ENABLING ACTIONS: 2016-063			REVISED DATES: 5/16/17;5/15/2019; 9/3/2019		
APPROVED:					

## PURPOSE

The Town of Los Gatos (the “Town”), incorporated in 1887, is located approximately 60 miles south of San Francisco, in the southwestern portion of Santa Clara County. The Town operates under the Council/Manager form of government. The Town Council is the legislative body for the Town. It has five members elected to serve staggered four year terms. The Town Manager is appointed by the Town Council.

The Town Council has adopted this Investment Policy in order to establish the investment scope, objectives, delegation of authority, standards of prudence, reporting requirements, internal controls, eligible investments and transactions, diversification requirements, risk tolerance, and safekeeping and custodial procedures for the investment of the funds of the Town. All Town funds will be invested in accordance with this Investment Policy and with applicable sections of the California Government Code.

This Investment Policy was originally adopted by the Town Council of the Town of Los Gatos November 1, 2016. Town Council adopted revisions replace any previous investment policy or investment procedures of the Town.

## SCOPE

This Investment Policy applies to all of the Town's short-term operating funds. These funds are described in the Town's annual financial report and include, but are not limited to:

General Fund



## ∞ INVESTMENT POLICY ∞

### Special Revenue Funds

Capital Project Funds  
Debt Service Funds  
Enterprise Fund  
Internal Service Funds  
Fiduciary Funds

Specifically excluded from this Investment Policy are amounts which are held by a trustee or fiscal agent and pledged as payment or security for bonds or other indebtedness, obligations under a lease, or obligations under certificates of participation. Such funds are invested in accordance with statutory provisions, ordinance, resolution, or indenture governing the issuance of the obligations. In addition, this Investment Policy is not applicable to the Town's Deferred Compensation Plan. These investments are directed by each employee participant in accordance with the rules of the Deferred Compensation Plan.

## POLICY

### OBJECTIVES

The Town's funds shall be invested in accordance with all applicable Town policies and codes, State statutes, and Federal regulations, and in a manner designed to accomplish the following objectives, which are listed in priority order:

1. Preservation of capital and protection of investment principal.
2. Maintenance of sufficient liquidity to meet anticipated cash flows.
3. Attainment of a market value rate of return.
4. Diversification to avoid incurring unreasonable market risks.

### DELEGATION OF AUTHORITY

Management responsibility for the Town's investment program is delegated annually by the Town Manager to the Town Treasurer/Finance Director (the "Treasurer") pursuant to California Government Code Section 36510. The Treasurer may delegate the authority to conduct investment transactions and to manage the operation of the investment portfolio to other specifically authorized staff members. The Treasurer shall maintain a list of persons authorized to transact securities business for the Town. No person may engage in an investment transaction except as expressly provided under the terms of this Investment Policy.

The Treasurer shall develop written administrative procedures and internal controls, consistent with this Investment Policy, for the operation of the Town's investment program. Such procedures shall be designed to prevent losses arising from fraud, employee error, misrepresentation by third parties, or imprudent actions by employees.



## **∞ INVESTMENT POLICY ∞**

The Town may engage the support services of outside investment advisors in regard to its investment program, so long as it can be demonstrated that these services produce a net financial advantage or necessary financial protection of the Town's financial resources.

### **PRUDENCE**

The standard of prudence to be used for managing the Town's investments shall be California Government Code Section 53600.3, the prudent investor standard which states, "When investing, reinvesting, purchasing, acquiring, exchanging, selling, or managing public funds, a trustee shall act with care, skill, prudence, and diligence under the circumstances then prevailing, including, but not limited to, the general economic conditions and the anticipated needs of the agency, that a prudent person acting in a like capacity and familiarity with those matters would use in the conduct of funds of a like character and with like aims, to safeguard the principal and maintain the liquidity needs of the agency."

The Town's overall investment program shall be designed and managed with a degree of professionalism that is worthy of the public trust. The Town recognizes that no investment is totally without risk and that the investment activities of the Town are a matter of public record. Accordingly, the Town recognizes that occasional measured losses may occur in a diversified portfolio and shall be considered within the context of the overall portfolio's return, provided that adequate diversification has been implemented and that the sale of a security is in the best long-term interest of the Town.

The Treasurer and authorized investment personnel acting in accordance with written procedures and exercising due diligence shall be relieved of personal responsibility for an individual security's credit risk or market price changes, provided that the deviations from expectations are reported in a timely fashion to the Town Council and appropriate action is taken to control adverse developments.

### **ETHICS AND CONFLICTS OF INTEREST**

Elected officials and Town employees involved in the investment process shall refrain from personal business activity that could conflict with proper execution of the investment program or could impair or create the appearance of an impairment of their ability to make impartial investment decisions. Elected officials and Town employees shall disclose to the Town Council any business interests they have in financial institutions that conduct business with the Town and they shall subordinate their personal investment transactions to those of the Town. In addition, the Town Manager and the Treasurer shall file a Statement of Economic Interests each year pursuant to California Government Code Section 87203 and regulations of the Fair Political Practices Commission.



## **∞ INVESTMENT POLICY ∞**

### **SOCIALLY RESPONSIBLE INVESTING**

In addition to and subordinate to the objectives set forth above, investment of funds should be guided by the following socially responsible investment goals when investing in corporate securities and depository institutions. Investments shall be made in compliance with the responsible investment goals to the extent that such investments achieve substantially equivalent safety, liquidity and yield compared to other investments permitted by state law.

#### **(1) Environmental, Social Responsibility and Governance Concerns**

Investments are encouraged in entities that support community well-being through safe and environmentally sound practices and fair labor practices. Investments are encouraged in entities that support equality of rights regardless of sex, race, age, disability or sexual orientation. All corporate securities within the portfolio will be monitored by an independent third-party who will provide the Town with an ESG (Environmental, Social Responsibility, and Governance) rating. The Town will prefer companies when appropriate that maintain a higher ESG rating as opposed to those companies that have a lower ESG Rating.

#### **(2) Community Investments**

Investments are encouraged in entities that promote community economic development, and investments are discouraged in entities that finance high-cost check-cashing and deferred deposit (payday-lending) businesses. Investments are encouraged in entities that have a demonstrated involvement in the development or rehabilitation of low-income affordable housing and have a demonstrated commitment to reducing predatory mortgage lending and increasing the responsible servicing of mortgage loans. Securities investments are encouraged in financial institutions that have a Community Reinvestment Act (CRA) rating of either Satisfactory or Outstanding, as well as financial institutions that are designated as a Community Development Financial Institution (CDFI) by the United States Treasury Department, or otherwise demonstrate commitment to community economic development.

### **AUTHORIZED SECURITIES AND TRANSACTIONS**

All investments and deposits of the Town shall be made in accordance with California Government Code Sections 16429.1, 53600-53609 and 53630-53686, except that pursuant to California Government Code Section 5903(e), proceeds of bonds and any moneys set aside or pledged to secure payment of the bonds may be invested in securities or obligations described in the ordinance, resolution, indenture, agreement, or other instrument providing for the issuance of the bonds. Any revisions or extensions of these code sections will be assumed to be part of this Investment Policy immediately upon being enacted. However, in the event that amendments to these sections conflict with this Investment Policy and past Town investment practices, the Town may delay adherence to the new requirements when it is deemed in the best interest of the Town to do so. In such instances, after consultation with the Town's attorney, the Treasurer will present a recommended course of action to the Town Council for approval. All investment limits specified in the Policy are calculated at the time of investment.



## ∞ INVESTMENT POLICY ∞

The Town has further restricted the eligible types of securities and transactions as follows:

1. United States Treasury bills, notes, bonds, or certificates with a final maturity not exceeding five years from the date of trade settlement.
2. Federal Agency Obligations for which the faith and credit of the United States are pledged for the payment of principal and interest and which have a final maturity not exceeding five years from the date of trade settlement. There is no limit on the percentage of the portfolio that can be invested in this category, however, no more than 20% of the town's total portfolio shall be invested in the combination of Government National Mortgage Association (GNMA), Federal National Mortgage Association (FNMA) and Federal Home Loan Mortgage Corporation (FHLMC) mortgage-backed securities.
3. Federal Instrumentality (government sponsored enterprise) debentures, discount notes, callable securities, step-up securities, and mortgage-backed securities (including FNMA and FHLMC) with a final maturity not exceeding five years from the date of trade settlement. There is no limit on the percentage of the portfolio that can be invested in this category, however, no more than 20% of the town's total portfolio shall be invested in the combination of GNMA, FNMA, and FHLMC mortgage-backed securities.
4. Prime Commercial Paper with a maturity not exceeding 270 days from the date of trade settlement with the highest ranking or of the highest letter and number rating as provided for by a nationally recognized statistical-rating organization (NRSRO). The entity that issues the commercial paper shall meet all of the following conditions in either sub-paragraph A. or sub-paragraph B. below:

A. The entity shall (1) be organized and operating in the United States as a general corporation, (2) have total assets in excess of five hundred million dollars (\$500,000,000) and (3) Have debt other than commercial paper, if any, that is rated "A" or higher by a NRSRO.

B. The entity shall (1) be organized within the United States as a special purpose corporation, trust, or limited liability company, (2) have program wide credit enhancements, including, but not limited to, over collateralization, letters of credit or surety bond and (3) have commercial paper that is rated "A-1" or higher, or the equivalent, by a NRSRO.

Purchases of eligible commercial paper shall not exceed:

- 10% of the outstanding commercial paper of any single corporate issuer,
- 5% of the Town's total portfolio in the commercial paper of any one issuer, and



## INVESTMENT POLICY

- 25% of the Town's total portfolio.
5. Eligible Bankers Acceptances with a maturity not exceeding 180 days from the date of trade settlement, issued by a state or national bank with combined capital and surplus of at least \$250 million, whose deposits are insured by the FDIC, and whose senior long-term debt is rated at least A or the equivalent by a NRSRO at the time of purchase. No more than 5% of the Town's total portfolio shall be invested in banker's acceptances of any one issuer, and the aggregate investment in banker's acceptances shall not exceed 30% of the Town's total portfolio.
  6. Medium Term Notes (Corporate Notes) issued by corporations organized and operating within the United States or by depository institutions licensed by the United States or any state and operating within the United States, with a final maturity not exceeding five years from the date of trade settlement and rated at least "A" or the equivalent by a NRSRO. No more than 5% of the Town's total portfolio shall be invested in the medium-term notes of any one issuer and the aggregate investment in medium term notes shall not exceed 30% of the Town's total portfolio.
  7. Municipal & State Obligations:
    - A. Municipal bonds including registered notes or bonds of any of the 50 states, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, or operated by a state or by a department, board, agency, or authority of any of the 50 states.
    - B. In addition, bonds, notes, warrants, or other evidences of indebtedness of any local agency in California, including bonds payable solely out of the revenues from a revenue-producing property owned, controlled, operated by the local agency, or by a department, board, agency, or authority of the local agency.

Municipal bonds must be rated at least "A" or the equivalent by a NRSRO with maturities not exceeding five years from the date of the trade settlement. No more than 5% of the Town's total portfolio shall be invested in "A" rated bonds or in the bonds of any one municipality. In addition, the aggregate investment in municipal bonds may not exceed 30% of the total portfolio.

8. Certificates of Deposit with a final maturity not exceeding five years from the date of trade settlement. The aggregate investment in certificates of deposit shall not exceed 30% of the Town's portfolio, and no more than 5% of the portfolio shall be held in any one deposit or allocated to any one issuer. Certificates of Deposit shall be issued by a nationally or state-



## INVESTMENT POLICY

chartered bank or a state or federal savings and loan association or by a state-licensed branch of a foreign bank or by a federally licensed branch of a foreign bank provided that the senior debt obligations of the issuing institution are rated at least “A” or the equivalent by a NRSRO.

Negotiable certificates of deposit issued by a nationally or state-chartered bank, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of negotiable certificates of deposits are subject to the limitations of Section 53601(i), shall be fully insured by the FDIC with a corresponding FDIC certification number, and shall be delivered through the Depository Trust Company.

Non-Negotiable certificates of deposit issued by a nationally or state-chartered bank, or by a federally licensed or state-licensed branch of a foreign bank. Purchases of non-negotiable certificates of deposit are subject to the limitations of Sections 53601(n) and 53638 and shall be fully insured by the FDIC with a corresponding FDIC certification number. Private sector entities may be used to place certificates of deposit subject to the limitations of Section 53601.8.

9. State of California’s Local Agency Investment Fund (LAIF), pursuant to California Government Code Section 16429.1. The aggregate amount invested in LAIF shall not exceed the maximum allowed by the fund.
10. Money Market Funds registered under the Investment Company Act of 1940 that (1) are “no-load” (meaning no commission or fee shall be charged on purchases or sales of shares); (2) have a constant net asset value per share of \$1.00; (3) invest only in government securities, and (4) have a rating of at least AAA or the equivalent by at least two NRSROs. No more than 10% of the Town’s total portfolio shall be invested in money market funds of any one issuer, and the aggregate investment in money market funds shall not exceed 20% of the Town’s total portfolio.

Securities that have been downgraded to a level that is below the minimum ratings described herein may be sold or held at the Town’s discretion. The portfolio will be brought back into compliance with Investment Policy guidelines as soon as is practical.

The foregoing list of authorized securities and transactions shall be strictly interpreted. Any deviation from it must be preapproved by resolution of the Town Council.

## PORTFOLIO MATURITIES AND LIQUIDITY

To the extent possible, investments shall be matched with anticipated cash flow requirements and known future liabilities. The Town will not invest in securities maturing more than five years from the



## **∞ INVESTMENT POLICY ∞**

date of trade settlement, unless the Town Council has by resolution granted authority to make such an investment at least three months prior to the date of investment.

### **SELECTION OF BROKER/DEALERS**

The Treasurer shall maintain a list of broker/dealers approved for investment purposes, and it shall be the policy of the Town to purchase securities only from those authorized firms. To be eligible, a firm must meet at least one of the following criteria:

- Be recognized as a Primary Dealer by the Federal Reserve Bank of New York or have a primary dealer within their holding company structure; or
- Report voluntarily to the Federal Reserve Bank of New York; or
- Qualify under Securities and Exchange Commission (SEC) Rule 15c3-1 (Uniform Net Capital Rule).

In addition, authorized broker/dealers must be licensed by the State of California as a broker/dealer as defined in Section 25004 of the California Corporations Code.

The Town may engage the services of investment advisory firms to assist in the management of the portfolio and investment advisors may utilize their own list of approved broker/dealers. Such broker/dealers will comply with the selection criteria above and the list of approved firms shall be provided to the Town on an annual basis or upon request.

In the event that an external investment advisor is not used in the process of recommending a particular transaction in the Town's portfolio, authorized broker/dealers shall attest in writing that they have received and reviewed a copy of the this Investment Policy and shall be required to submit and annually update a Town approved Broker/Dealer Information request form, which includes the firm's most recent financial statements.

The Town may purchase commercial paper from direct issuers even though they are not on the approved broker/dealer list as long as they meet the criteria outlined in Item 4 of the Authorized Securities and Transactions section of this Investment Policy.

### **COMPETITIVE TRANSACTIONS**

Each investment transaction shall be competitively transacted with authorized broker/dealers. At least three broker/dealers shall be contacted for each transaction and their bid and offering prices shall be recorded.

If the Town is offered a security for which there is no other readily available competitive offering, the Treasurer will document quotations for comparable or alternative securities.



## **∞ INVESTMENT POLICY ∞**

### **SELECTION OF BANKS**

The Treasurer shall maintain a list of banks and savings banks approved to provide banking services for the Town. To be eligible, a bank must be a member of the Federal Deposit Insurance Corporation, must qualify as a depository of public funds in the State of California as defined in California Government Code Section 53630.5 and shall secure deposits in excess of FDIC coverage in accordance with California Government Code Section 53652.

Authorized banks that accept deposits from the Town shall meet high standards with regard to liquidity, asset quality, profitability and capital adequacy. The Treasurer shall utilize a commercial bank rating service to perform credit analysis on banks seeking authorization. Banks that in the judgment of the Treasurer no longer offer adequate safety to the Town shall be removed from the Town's list of authorized banks.

### **SAFEKEEPING AND CUSTODY**

The Treasurer shall select one or more financial institutions to provide safekeeping and custodial services for the Town. A Safekeeping Agreement shall be executed with each custodian bank prior to utilizing that bank's safekeeping services.

Custodian banks will be selected on the basis of their ability to provide services for the Town's account and the competitive pricing of their safekeeping related services. The purchase and sale of securities and repurchase agreement transactions shall be settled on a delivery versus payment basis. All securities shall be perfected in the name of the Town. Sufficient evidence to title shall be consistent with modern investment, banking and commercial practices.

All investment securities, purchased by the Town, will be delivered by book entry and will be held in third-party safekeeping by a Town approved custodian bank or its Depository Trust Company (DTC) participant account.

All Fed wireable book entry securities owned by the Town shall be held in the Federal Reserve System in a customer account for the custodian bank which will name the Town as "customer."

All DTC eligible securities shall be held in the custodian bank's DTC participant account and the custodian bank shall provide evidence that the securities are held for the Town as "customer."

### **PORTFOLIO PERFORMANCE**

The investment portfolio shall be designed to attain a market rate of return throughout budgetary and economic cycles, taking into account prevailing market conditions, risk constraints for eligible securities, and cash flow requirements. The performance of the Town's investments shall be compared to the average yield on the U.S. Treasury security that most



## ∞ INVESTMENT POLICY ∞

closely corresponds to the portfolio's weighted average effective maturity. When comparing the performance of the Town's portfolio, its rate of return will be computed net of all fees and expenses.

### REPORTING

No less than quarterly, the Treasurer shall prepare a report of the investment earnings and performance results of the Town's investment portfolio. The report shall be submitted to the Town Clerk within 45 days after the end of each quarter for inclusion as an agenda item at the next scheduled Town Council meeting. The report shall include the following information:

1. Investment type, issuer, date of maturity, par value and dollar amount invested in all securities, and investments and monies held by the Town;
2. A market value as of the date of the report (or the most recent valuation as to assets not valued monthly) and the source of the valuation;
3. Realized and unrealized gains or losses calculated by amortized cost and by fair value.
4. The weighted average maturity of the portfolio and a percentage breakdown of the total portfolio by maturity.
5. A description of the funds, investments and programs that are under the management of contracted parties;
6. A statement of compliance with this Investment Policy or an explanation for non-compliance; and
7. A statement of the ability to meet expenditure requirements for the next six months, and an explanation of why money will not be available if that is the case.

### PROCEDURES

This Investment Policy shall be adopted by resolution of the Town Council. Annually the Town Manger shall present this Investment Policy to the Town Council for review to ensure its consistency with the Town's investment objectives, current law and economic trends. Any amendments to this Investment Policy shall be approved by the Town Council.

/S/ Robert Schultz, Town Attorney



# IRS SECTION 115 PENSION TRUST AND OPEB TRUST INVESTMENT POLICY



TITLE: Town of Los Gatos IRS Section 115 Pension Trust  
and OPEB Trust Investment Policy

POLICY NUMBER: 4-04

EFFECTIVE DATE: 11/7/17

PAGES: 3

ENABLING ACTIONS: 2017-062

REVISED DATES: 12/18/2018; 12/03/2019

APPROVED:

## PURPOSE

The Town of Los Gatos (the "Town") has established IRS Section 115 Trusts for both pension and other post-employment benefits (OPEB). The Pension Trust is administered by the CalPERS California Employers' Pension Prefunding Trust (the "CEPPT") and the OPEB trust is administered by the California Employers' Retiree Benefit Trust (the "CERBT"), collectively the "115 Trusts". The 115 Trusts provide for funding of pension, retiree health and other post-employment benefits for the City's eligible retirees. The CEPPT acts as an additional investment vehicle for the overall funding of pension liabilities associated with the Town's Miscellaneous and Safety Pension Plans (the "Pension Plans"). Funds in the 115 Pension Trust may be used for long-term capital accumulation and appreciation, additional discretionary payments (ADPs), and pension contribution management strategies. The CERBT is the single investment vehicle for the Town's OPEB Plan ("OPEB Plan"). The Town has established the 115 Trusts Oversight Committee (the "Oversight Committee") to oversee the assets of the 115 Trusts and to perform the duties and responsibilities set forth in this Investment Policy (IP).

## COMPOSITION

The membership of the Oversight Committee is composed of the entire Town Council.

## FIDUCIARY DUTIES AND RESPONSIBILITIES

1. The Oversight Committee has exclusive control of the investments of the 115 Trusts. The Oversight Committee will manage the funds under the Trusts:



## ⌘ IRS SECTION 115 PENSION TRUST AND OPEB TRUST INVESTMENT POLICY ⌘

- a) solely in the interest of, and for the exclusive purposes of providing for funding of benefits for participants and their beneficiaries, minimizing employer contributions thereto, and defraying reasonable expenses of administering the Trusts;
  - b) with the care, skill, prudence and diligence under the circumstances then prevailing that a prudent person acting in a like capacity and familiar with these matters would use in the conduct of an enterprise of a like character and with like aims; and
  - c) by diversifying the investments of the Trusts so as to minimize the risk of loss and to maximize the rate of return, unless under the circumstances it is clearly prudent not to do so.
2. The work of the Oversight Committee shall be consistent with written statement of Investment Policy (i.e., this Investment Policy for the Trusts). At least once every three years, the Oversight Committee will evaluate the appropriateness of the Investment Policy and, based on such evaluation, either confirm the tenets of the Investment Policy as then in effect, or amend the 115 Trusts Investment Policy as appropriate. The Investment Policy must include the following:
- a) document investment objectives, performance expectations and investment guidelines for assets under the Trusts;
  - b) establish an appropriate investment strategy for managing all assets under the Trusts, including an investment time horizon, risk tolerance ranges and asset allocation to provide sufficient diversification and overall return over the long-term time horizon of the Trusts; and
  - d) establish periodic performance reporting requirements that will effectively monitor investment results and ensure that the investment policy is being followed.

### INVESTMENT OBJECTIVES

1. The primary objective of the 115 Trusts investment portfolios is to satisfy the Pension Plans and OPEB Plan obligations to pay benefits to members and their beneficiaries. To do so, the 115 Trusts will seek to achieve long-term net returns in excess of the actuarial investment return assumption while maintaining a reasonable level of investment risk.
2. The funds will be managed as an ongoing concern with a long-term investment horizon, consistent with demographic profile of the members and beneficiaries of the plans.



## ∞ IRS SECTION 115 PENSION TRUST AND OPEB TRUST INVESTMENT POLICY ∞

3. A range of risks will be managed in connection with the trusts, with an emphasis on the following:
  - a) The impact of the investment decisions on the funded status of the plans and the resulting volatility of contributions.
  - b) Risk of loss of plan assets.
4. In determining the investment strategies of the 115 Trusts, various factors will be considered including, but not limited to:
  - a) The structure and duration of the Pension Plans and OPEB Plan liabilities.
  - b) Modern Portfolio Theory.
  - c) The liquidity needs of Pension Plans and OPEB Plan.

### INVESTMENT STRATEGY/ASSET ALLOCATION

The Oversight Committee has delegated the investment management function to third parties. These third parties offer multiple asset allocation options with varying degrees of risk return profiles. The Oversight Committee has the sole discretion to select the asset allocation which best aligns with the aforementioned fiduciary standards and investment objectives.

The Oversight Committee will review the selected asset allocations annually. However, the Oversight Committee can review the current asset allocation selections at any time in light of market conditions.

### MONITORING AND REPORTING

1. Monitor the 115 Trusts investment managers on an ongoing basis and may be terminated by Oversight Committee at any time due to performance or other developments that call into question the investment manager's ability to continue to effectively manage assets of the 115 Trusts.
2. Review and assess the performance of any Investment Manager(s) appointed by the Oversight Committee to perform services related to the Trusts quarterly.
3. Measure and evaluate the annual and quarterly performance of investment managers relative to appropriate long-term performance benchmark.
4. Measure and evaluate annual and quarterly fees.



**∞ IRS SECTION 115 PENSION TRUST AND OPEB TRUST INVESTMENT POLICY ∞**

5. Review quarterly cash flow statements associated with the Trusts.
6. Review the actuarial pension evaluation annually.
7. Review the actuarial OPEB evaluation biennially.
8. Monitor compliance with this Investment Policy for the Trusts.

/S/ Robert Schultz, Town Attorney



# BUDGET PROCESS OVERVIEW

The Town of Los Gatos adopts an annual Operating and Capital Budget and an annual budget update of the five year Capital Improvement Plan for the Town of Los Gatos. The budgets contain summary level information for revenue and expenditure appropriations for the fiscal year beginning July 1<sup>st</sup> and ending June 30<sup>th</sup>. The budget documents are prepared in accordance with generally accepted accounting principles (GAAP).

## ***Budget Purpose***

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The Operating and Capital Summary Budget and the Capital Improvement Plan serve as the Town's financial plan, as well as a policy document, a communications tool, and an operations guide. Developed with an emphasis on long range planning, service delivery, and program management, a fundamental purpose of these documents is to provide a linkage between the services and projects the Town intends to accomplish, and the resources committed to get the work done.

The format of the budget facilitates this linkage by clearly identifying the program purpose, key projects, and work plan goals in relation to revenue and expenditures appropriations.

## ***Basis of Budgeting and Accounting***

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Developed on a program basis with fund level authority, the Operating and Capital Budgets represent services and functions provided by the Town in alignment with the resources allocated during the fiscal year.

The Town's Governmental Funds consist of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds for both the Town and the Successor Agency.

Basis of Accounting and Budget refers to the timing factor concept in recognizing transactions. This basis is a key component of the overall financial system because the budget determines the accounting system. For example, if the budget anticipates revenues on a cash basis, the accounting system must record only cash revenues as receipts. If the budget uses an accrual basis, accounting must do likewise. The Town's budgeting and accounting systems both use a combination of modified accrual and full accrual basis in the accounting and budget systems.

Governmental Fund budgets are developed using the modified accrual basis of accounting. Under this basis, revenues are estimated for the period if they are susceptible to accrual, (e.g. amounts can be determined and will be collected within the current period). Principal and interest on general long term debt are budgeted as expenditures when due, whereas other expenditures are budgeted for liabilities expected to be incurred during the current period.

Proprietary Fund budgets use the full accrual basis of accounting whereby revenue budget projections are developed recognizing revenues expected to be earned during the period, and



## ⌘ BUDGET PROCESS OVERVIEW ⌘

expenditures are developed for expenses anticipated to be incurred in the fiscal year. The Town maintains one type of proprietary fund: Internal Service Funds.

The Town's Fiduciary Funds are also budgeted under the modified accrual basis. The Town administers five trust funds. The Town does not currently have any agency funds. Trust funds are subject to trust agreement guidelines.

### ***Summary of Budget Development***

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The Town develops its budgets with a team-based approach. Town Management and the Finance Department guide the process through budget development; however program budgets and work plans are developed with each Department's Director, Analyst, and Program Manager's oversight and expertise. This approach allows for hands-on planning and creates a clearer understanding for both management and staff of a program's goals and functions to be accomplished in the next budget year.

### ***The Development Process***

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Typically both the Operating and Capital Budget and Capital Improvement Plan (CIP) processes begin in the winter with the Town Council and Town Manager's cooperative development and refinement of initiatives and directives for the upcoming budget year. The CIP is reviewed during this time to determine funding capabilities, project priorities, and to refine project work plans. Although the CIP budget document is prepared separately from the Operating and Capital Budget, CIP program information is incorporated into the Operating and Capital Summary Budget document through the resulting financial appropriations and service level requirements.

In January, the budget preparation process begins officially for staff with a budget kickoff meeting. Budget assumptions, directives and initiatives developed by Town Council and Management are provided to set the Town's overall objectives and strategic priorities determined by the Council. Department staff identifies and analyzes program revenue and expenditure projections in coordination with Finance/Budget staff and Town Management. Capital improvement projects are assessed and refined, and CIP funding and appropriation requirements are finalized.

Through rounds of budget briefings and revisions, the final proposed program budget and work plans are developed by the end of April; operational and capital work plans are finalized, and the Finance/Budget staff prepares financial summary information. Per the Town Code, the Town Manager submits the entire proposed budget package to the Town Council for its consideration, including Departmental budgets and work plans.

### ***Budget Adoption***

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During the month of May, the Town Council reviews the proposed Operating and Capital Summary Budget, and the Capital Improvement Plan for the five-year period in a public hearing. Notice of the hearing is published in a local newspaper at least ten days prior to the Council's public hearing date. The public is invited to participate, and copies of the proposed budgets are



## ∞ BUDGET PROCESS OVERVIEW ∞

available for review this year exclusively on the Town website due to the Shelter in Place Public Health Order.

Under requirements established in Section 65401 of the State Government Code, the Town's Planning Commission also reviews the proposed Capital Improvement Plan and reports back to the Town Council as to the conformity of the CIP with the Town's Adopted General Plan.

Final Council-directed revisions to the proposed budget are made and the budget documents are resubmitted to the Town Council for adoption, consistent with Section 2.30.295(b) of the Los Gatos Town Code which requires the Town Manager to annually prepare and submit a budget to the Town Council. This is accomplished in June at a subsequent noticed public hearing.

The approved resolutions to adopt the CIP and operating budgets and the appropriation limitation (aka Gann Limit) follow this section with the publication of the adopted budget.

### ***Budget Amendments***

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During the course of the fiscal year, work plan changes and unanticipated needs necessitate adjustments to the adopted budgets. The Town Manager is authorized to transfer appropriations between categories, Departments, projects, and programs within a fund in the adopted budget, whereas the Town Council holds the authority for budget increases and decreases and transfers between funds that may be approved at any Town Council meeting.

The Town Council considers the status of the revenues and expenditures as of December 31<sup>st</sup> during a Mid-Year Review. This typically occurs in February and the Council may act on additional budget modifications at that time.



# BUDGET CALENDAR

## ***September/October/November/December***

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CIP work plan proposals and development

- Determine project priority
- Prepare upcoming work plan, timing schedules
- Prepare cost estimates
- Determine revenue sources

Determine and refine initiatives and directives for upcoming budget year

Update User Fee Schedule

## ***January***

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Council Strategic Priorities Established

Prepare Internal Service and Equipment Replacement Fund analyses and schedules, finalize internal service rates

Budget Kick-off Meeting – General information to staff on:

- Town Council Strategic Goals
- Budget assumptions, directives, initiatives, and goals
- Development of Department and program work plans
- Asset/Internal Services/Staffing request procedures

1<sup>st</sup> Draft revenue projections due to Budget Office

Analyze budget projections and review with Town Manager

## ***February***

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1<sup>st</sup> Draft staffing requests due to Budget Office

Review and finalize staffing positions and requests

1<sup>st</sup> Draft asset, internal service requests, and expenditure requests due

1<sup>st</sup> Draft CIP Budget due to Budget Office

Review Internal Service requests with responsible Program Managers

1<sup>st</sup> Draft Internal Service budgets due to Budget Office

Incorporate approved staffing, assets, internal services and program expenditure requests into a 1<sup>st</sup> Draft budget



## BUDGET CALENDAR

### ***March***

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Review and analyze 1<sup>st</sup> Draft budget, briefing with Town Manager

1<sup>st</sup> Draft CIP budget briefing – determine program revisions

1<sup>st</sup> Draft budget briefings with Town Manager, Department Heads, and Analysts to determine Department / program revisions

2<sup>nd</sup> Draft budget revisions and work plans due to Budget Office

2<sup>nd</sup> Draft briefing and revisions with Town Manager and Departments

Public Hearings for proposed User Fee Schedule

### ***April***

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Program narratives, financial and supplemental schedules, financial summaries, and charts prepared

Budget revisions finalized and proposed budgets assembled

Proposed budget briefing with Town Manager

### ***May***

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Distribute Proposed Operating and CIP budgets to Town Council

Public Hearings for proposed Operating and Capital, and CIP Budgets

Town Council revisions incorporated into budget documents

### ***May/June***

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Public hearings for final adoption of the Gann Appropriation Limit, Operating and Capital Budget, and 5-year CIP Budget

Final document preparation of financial and supplemental schedules, charts, reference materials, etc.

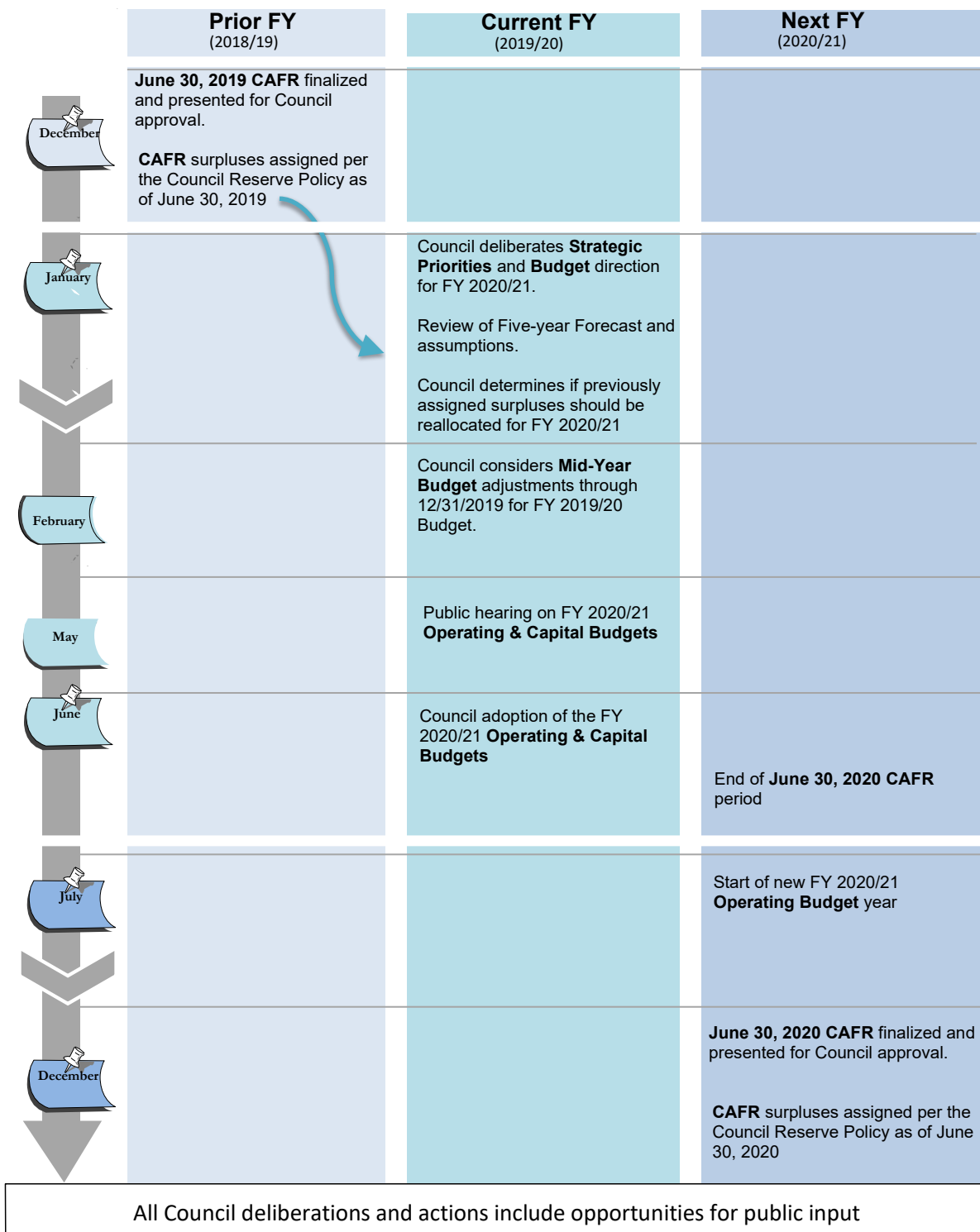
### ***July/August/September***

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Adopted Operating and CIP Budget documents finalized, printed and distributed

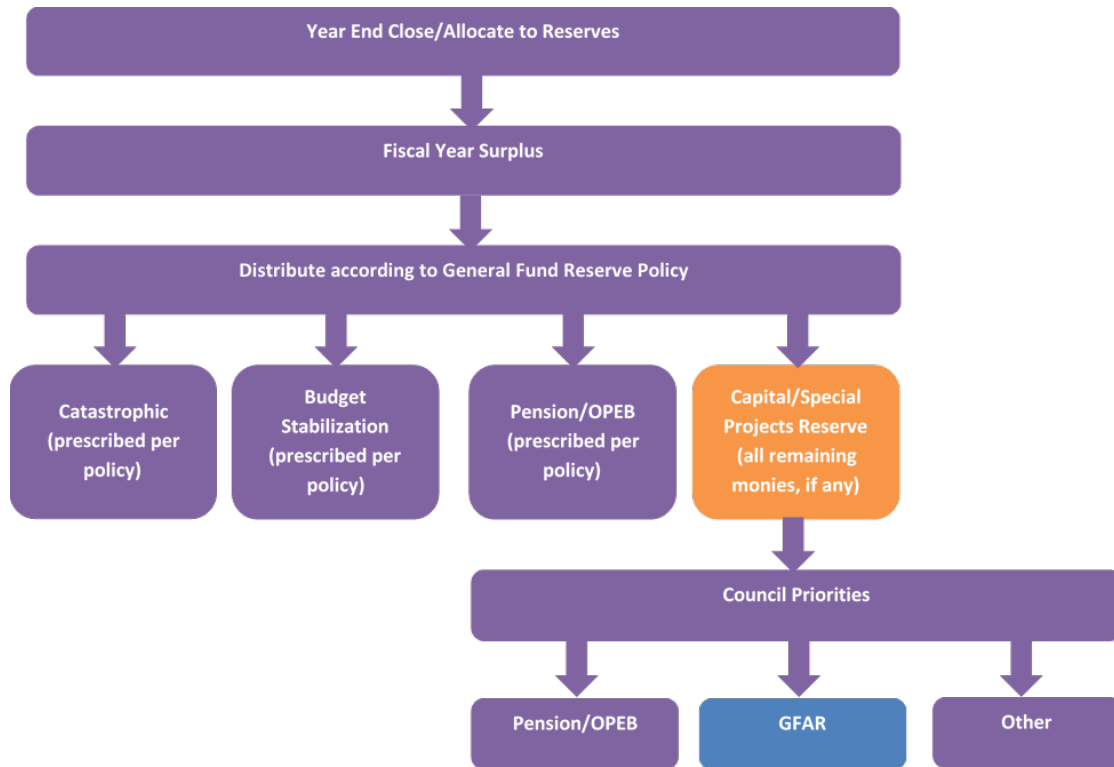


# ANNUAL BUDGET/CAFR CYCLE



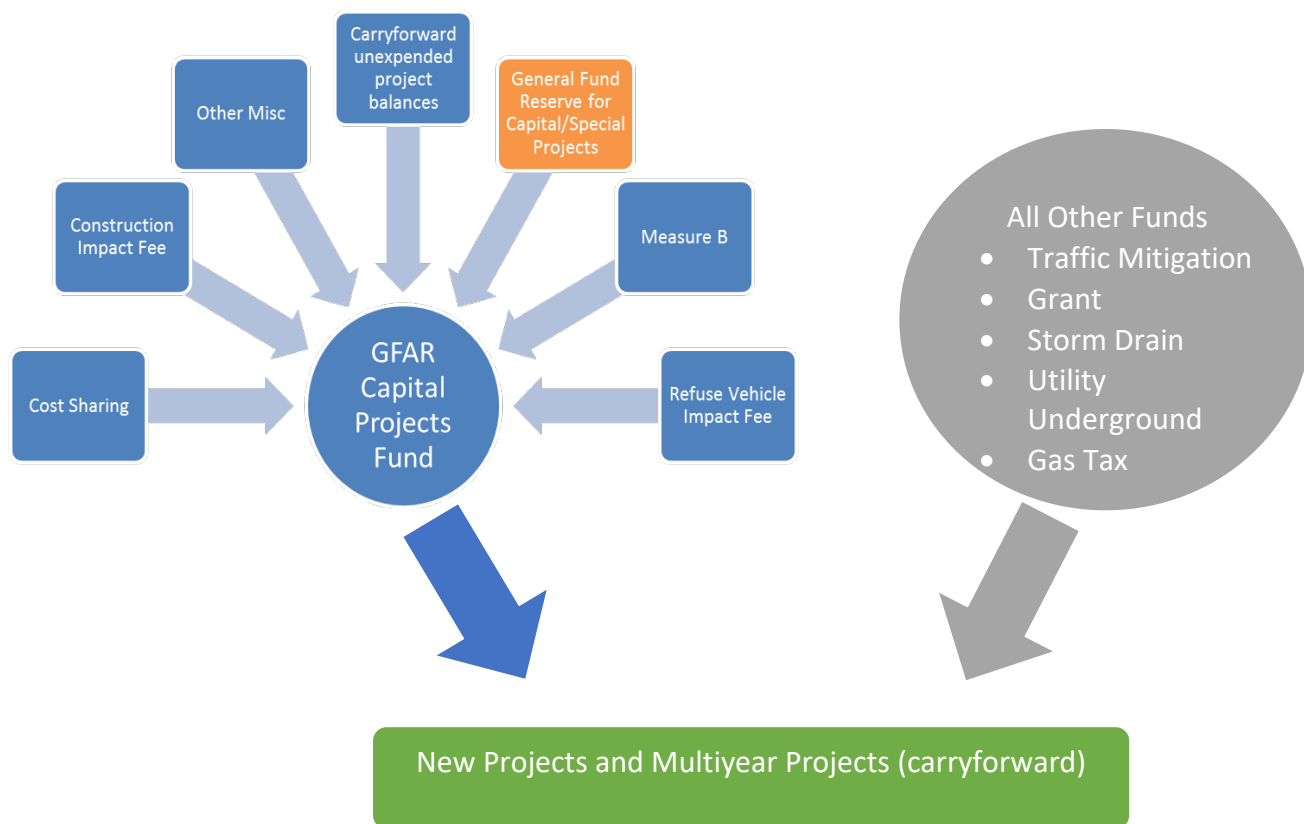


# FISCAL YEAR SURPLUS FLOW OF FUNDS





# CAPITAL IMPROVEMENT PROGRAM





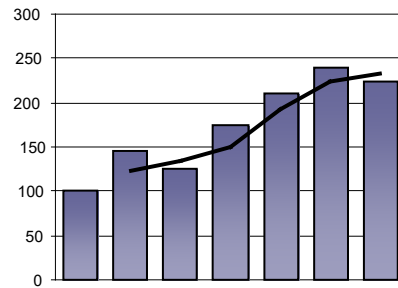


## ***Financial Summaries***



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# FINANCIAL SUMMARIES

## Total Revenues and Expenditures

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## FINANCIAL SUMMARIES

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### Staffing

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## TOTAL BUDGETED FUND ACTIVITY SUMMARY FY 2020/21

	Estimated Fund Balance 7/1/2020	Revenues, Prior Year Carryfwd & Transfers	Expenditures, Prior Year Carryfwd & Transfers	Estimated Fund Balance 6/30/2021	Fund Balance Change From Prior Year	Fund
<b>Operating Funds</b>						
<b>Governmental Funds</b>						
General Fund*	\$ 29,262,750	\$ 45,751,230	\$ 53,180,454	\$ 21,833,526	-25.4% (1)	111
Housing Conservation Program Fund	177,240	-	-	177,240	0.0%	211
Community Dev Block Grant Fund	(10,587)	-	-	(10,587)	0.0%	212
Urban Run-Off Source Fund	237,093	584,394	559,077	262,410	10.7% (2)	222
Blackwell Assessment District Fund	13,291	3,210	3,407	13,094	-1.5% (3)	231
Kennedy Assessment District Fund	32,526	10,605	8,913	34,218	5.2%	232
Gemini Assessment District Fund	31,127	4,750	2,544	33,333	7.1% (3)	233
Santa Rosa Assessment District Fund	50,187	5,000	9,472	45,715	-8.9% (3)	234
Vasona Assessment District Fund	51,516	10,075	8,644	52,947	2.8% (3)	235
Hillbrook Assessment District Fund	20,195	6,040	4,757	21,478	6.4% (3)	236
<b>Proprietary Funds - Internal Service Funds</b>						
Liability Self-Insurance Fund	1,255,255	418,135	668,059	1,005,331	-19.9% (4)	611
Worker's Comp Self-Insurance Fund	1,244,533	1,185,906	1,775,300	655,139	-47.4% (4)	612
Information Technology Fund	2,536,424	917,219	1,057,875	2,395,768	-5.5% (5)	621
Equipment Replacement Fund	1,762,734	297,546	1,396,746	663,534	-62.4% (5)	631
Facilities Maintenance Fund	201,465	1,148,757	1,169,722	180,500	-10.4% (3)	633
<b>Total Operating Funds</b>	<b>\$ 36,865,749</b>	<b>\$ 50,342,867</b>	<b>\$ 59,844,970</b>	<b>\$ 27,363,646</b>	<b>-25.8%</b>	
<b>Trust Funds</b>						
Library Trust Fund	\$ 43,132	\$ 70,500	\$ 90,500	\$ 23,132	-46.4% (3)	711
Ness Bequest Trust Fund	21,291	-	20,755	536	-97.5% (3)	713
Betty McClendon Trust Fund	84,199	700	700	84,199	0.0%	714
Barbara J Cassin Trust Fund	354,042	2,900	2,500	354,442	0.1%	716
<b>Total Trust Funds</b>	<b>\$ 502,664</b>	<b>\$ 74,100</b>	<b>\$ 114,455</b>	<b>\$ 462,309</b>	<b>-8.0%</b>	
<b>Capital Funds</b>						
GFAR*	\$ 16,450,872	\$ 5,286,195	\$ 5,904,837	\$ 15,832,230	-3.8%	411
Grant Funded CIP Projects Fund	(796,127)	1,479,200	1,479,200	(796,127)	0.0%	421
Storm Drain #1 Fund	993,373	49,470	50,000	992,843	-0.1%	461
Storm Drain #2 Fund	1,820,150	53,490	50,000	1,823,640	0.2%	462
Storm Drain #3 Fund	(119,883)	1,380	75,000	(193,503)	-61.4% (3)	463
Traffic Mitigation Fund	304,646	425,027	425,027	304,646	0.0%	471
Construction Tax-Undergrounding Fund	3,062,696	3,863,048	4,436,000	2,489,744	-18.7% (3)	472
Gas Tax Fund	311,160	1,233,317	1,316,054	228,423	-26.6% (3)	481
<b>Total Capital Projects Funds</b>	<b>\$ 22,026,887</b>	<b>\$ 12,391,127</b>	<b>\$ 13,736,118</b>	<b>\$ 20,681,896</b>	<b>-6.1%</b>	
<b>Successor Agency to the Los Gatos RDA Fund</b>						
SA- Trust Fund (Budgetary Fund Balance)	\$ 3,839,819	\$ 3,829,488	\$ 3,828,791	\$ 3,840,516	0.0%	942
<b>Total Successor Agency of the Los Gatos RDA Fund</b>	<b>\$ 3,839,819</b>	<b>\$ 3,829,488</b>	<b>\$ 3,828,791</b>	<b>\$ 3,840,516</b>	<b>0.0%</b>	
<b>TOTAL ALL FUNDS</b>	<b>\$ 63,235,119</b>	<b>\$ 66,637,582</b>	<b>\$ 77,524,334</b>	<b>\$ 52,348,367</b>	<b>-17.2%</b>	

\* Major Funds

(1) One-time use of General Fund Capital Reserve for authorized capital projects and other priorities

(2) Increasing cost of Urban Run-off Program driven by State mandates

(3) One-time Capital Project budgeted for FY 2020/21

(4) Based on estimated claims activity

(5) Equipment Replacement and Information Technology Fund reflects increased acquisition activities for FY 2020/21

This Total Budgeted Fund Activity Summary schedule groups the Town's funds into three categories based on fund purpose:

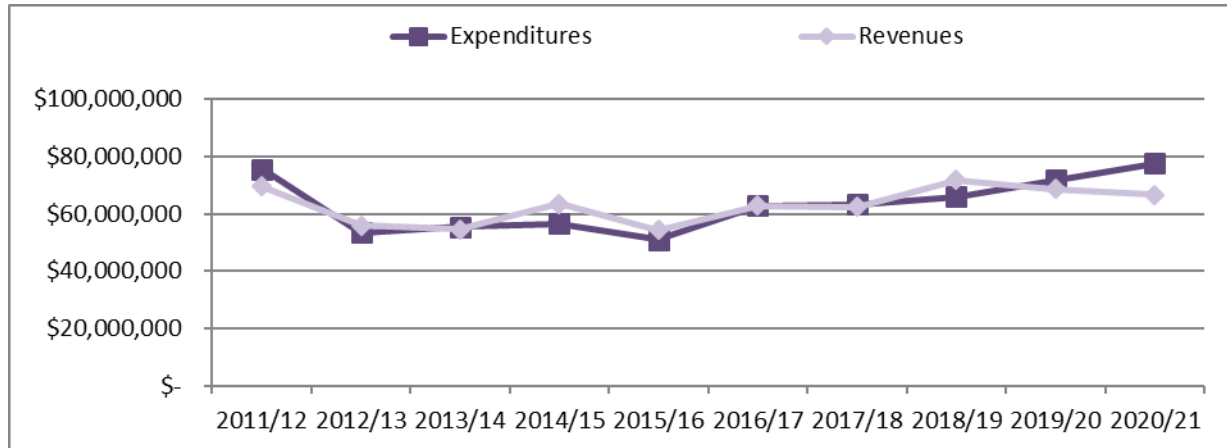
**Operating Funds** - Ongoing operations are funded out of the various Operating Funds. This includes the Town's General Fund Departmental program operations, as well as special revenue activities and internal service functions.

**Fiduciary Funds** - These funds include Trust funds and are held in a fiduciary capacity, with little variation in activity. The Library Trusts are held for special uses for the Library. RDA Successor Agency Private Purpose Trust Fund is established to account for the assets and liabilities transferred from the dissolution of the Town's former Redevelopment Agency (RDA) and the continuing operations related to the existing RDA obligations. The Successor Agency's Private Purpose Trust Fund has been incorporated into the Town's operating budget. Only those funds with activity are contained in the summary.

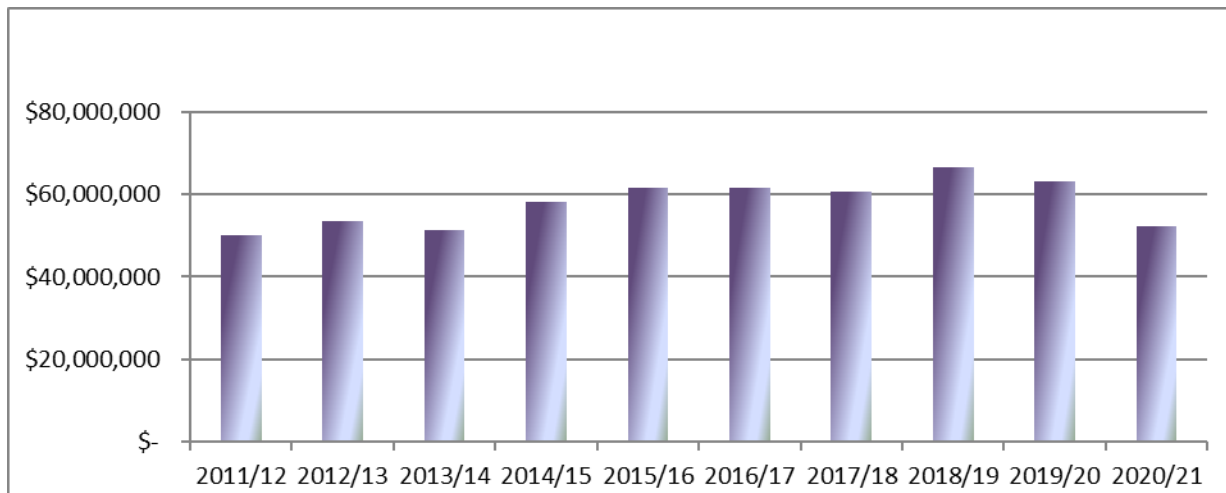
**Capital Funds** - Representing the capital improvement program activity, the Capital Funds reflect the significant progress to complete capital projects and the resulting decrease in fund balances.



**TOTAL TOWN  
REVENUES AND EXPENDITURES**



**FUND BALANCE TREND INFORMATION**



<u>Year End</u>	<u>Reference</u>	<u>Revenues &amp; Transfers In</u>	<u>Expenditures &amp; Transfers Out</u>	<u>Designated Fund Balance</u>
2011/12	Actuals	\$ 69,593,001	\$ 75,659,793	\$ 49,971,883
2012/13	Actuals	\$ 55,847,086	\$ 53,432,243	\$ 53,386,677
2013/14	Actuals	\$ 54,528,656	\$ 55,545,002	\$ 51,370,329
2014/15	Actuals	\$ 63,470,973	\$ 56,593,416	\$ 58,247,886
2015/16	Actuals	\$ 54,234,948	\$ 50,881,063	\$ 61,601,771
2016/17	Actuals	\$ 62,873,000	\$ 62,912,316	\$ 61,562,455
2017/18	Actuals	\$ 62,358,798	\$ 63,386,198	\$ 60,535,055
2018/19	Actuals	\$ 71,882,122	\$ 65,949,701	\$ 66,467,476
2019/20	Estimated	\$ 68,561,300	\$ 71,793,656	\$ 63,235,119
2020/21	Proposed	\$ 66,637,582	\$ 77,524,333	\$ 52,348,367

Note: Expenditures and Transfers Out may exceed Revenues due to the inclusion of planned and carry-forward capital projects and payments from General Fund reserves to the Town's Pension/OPEB Trust Funds.



## **TOTAL TOWN REVENUE, EXPENDITURE, AND FUND BALANCE TREND INFORMATION**

The Town continues to focus on priority issues that involve maintaining public safety and Town infrastructure including streets and parks; and providing library, community development, and other services. These priorities are coordinated with other Core Goals that protect the Town's fiscal health and ensure cost efficient and effective delivery of Town-wide administrative services. The Town's proactive and prudent fiscal approach has been effective in reducing operating expenditures, identifying revenue enhancements, and implementing operating efficiencies.

The FY 2020/21 operating budget is a balanced budget, with some use of General Fund reserves dedicated for one-time uses. The FY 2020/21 Budget anticipates a surplus of \$11,905 and maintains existing service levels while recommending one-time additions in strategically important areas.

Several Strategic Priorities are not one-time projects, but rather are ongoing commitments due to their critical significance in ensuring the Town's fiscal and infrastructure stability and the safety and quality of life for Los Gatos residents, businesses, and visitors. These commitments include continuing to address the Town's unfunded pension and other post-employment benefits (OPEB) obligations; developing Measure B transportation projects so the Town is positioned to receive its fair share of the funds; and fostering emergency preparedness and community resilience.

In terms of capital projects, the Town Council affirmed its interest in investing in bicycle and pedestrian improvements and implementing elements of the Comprehensive Parking Study. In addition to capital projects, the Council identified new policy priorities which include preparing for the Regional Housing Needs Allocation process and exploring regional transportation solutions to alleviate increased roadway congestion.

Other Strategic Priorities position the Town for its future. The Council continues the General Plan Update to engage the community in land use planning and policies to guide development for the next couple of decades. Other Priorities address State housing legal mandates and enhancing economic and community vitality. As the Town transitions from sheltering-in-place to the reopening of businesses, the significance of enhancing economic and community vitality are paramount.

Specific trends affecting the fund balance forecast include:

### **REVENUES**

The Town organization is vulnerable to changes in forecasted economic conditions. The unprecedented economic impacts associated with the local, national, and global mitigation of COVID-19 have necessitated significant revisions to growth projections for the Town's primary revenues of Property Tax, Sales Tax, and Transient Occupancy Tax (TOT). In close consultation with the Santa Clara County Assessor, Town Sales Tax consultant MuniServices, and a review of national and regional hospitality research, the Town is anticipating modest increases in Property Tax, and Franchise Fees for FY 2020/21 while Sales Tax and TOT are forecasted to decline. General Fund revenues for FY 2020/21 (excluding debt payments and fund transfers in) are 0.2% higher than budgeted prior year revenues.

### **EXPENDITURES**

**Salaries and Benefits** – As in most municipalities, services are provided directly by employees to the Town's residents, businesses, and visitors. As a service delivery enterprise, the cost of salaries and benefits are a significant portion of the budget. Salaries and benefits account for 41% of the Town's total expenditures in FY 2020/21 (and 59.5% of General Fund expenditures). The Town endeavors to balance fiscal prudence with the need to attract and retain the requisite personnel to manage a 21<sup>st</sup> century municipality. As an example, when fiscal conditions worsened during the recession of 2008, employees participated in wage freezes and unpaid furloughs for several years to assist in achieving balanced budgets. After multiple years of such concessions, the Town discontinued the furlough program in FY 2014/15 and reinstituted general wage increases for both non-sworn and sworn employees.

Even with unemployment at historic low levels and regional CPI above 3%, the Town and its employee bargaining groups agreed to a 2.5% across the board salary increase for all three bargaining units, management, and confidential plus a 1.5% cash bonus (non-PERSable) for non-sworn employees for FY 2018/19, a 3% increase for



**TOTAL TOWN  
REVENUE, EXPENDITURE, AND FUND BALANCE TREND INFORMATION**

FY 2019/20, and reopening the third year of the contract for only salary negotiation. The Town Council recently approved the negotiated 1% cost of living adjustment (COLA) and 2% non-PERSable cash bonus for two bargaining units, management, and confidential. The same 1% COLA was also approved for temporary employees. These actions are incorporated in the budget.

The Police Officers' Association's current Memoranda of Understanding includes a 4% across the board salary increases for FY 2019/20. The current POA contract has a salary only reopener in FY 2020/21.

The Town of Los Gatos provides a defined benefit pension plan for all full-time employees and some part-time benefitted employees as part of their total compensation package. Defined benefit plans provide a fixed, pre-established benefit payment for employees in retirement based on a formula which takes into account an employee's years of service and highest average annual salary. The defined benefit pension has been a standard part of compensation in governmental organizations and in Los Gatos is in lieu of participating in Social Security. The Town's pension plans are administered by the Board of Administration of the California Public Employees'

Retirement System (CalPERS). The Board of Administration is responsible for the management and control of CalPERS, including the exclusive control of the administration and investment of funds. Sworn employees are covered under the Safety Plan which is a pooled plan, while all other employees are covered in the Miscellaneous Plan, which is a separate Plan. The Miscellaneous Plan is administered by CalPERS in the Public Employees' Retirement Fund (PERF). In addition, the Town Council has established an Internal Revenue Code Section 115 Pension Trust as a supplement to the PERF fund. The Town's IRS 115 Pension Trust is administered by the Town Pension and OPEB Trusts Oversight Committee.

The Town also provides a healthcare benefit for all eligible employees. The healthcare plan pays all, or a portion of, health insurance premiums for qualified retirees and their survivors and dependents. Healthcare benefits are also referred to as Other Post-Employment Benefits or OPEB. The Town's healthcare plan is an Internal Revenue Code Section 115 Trust which is administered by the Town Pension and OPEB Trusts Oversight Committee. The Oversight Committee is responsible for the management and control of the healthcare assets. As a result of collaboration with the Town's Bargaining Units during FY 2018/19, all units agreed to the elimination of retiree health benefits prospectively with the exception of the minimum employer contribution as required by the Public Employees' Medical and Hospital Care Act (PEMHCA). The PEMHCA minimum represents a significant reduction from the previous Town paid discretionary retiree payments. As a closed retiree medical plan, over time the Town will see significant cost savings from this negotiated change. In addition, employees contribute a share of dependent premiums to assist with cost-containment.

Pension contributions are a portion of the Town's budget, as the Town is obligated to contribute a mandatory amount established by the California Public Employees Retirement System (CalPERS) as a percent of salary. Town employees contribute a percentage of their salary towards their pension in what's referred to as the normal cost. The normal cost is the annual cost of service accrual for active employees and can be viewed as the cost of benefits earned by employees in the current year. The second source of normal cost funding is provided by employer normal cost contributions. The employer normal cost rates for all cities/towns in CalPERS are established annually by CalPERS. These rates are the minimum contractual obligations the Town must pay. It should be noted, that the normal cost calculation assumes all actuarial assumptions will be met going forward. In the event the plans experience unfavorable economic or demographic assumptions, an unfunded actuarial liability (UAL) may occur. The cost associated with an unfunded liability is borne solely by the employer. The development of a UAL typically results from unfavorable investment returns, changes in actuarial assumptions, unfavorable demographic shifts, and other experiences that differ from those anticipated by the annual actuarial assumptions. As of the 2018 Actuarial Valuations the Town had a combined UAL for both Pension and OPEB of \$68 million as of June 3, 2019.

The Town's pension plans over the past several decades, like all other CalPERS participants, have experienced unfavorable investment returns, changes in actuarial assumptions, and unfavorable demographic shifts which have outweighed any positive plan experiences. As such, the Town's employer pension contributions are expected to continue to increase. The Town's employer contribution rate will increase from 52.22% in FY 2019/20 to 58.97% in



**TOTAL TOWN  
REVENUE, EXPENDITURE, AND FUND BALANCE TREND INFORMATION**

FY 2020/21 for classic sworn employees. For all other employees, the rate will increase from 33.18% in FY 2019/20 to 34.23% in FY 2020/21. The Public Employees' Pension Reform Act (PEPRA), effective January 1, 2013, implemented lower pension tiers for employees who are new to the PERS pension system. While this does not provide immediate cost savings, it is anticipated to reduce future benefit expenditures in the next 10 to 15 years. Employer contribution rates will increase from 15.02% in FY 2018/19 to 15.94% in FY 2020/21 for PEPRA sworn employees. The Town prudently recognized the potential impacts to future service delivery if unfunded pension and OPEB obligations were not addressed and additional funding strategies not identified. To date, the Town has either allocated or programmed \$35 million of additional discretionary payments and other spending strategies to address the current pension and OPEB unfunded obligations.

For more information about the pension and other benefits offered to Town employees, see: <https://www.losgatosca.gov/44/Human-Resources>. For more information about the Towns Pension and OPEB plans please see: <https://www.losgatosca.gov/2479/Town-Pension-and-OPEB-Plans-Information>

**Other Cost Drivers** – A significant cost driver for the Town is energy costs, including fuel for safety and maintenance vehicles, water for parks and landscaping, natural gas and electricity to heat and cool buildings, and lighting for street lights, parking lots, and Town facilities. The Town has taken steps to ensure water conservation and recently made energy retrofits to improve efficiency in Town facilities and reduce costs. Fuel costs can be reduced by utilizing electric and/or hybrid vehicles, and installing electric vehicle charging stations throughout the Town. Staff will continue to explore energy alternatives to reduce costs.



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**GENERAL FUND**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Estimated</b>	<b>Proposed</b>
<b>REVENUES</b>					
Property Tax	\$ 11,518,257	\$ 12,510,822	\$ 13,636,099	\$ 13,860,986	\$ 14,678,319
VLF Backfill	3,237,955	3,447,584	3,685,247	3,895,800	3,973,720
Sales & Use Tax	9,171,373	7,592,206	8,158,152	8,104,256	7,987,247
Franchise Fees	2,366,908	2,474,814	2,475,916	2,458,520	2,532,289
Transient Occupancy Tax	2,322,910	2,628,927	2,692,043	1,874,052	2,287,671
Other Taxes	1,720,980	1,686,251	1,526,894	1,294,011	1,300,000
Licenses & Permits	3,042,166	3,011,309	3,067,994	3,203,082	3,086,898
Intergovernmental	908,285	1,010,166	945,191	868,614	969,385
Town Services	3,454,666	4,625,136	4,580,511	4,184,272	4,013,412
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	917,106	676,212	510,266	364,929	434,950
Interest	171,653	244,762	1,689,575	1,310,518	626,409
Other Sources	2,201,886	3,403,478	7,353,126	1,903,441	1,335,602
Debt Service Reimbursement	1,923,303	1,914,739	1,909,073	1,905,024	1,908,494
Transfers In	313,825	544,836	1,578,911	593,286	616,834
<b>TOTAL REVENUES</b>	<b>\$ 43,271,273</b>	<b>\$ 45,771,242</b>	<b>\$ 53,808,998</b>	<b>\$ 45,820,791</b>	<b>\$ 45,751,230</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ 21,884,855	\$ 23,574,425	\$ 26,803,225	\$ 28,505,727	\$ 31,579,000
Operating Expenditures	8,896,209	9,457,424	11,955,327	13,464,492	13,690,647
Grants & Awards	209,381	194,808	248,533	242,500	245,000
Fixed Assets	-	-	38,307	-	-
Interest	-	-	-	-	-
Internal Service Charges	3,552,157	3,867,445	2,527,470	2,185,580	2,355,834
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	1,923,303	1,914,739	1,909,073	1,905,024	1,908,494
Transfers Out	7,298,187	3,484,330	2,785,220	8,225,245	3,401,479
<b>TOTAL EXPENDITURES</b>	<b>\$ 43,764,092</b>	<b>\$ 42,493,171</b>	<b>\$ 46,267,155</b>	<b>\$ 54,528,568</b>	<b>\$ 53,180,454</b>
<b>Net Increase (Decrease)</b>	<b>(492,819)</b>	<b>3,278,071</b>	<b>7,541,843</b>	<b>(8,707,777)</b>	<b>(7,429,224)</b>
<b>Beginning Fund Balance</b>	<b>27,643,432</b>	<b>27,150,613</b>	<b>30,428,684</b>	<b>37,970,527</b>	<b>29,262,750</b>
<b>Ending Fund Balance*</b>	<b>\$ 27,150,613</b>	<b>\$ 30,428,684</b>	<b>\$ 37,970,527</b>	<b>\$ 29,262,750</b>	<b>\$ 21,833,526</b>

\* Year End Fund Balance represents General Fund 111 (Long Term Compensated Absences were accounted in Fund 961 prior to FY 2018/19, Pension Trust Fund 731 was incorporated in FY 2018/19).



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**SPECIAL REVENUE FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ -	\$ 174	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	38,370	34,400	38,088	38,220	38,220
Licenses & Permits	30,780	231,323	236,451	231,323	231,323
Intergovernmental	(6,011)	903	-	-	-
Town Services	341,846	345,365	345,280	353,071	353,071
Internal Svc Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	1,570	2,416	3,550	1,460	1,460
Other Sources	102,654	-	134,621	-	-
Debt Service Reimbursement	-	-	-	-	-
Transfers In	-	-	-	10,000	-
<b>TOTAL REVENUES</b>	<b>\$ 509,209</b>	<b>\$ 614,581</b>	<b>\$ 757,990</b>	<b>\$ 634,074</b>	<b>\$ 624,074</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ 126,005	\$ 135,347	\$ 143,545	\$ 131,670	\$ 170,983
Operating Expenditures	355,246	405,064	509,551	426,167	416,474
Grants & Awards	-	-	-	-	-
Fixed Assets	-	6,870	-	-	-
Interest	-	-	-	-	-
Internal Service Charges	6,218	6,895	2,410	2,971	4,437
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	4,920	4,920	4,920	4,920	4,920
<b>TOTAL EXPENDITURES</b>	<b>\$ 492,389</b>	<b>\$ 559,096</b>	<b>\$ 660,426</b>	<b>\$ 565,728</b>	<b>\$ 596,814</b>
<b>Net Increase (Decrease)</b>	<b>16,820</b>	<b>55,485</b>	<b>97,564</b>	<b>68,346</b>	<b>27,260</b>
<b>Beginning Fund Balance</b>	<b>364,374</b>	<b>381,194</b>	<b>436,679</b>	<b>534,243</b>	<b>602,589</b>
<b>Ending Fund Balance*</b>	<b>\$ 381,194</b>	<b>\$ 436,679</b>	<b>\$ 534,243</b>	<b>\$ 602,589</b>	<b>\$ 629,849</b>



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**INTERNAL SERVICE FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	23,165	31,838	28,390	30,000	40,000
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Town Services	115,233	161,595	148,284	113,652	90,000
Internal Svc Reimbursement	4,552,407	4,880,836	3,529,840	3,082,894	3,361,181
Fines & Forfeitures	-	-	-	-	-
Interest	8	5	8	-	-
Other Sources	533,753	585,934	2,993,443	611,673	476,382
CIP Proj Reimbursement	-	-	-	-	-
Transfers In	-	703,371	450,000	1,232,654	-
<b>TOTAL REVENUES</b>	<b>\$ 5,224,566</b>	<b>\$ 6,363,579</b>	<b>\$ 7,149,965</b>	<b>\$ 5,070,873</b>	<b>\$ 3,967,563</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ 3,344,009	\$ 1,585,148	\$ -	\$ -	\$ -
Operating Expenditures	3,564,545	3,593,992	3,544,783	4,454,756	4,633,156
Grants & Awards	-	-	-	-	-
Fixed Assets	402,806	620,915	601,961	702,400	1,356,248
Interest	-	-	-	-	-
Internal Service Charges	53	-	-	-	-
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	295,680	-	1,390,375	1,367,750	78,298
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,607,093</b>	<b>\$ 5,800,055</b>	<b>\$ 5,537,119</b>	<b>\$ 6,524,906</b>	<b>\$ 6,067,702</b>
<b>Net Increase (Decrease)</b>	<b>(2,382,527)</b>	<b>563,524</b>	<b>1,612,846</b>	<b>(1,454,033)</b>	<b>(2,100,139)</b>
<b>Beginning Fund Balance</b>	<b>8,660,597</b>	<b>6,278,070</b>	<b>6,841,594</b>	<b>8,454,440</b>	<b>7,000,407</b>
<b>Ending Fund Balance</b>	<b>\$ 6,278,070</b>	<b>\$ 6,841,594</b>	<b>\$ 8,454,440</b>	<b>\$ 7,000,407</b>	<b>\$ 4,900,268</b>



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**LIBRARY TRUST FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Intergovernmental	-	-	-	-	-
Town Services	-	-	-	-	-
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	4,623	6,724	10,135	4,150	4,100
Other Sources	79,760	74,315	82,213	70,000	70,000
CIP Proj Reimbursement	-	-	-	-	-
Transfers In	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 84,383</b>	<b>\$ 81,039</b>	<b>\$ 92,348</b>	<b>\$ 74,150</b>	<b>\$ 74,100</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	75,498	77,252	69,029	109,500	93,700
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	21,048	-	20,755
Interest	-	-	-	-	-
Internal Service Charges	-	-	-	-	-
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 75,498</b>	<b>\$ 77,252</b>	<b>\$ 90,077</b>	<b>\$ 109,500</b>	<b>\$ 114,455</b>
<b>Net Increase (Decrease)</b>	<b>8,885</b>	<b>3,787</b>	<b>2,271</b>	<b>(35,350)</b>	<b>(40,355)</b>
<b>Beginning Fund Balance</b>	<b>523,072</b>	<b>531,957</b>	<b>535,744</b>	<b>538,015</b>	<b>502,665</b>
<b>Ending Fund Balance</b>	<b>\$ 531,957</b>	<b>\$ 535,744</b>	<b>\$ 538,015</b>	<b>\$ 502,665</b>	<b>\$ 462,310</b>



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**CAPITAL PROJECT FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	23,165	31,838	28,390	9,521	30,000
Licenses & Permits	658,660	1,381,590	844,064	787,051	822,053
Intergovernmental	798,016	1,306,153	1,641,511	2,951,481	7,282,528
Town Services	7,500	-	52,094	227,224	296,500
Internal Srvs Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	66,951	93,198	127,251	23,700	35,540
Other Sources	741,161	181,502	784,085	843,642	523,027
CIP Proj Reimbursement	-	-	-	-	-
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	7,593,867	2,638,224	2,685,220	8,295,591	3,401,479
<b>TOTAL REVENUES</b>	<b>\$ 9,889,320</b>	<b>\$ 5,632,505</b>	<b>\$ 6,162,615</b>	<b>\$ 13,138,210</b>	<b>\$ 12,391,127</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	3,654	892	-	-	-
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	-
Interest	-	-	-	-	-
Internal Service Charges	-	-	-	-	-
Capital Projects	6,863,375	10,041,532	8,987,510	5,707,767	13,202,501
Capital Acquisitions	-	-	-	-	-
Debt Service	-	-	-	-	-
Transfers Out	308,905	631,616	533,616	533,616	533,616
<b>TOTAL EXPENDITURES</b>	<b>\$ 7,175,934</b>	<b>\$ 10,674,040</b>	<b>\$ 9,521,126</b>	<b>\$ 6,241,383</b>	<b>\$ 13,736,117</b>
<b>Net Increase (Decrease)</b>	<b>2,713,386</b>	<b>(5,041,535)</b>	<b>(3,358,511)</b>	<b>6,896,827</b>	<b>(1,344,990)</b>
<b>Beginning Fund Balance</b>	<b>20,816,722</b>	<b>23,530,108</b>	<b>18,488,573</b>	<b>15,130,062</b>	<b>22,026,889</b>
<b>Ending Fund Balance</b>	<b>\$ 23,530,108</b>	<b>\$ 18,488,573</b>	<b>\$ 15,130,062</b>	<b>\$ 22,026,889</b>	<b>\$ 20,681,899</b>



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**SUCCESSOR AGENCY TO THE TOWN OF LOS GATOS RDA**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ -	\$ -	\$ -	\$ -	\$ -
VLF Backfill	-	-	-	-	-
Sales & Use Tax	-	-	-	-	-
Franchise Fees	-	-	-	-	-
Transient Occupancy Tax	-	-	-	-	-
Other Taxes	-	-	-	-	-
Licenses & Permits	-	-	-	-	-
Intergovernmental	1,964,636	1,958,325	1,945,763	1,915,024	1,917,494
Town Services	-	-	-	-	-
Internal Srvc Reimbursement	-	-	-	-	-
Fines & Forfeitures	-	-	-	-	-
Interest	6,310	22,788	43,706	3,154	3,500
Other Sources	-	-	11,664	-	-
CIP Proj Reimbursement	1,923,303	1,914,739	1,909,073	1,905,024	1,908,494
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 3,894,249</b>	<b>\$ 3,895,852</b>	<b>\$ 3,910,206</b>	<b>\$ 3,823,202</b>	<b>\$ 3,829,488</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ (10,004)	\$ 1,385	\$ 1,555	\$ 1,748	\$ 1,778
Operating Expenditures	16,770	5,270	111,712	11,770	10,020
Grants & Awards	-	-	-	-	-
Fixed Assets	-	-	-	-	-
Interest	1,065,000	756,482	823,734	1,195,000	1,250,000
Internal Service Charges	75	58	9	5	5
Capital Projects	-	-	-	-	-
Capital Acquisitions	-	-	-	-	-
Debt Service	2,725,469	3,013,089	2,936,788	2,615,048	2,566,988
Transfers Out	-	6,300	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,797,310</b>	<b>\$ 3,782,584</b>	<b>\$ 3,873,798</b>	<b>\$ 3,823,571</b>	<b>\$ 3,828,791</b>
<b>Net Increase (Decrease)</b>	<b>96,939</b>	<b>113,268</b>	<b>36,408</b>	<b>(369)</b>	<b>697</b>
<b>Beginning Fund Balance</b>	<b>3,593,572</b>	<b>3,690,511</b>	<b>3,803,779</b>	<b>3,840,187</b>	<b>3,839,818</b>
<b>Ending Fund Balance</b>	<b>\$ 3,690,511</b>	<b>\$ 3,803,779</b>	<b>\$ 3,840,187</b>	<b>\$ 3,839,818</b>	<b>\$ 3,840,515</b>



**TOTAL TOWN  
REVENUES AND EXPENDITURES**

**TOTAL ALL FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>					
Property Tax	\$ 11,518,257	\$ 12,510,996	\$ 13,636,099	\$ 13,860,986	\$ 14,678,319
VLF Backfill	3,237,955	3,447,584	3,685,247	3,895,800	3,973,720
Sales & Use Tax	9,171,373	7,592,206	8,158,152	8,104,256	7,987,247
Franchise Fees	2,366,908	2,474,814	2,475,916	2,458,520	2,532,289
Transient Occupancy Tax	2,322,910	2,628,927	2,692,043	1,874,052	2,287,671
Other Taxes	1,805,680	1,784,327	1,621,762	1,371,752	1,408,220
Licenses & Permits	3,731,606	4,624,222	4,148,509	4,221,456	4,140,274
Intergovernmental	3,664,926	4,275,547	4,532,465	5,735,119	10,169,407
Town Services	3,919,245	5,132,096	5,126,169	4,878,219	4,752,983
Internal Srvc Reimbursement	4,552,407	4,880,836	3,529,840	3,082,894	3,361,181
Fines & Forfeitures	917,106	676,212	510,266	364,929	434,950
Interest	251,115	369,893	1,874,225	1,342,982	671,009
Other Sources	3,659,214	4,245,229	11,359,152	3,428,756	2,405,011
CIP Proj Reimbursement	3,846,606	3,829,478	3,818,146	3,810,048	3,816,988
SCC RPTTF Reimbursement	-	-	-	-	-
Transfers In	7,907,692	3,886,431	4,714,131	10,131,531	4,018,313
<b>TOTAL REVENUES</b>	<b>\$ 62,873,000</b>	<b>\$ 62,358,798</b>	<b>\$ 71,882,122</b>	<b>\$ 68,561,300</b>	<b>\$ 66,637,582</b>
<b>EXPENDITURES</b>					
Salaries & Benefits	\$ 25,344,865	\$ 25,296,305	\$ 26,948,325	\$ 28,639,145	\$ 31,751,761
Operating Expenditures	12,911,922	13,539,894	16,190,402	18,466,685	18,843,997
Grants & Awards	209,381	194,808	248,533	242,500	245,000
Fixed Assets	402,806	627,785	661,316	702,400	1,377,003
Interest	1,065,000	756,482	823,734	1,195,000	1,250,000
Internal Service Charges	3,558,503	3,874,398	2,529,889	2,188,556	2,360,276
Capital Projects	6,863,375	10,041,532	8,987,510	5,707,767	13,202,501
Capital Acquisitions	-	-	-	-	-
Debt Service	4,648,772	4,927,828	4,845,861	4,520,072	4,475,482
Transfers Out	7,907,692	4,127,166	4,714,131	10,131,531	4,018,313
<b>TOTAL EXPENDITURES</b>	<b>\$ 62,912,316</b>	<b>\$ 63,386,198</b>	<b>\$ 65,949,701</b>	<b>\$ 71,793,656</b>	<b>\$ 77,524,333</b>
<b>Net Increase (Decrease)</b>	<b>(39,316)</b>	<b>(1,027,400)</b>	<b>5,932,421</b>	<b>(3,232,356)</b>	<b>(10,886,751)</b>
<b>Beginning Fund Balance</b>	<b>61,601,771</b>	<b>61,562,455</b>	<b>60,535,055</b>	<b>66,467,476</b>	<b>63,235,120</b>
<b>Ending Fund Balance</b>	<b>\$ 61,562,455</b>	<b>\$ 60,535,055</b>	<b>\$ 66,467,476</b>	<b>\$ 63,235,120</b>	<b>\$ 52,348,369</b>

*Note: Expenditures and Transfers Out may exceed Revenues due to the inclusion of planned and carry-forward capital projects and payments from General Fund reserves to the Town Pension and OPEB Trusts.*



# TOTAL TOWN REVENUES

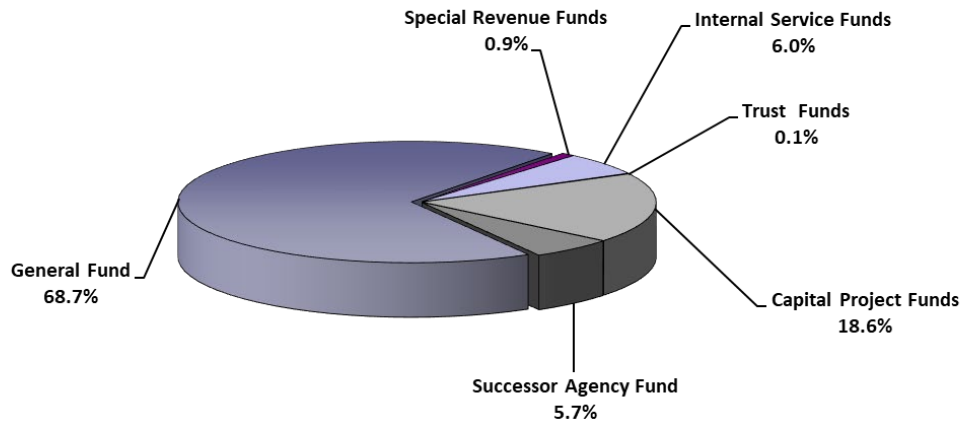
## BY FUND

(Includes Transfers In)

Fund	Fund Name	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	Change from PY
<b>General Fund</b>								
111	General Fund	\$ 43,271,274	\$ 45,771,240	\$ 53,808,998	\$ 45,282,132	\$ 45,820,791	\$ 45,751,230	1.0%
<b>Special Revenue Funds</b>								
211	Housing Conservation Program	102,654	-	-	-	-	-	0.0%
212	Community Dev Block Grant	(6,011)	-	-	-	-	-	0.0%
222	Urban Run-Off Source Fund	372,626	577,592	716,352	594,394	594,394	584,394	-1.7%
231	Blackwell Assessment District	3,252	3,311	3,389	3,210	3,210	3,210	0.0%
232	Kennedy Assessment District	10,631	7,982	10,912	10,605	10,605	10,605	0.0%
233	Gemini Assessment District	4,801	4,544	5,077	4,750	4,750	4,750	0.0%
234	Santa Rosa Assessment District	5,074	5,402	5,354	5,000	5,000	5,000	0.0%
235	Vasona Assessment District	10,107	9,612	10,634	10,075	10,075	10,075	0.0%
236	Hillbrook Assessment District	6,074	6,138	6,272	6,040	6,040	6,040	0.0%
<b>Internal Service Funds</b>								
611	Liability Self-Insurance	497,401	506,519	657,152	443,727	375,554	418,135	-5.8%
612	Worker's Comp Self-Insurance	1,026,355	1,135,141	1,492,981	2,087,485	2,415,297	1,185,906	-43.2%
621	Information Technology	1,110,361	1,177,826	1,223,741	859,223	880,186	917,219	6.7%
622	Office Stores Fund	130,520	127,786	141,938	-	-	-	0.0%
631	Equipment Replacement	458,689	1,070,616	1,082,492	229,093	236,080	297,546	29.9%
632	Facilities Maintenance	577,675	586,654	764,407	-	-	-	0.0%
633	Vehicle Maintenance	1,423,566	1,759,036	1,787,255	1,173,757	1,163,757	1,148,757	-2.1%
<b>Trust Funds</b>								
711	Library Trust	80,350	75,039	83,840	75,550	70,550	70,500	-6.7%
712	Library History Project	-	-	-	-	-	-	0.0%
713	Ness Trust Bequest	345	516	736	-	-	-	0.0%
714	Betty McClendon Trust	750	1,079	1,495	700	700	700	0.0%
716	Barbara J Cassin Trust	2,939	4,404	6,277	2,900	2,900	2,900	0.0%
<b>Capital Projects Funds</b>								
411	GFAR	8,913,874	3,477,800	4,314,346	10,000,354	11,293,755	5,286,195	-47.1%
421	Grant Funded CIP Projects	3,093	261,534	257,968	1,047,100	74,006	1,479,200	41.3%
461	Storm Drain #1	74,183	13,996	123,039	49,150	60,957	49,470	0.7%
462	Storm Drain #2	69,142	752,689	47,774	53,770	19,602	53,490	-0.5%
463	Storm Drain #3	6,813	40,564	1,447	1,620	24	1,380	-14.8%
471	Traffic Mitigation	163,126	151,452	118,787	942,524	293,234	425,027	-54.9%
472	Construction Tax-Undergrounding	47,615	68,868	81,701	52,490	32,011	3,863,048	7259.6%
481	Gas Tax	611,472	865,606	1,217,552	1,316,054	1,364,620	1,233,317	-6.3%
<b>Successor Agency to the Los Gatos RDA Fund</b>								
942	SA - Recognized Obligation Retirement	3,894,249	3,895,852	3,910,206	3,823,202	3,823,202	3,829,488	0.2%
<b>TOTAL Fund Rev &amp; Transfers In</b>		<b>\$ 62,873,000</b>	<b>\$ 62,358,798</b>	<b>\$ 71,882,122</b>	<b>\$ 68,074,905</b>	<b>\$ 68,561,300</b>	<b>\$ 66,637,582</b>	<b>-2.1%</b>
Plus Estimated PY Carryforward Grant Revenue for Capital Projects							-	
<b>Total Fund Revenues, Transfers-in, and Prior Year Carryforwards</b>							<b>\$ 66,637,582</b>	



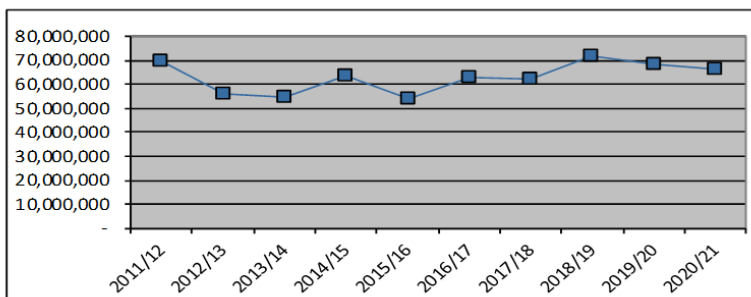
## TOTAL TOWN REVENUES BY FUND



	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
General Fund	\$ 43,271,274	\$ 45,771,240	\$ 53,808,998	\$ 45,282,132	\$ 45,820,791	\$ 45,751,230	68.7%
Special Revenue Funds	509,208	614,581	757,990	634,074	634,074	624,074	0.9%
Internal Service Funds	5,224,567	6,363,578	7,149,966	4,793,285	5,070,874	3,967,563	6.0%
Trust Funds	84,384	81,038	92,348	79,150	74,150	74,100	0.1%
Capital Project Funds	9,889,318	5,632,509	6,162,614	13,463,062	13,138,209	12,391,127	18.6%
Successor Agency Fund	3,894,249	3,895,852	3,910,206	3,823,202	3,823,202	3,829,488	5.7%
<b>Total Rev &amp; Transfers In</b>	<b>\$ 62,873,000</b>	<b>\$ 62,358,798</b>	<b>\$ 71,882,122</b>	<b>\$ 68,074,905</b>	<b>\$ 68,561,300</b>	<b>\$ 66,637,582</b>	<b>100.0%</b>

### TOWN REVENUE HISTORICAL TREND (Includes Transfers In)

FY	Total	Status
2011/12	69,593,001	Actuals
2012/13	55,847,086	Actuals
2013/14	54,528,656	Actuals
2014/15	63,470,973	Actuals
2015/16	54,234,948	Actuals
2016/17	62,873,000	Actuals
2017/18	62,358,798	Actuals
2018/19	71,882,122	Actuals
2019/20	68,561,300	Estimated
2020/21	66,637,582	Projected





# TOTAL TOWN EXPENDITURES

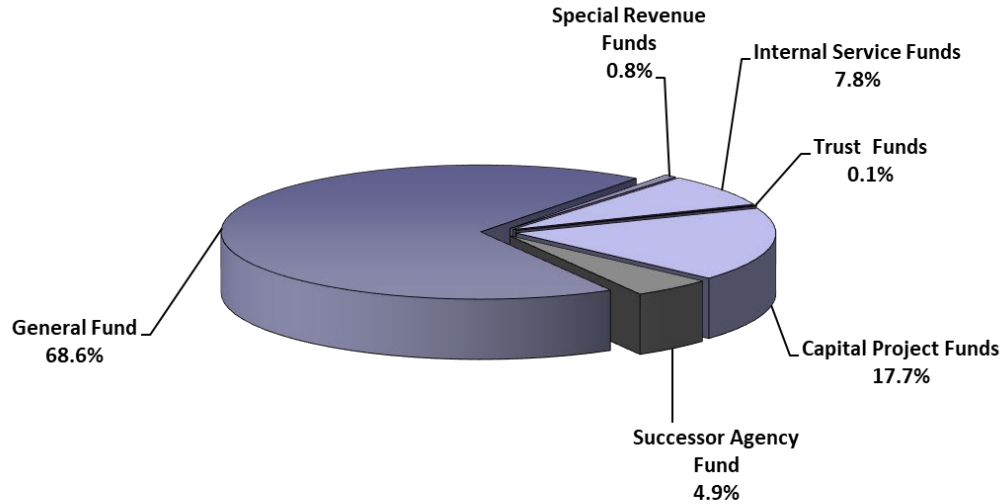
## BY FUND

(Includes Transfers Out)

Fund	Fund Name	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	Change from PY
<b>General Fund</b>								
111	General Fund	\$ 43,764,091	\$ 42,493,171	\$ 46,267,156	\$ 52,914,515	\$ 54,528,568	\$ 53,180,454	0.5%
<b>Special Revenue Funds</b>								
211	Housing Conservation Program	-	-	-	-	-	-	0.0%
212	Community Dev Block Grant	-	-	-	-	-	-	0.0%
222	Urban Run-Off Source Fund	466,762	521,147	628,240	579,173	516,751	559,077	-3.5%
231	Blackwell Assessment District	1,555	2,536	2,604	10,907	3,407	3,407	-68.8%
232	Kennedy Assessment District	8,631	14,846	8,220	8,913	16,005	8,913	0.0%
233	Gemini Assessment District	1,406	2,244	2,244	12,544	2,544	2,544	-79.7%
234	Santa Rosa Assessment District	2,955	9,172	9,172	19,472	9,472	9,472	-51.4%
235	Vasona Assessment District	7,555	5,586	5,576	18,644	12,792	8,644	-53.6%
236	Hillbrook Assessment District	3,525	3,565	4,370	19,757	4,757	4,757	-75.9%
<b>Internal Service Funds</b>								
611	Liability Self-Insurance	1,015,409	397,190	338,617	680,137	433,603	668,059	-1.8%
612	Worker's Comp Self-Insurance	1,337,371	1,416,722	1,270,628	1,657,210	2,013,845	1,775,300	7.1%
621	Information Technology	1,747,482	1,267,349	867,082	955,575	862,230	1,057,875	10.7%
622	Office Stores Fund	113,210	100,432	369,729	-	-	-	0.0%
631	Equipment Replacement	712,638	636,400	601,961	2,186,240	1,282,150	1,396,746	-36.1%
632	Facilities Maintenance	805,178	506,234	1,027,197	-	-	-	0.0%
633	Vehicle Maintenance	1,875,805	1,475,728	1,061,905	1,961,752	1,933,078	1,169,722	-40.4%
<b>Trust Funds</b>								
711	Library Trust	75,498	71,265	69,029	100,000	97,000	90,500	-9.5%
713	Ness Trust Bequest	-	-	21,048	20,755	-	20,755	0.0%
714	Betty McClendon Trust	-	5,986	-	2,500	2,500	700	-72.0%
716	Barbara J Cassin Trust	-	-	-	10,000	10,000	2,500	-75.0%
721	Parking District #88	-	-	-	-	-	-	0.0%
<b>Capital Projects Funds</b>								
411	GFAR	5,448,917	9,556,483	7,970,424	10,242,716	3,361,871	5,904,836	-42.4%
421	Grant Funded CIP Projects	3,400	15,394	379,494	1,047,100	614,496	1,479,200	41.3%
461	Storm Drain #1	-	-	-	50,000	-	50,000	0.0%
462	Storm Drain #2	-	18,700	-	50,000	-	50,000	0.0%
463	Storm Drain #3	12,750	107,992	29,700	50,000	15,500	75,000	50.0%
471	Traffic Mitigation	141,791	119,507	74,626	942,524	293,235	425,027	-54.9%
472	Construction Tax-Undergrounding	-	-	-	-	49,000	4,436,000	0.0%
481	Gas Tax	1,569,077	855,965	1,066,881	1,316,054	1,907,282	1,316,054	0.0%
<b>Successor Agency to the Los Gatos RDA Fund</b>								
942	SA- Trust Fund	3,797,310	3,782,584	3,873,798	3,823,202	3,823,570	3,828,791	-1.5%
<b>TOTAL Fund Exp &amp; Transfers Out</b>		<b>\$ 62,912,316</b>	<b>\$ 63,386,198</b>	<b>\$ 65,949,701</b>	<b>\$ 78,679,690</b>	<b>\$ 71,793,656</b>	<b>\$ 77,524,333</b>	<b>-1.5%</b>



## TOTAL TOWN EXPENDITURES BY FUND

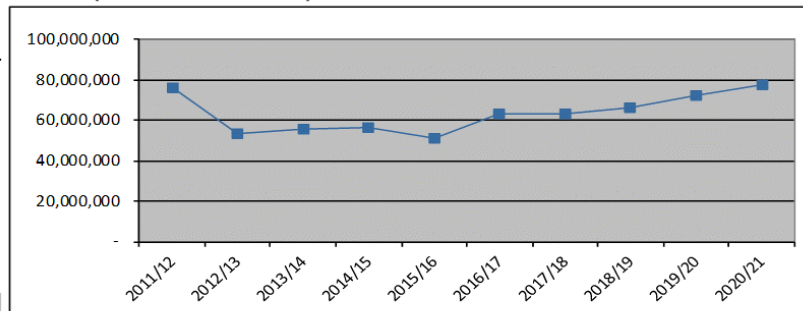


	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
General Fund	\$ 43,764,091	\$ 42,493,171	\$ 46,267,156	\$ 52,914,515	\$ 54,528,568	\$ 53,180,454	68.6%
Special Revenue Funds	492,389	559,096	660,426	669,410	565,728	596,814	0.8%
Internal Service Funds	7,607,093	5,800,055	5,537,119	7,440,914	6,524,906	6,067,702	7.8%
Trust Funds	75,498	77,251	90,077	133,255	109,500	114,455	0.1%
Capital Project Funds	7,175,935	10,674,041	9,521,125	13,698,394	6,241,384	13,736,117	17.7%
Successor Agency Fund	3,797,310	3,782,584	3,873,798	3,823,202	3,823,570	3,828,791	4.9%
<b>Total Exp &amp; Transfers Out</b>	<b>\$ 62,912,316</b>	<b>\$ 63,386,198</b>	<b>\$ 65,949,701</b>	<b>\$ 78,679,690</b>	<b>\$ 71,793,656</b>	<b>\$ 77,524,333</b>	<b>100.0%</b>

### TOWN EXPENDITURE HISTORICAL TREND

(Includes Transfers Out)

FY	Total	Status
2011/12	\$ 75,659,793	Actuals
2012/13	\$ 53,432,243	Actuals
2013/14	\$ 55,545,002	Actuals
2014/15	\$ 56,593,416	Actuals
2015/16	\$ 50,881,063	Actuals
2016/17	\$ 62,912,316	Actuals
2017/18	\$ 63,386,198	Actuals
2018/19	\$ 65,949,701	Actuals
2019/20	\$ 71,793,656	Estimated
2020/21	\$ 77,524,333	Projected

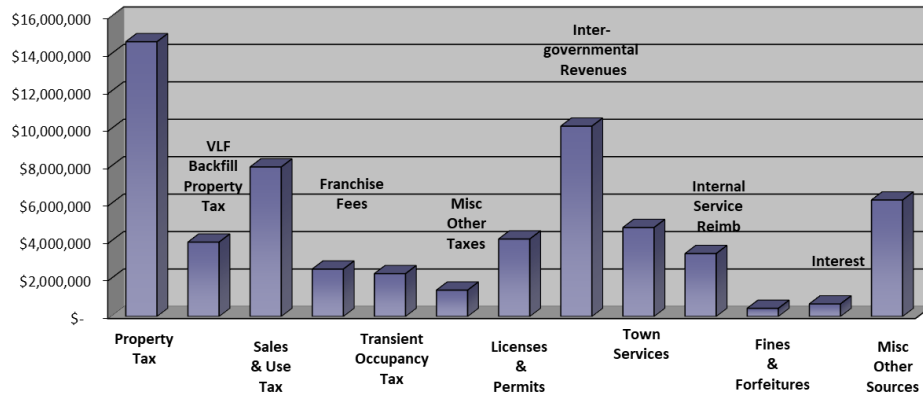




## TOTAL TOWN REVENUES

### BY CATEGORY

### FY 2020/21 Revenues



Revenues	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
Property Tax	\$ 11,518,257	\$ 12,510,996	\$ 13,636,099	\$ 14,174,700	\$ 13,860,986	\$ 14,678,319	22.0%
VLF Backfill Property Tax	3,237,955	3,447,584	3,685,247	3,795,800	3,895,800	3,973,720	6.0%
Sales & Use Tax	9,171,373	7,592,206	8,158,152	8,001,917	8,104,256	7,987,247	12.0%
Franchise Fees	2,366,908	2,474,814	2,475,916	2,458,520	2,458,520	2,532,289	3.8%
Transient Occupancy Tax	2,322,910	2,628,927	2,692,043	2,848,730	1,874,052	2,287,671	3.4%
Miscellaneous Other Taxes	1,805,679	1,784,327	1,621,762	1,508,220	1,371,752	1,408,220	2.1%
Licenses & Permits	3,731,606	4,624,222	4,148,509	4,435,910	4,221,456	4,140,274	6.2%
Intergovernmental Revenues	3,664,925	4,275,547	4,532,466	6,015,772	5,735,119	10,169,407	15.3%
Town Services	3,919,245	5,132,095	5,126,169	4,817,907	4,878,219	4,752,983	7.1%
Internal Service Reimbursements	4,552,407	4,880,836	3,529,840	3,285,647	3,082,894	3,361,181	5.0%
Fines & Forfeitures	917,106	676,212	510,266	483,950	364,929	434,950	0.7%
Interest	251,116	369,892	1,874,224	674,278	1,342,982	671,009	1.0%
Miscellaneous Other Sources	7,505,821	8,074,709	15,177,298	5,968,879	7,238,804	6,221,999	9.3%
<b>Total Revenues</b>	<b>\$ 54,965,308</b>	<b>\$ 58,472,367</b>	<b>\$ 67,167,991</b>	<b>\$ 58,470,230</b>	<b>\$ 58,429,769</b>	<b>\$ 62,619,269</b>	
Plus Transfers In	7,907,692	3,886,431	4,714,131	9,604,676	10,131,531	4,018,313	6.0%
<b>Total Revenues &amp; Other Sources</b>	<b>\$ 62,873,000</b>	<b>\$ 62,358,798</b>	<b>\$ 71,882,122</b>	<b>\$ 68,074,906</b>	<b>\$ 68,561,300</b>	<b>\$ 66,637,582</b>	<b>100%</b>

Total Budgeted Revenues (exclusive of Transfers In) have increased from the prior year, as the Town is expected to experience revenue growth in some of the key economically sensitive revenue categories of Property Tax, VLF Backfill, Franchise Fees, and Intergovernmental Revenues.

Key revenue highlights include:

**Property Tax** – Property Tax revenues are still projected to increase by 3.6% compared to the prior year budgeted amount as property tax collection is based on the January 2020 assessment roll for FY 2020/21.

**Sales and Use Tax** – While the Town only receives 1.125 cents of the 9.125 cents of sales tax paid per dollar of taxable sales generated in Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2020/21 budget reflects \$8.0 million in sales tax revenue which is a significant decrease from the draft Five-Year Forecast presented to the Town Council in January 2020; however, it equates to a 0.2 % decrease compared to the prior year budgeted amount. The modest change compared to the prior year budget is the combined effect of the additional revenues associated with the newly enacted 1/8 cent sales tax moderating the negative impact associated with COVID-19 pandemic. In addition, staff had previously requested a Mid-Year budget adjustment of \$700,000 (not reflected in the FY 19/20 Adopted Budget) based on receipts prior to the County shelter-in-place (SIP) order in response to the COVID-19 emergency. Given the significant impacts related to SIP, staff will request a budget adjustment for FY 2019/20 reversing that adjustment back to prior Adopted Budget levels.

**Licenses and Permits** – FY 2020/21 Licenses and Permits reflect a 6.7% decrease reflecting anticipated declines in permitting activity.

**Intergovernmental Revenues** – Increases in intergovernmental revenues are due to changes in available grant funding.



## **TOTAL TOWN REVENUES**

### **BY CATEGORY**

***Transient Occupancy Tax*** – Transient Occupancy Tax (TOT) is expected to decrease by 19.7% from FY 2019/20 budgeted amount of \$2.8 million or 15% from FY 2018/19 actual proceeds due to the anticipated effect of the SIP Public Health Orders. Given the significant impacts of the SIP, staff conducted a survey of local hotels to understand current occupancy rates. Based on the survey, staff will request a budget adjustment for FY 2019/20 to reflect decreased TOT revenue.

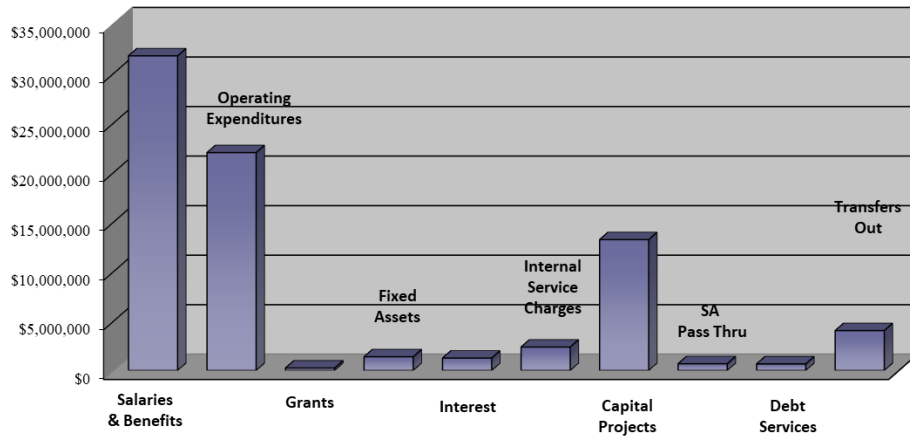
***Other Sources*** – This revenue reflects lease reimbursement revenue received from the Successor Agency to the Los Gatos Redevelopment Agency for 2002 and 2010 Certificates of Participation (COPs) debt service payments for the bond issues.



## TOTAL TOWN EXPENDITURES

### BY CATEGORY

**FY 2020/21  
Expenditures**



	2016/17	2017/18	2018/19	2019/20	2019/20	2020/21	% of
Expenditures	Actuals	Actuals	Actuals	Adopted	Estimated	Proposed	Total
Salaries and Benefits	\$ 25,344,865	\$ 25,296,305	\$ 26,948,324	\$ 31,117,995	\$ 28,639,145	\$ 31,751,761	41.0%
Operating Expenditures	16,085,204	16,354,841	18,844,565	17,971,354	21,401,466	21,983,485	28.4%
Grants	209,381	194,808	248,533	222,500	242,500	245,000	0.3%
Fixed Assets	402,807	627,785	661,315	1,734,495	702,400	1,377,003	1.8%
Interest	1,065,000	756,482	823,734	1,195,000	1,195,000	1,250,000	1.6%
Internal Service Charges	3,558,503	3,874,398	2,529,890	2,259,419	2,188,556	2,360,276	3.0%
Capital Projects	6,863,375	10,041,532	8,987,510	13,164,778	5,707,768	13,202,501	17.0%
Successor Agency Pass Thru	673,323	1,014,531	1,163,984	699,718	875,266	677,500	0.9%
Debt Services	802,166	1,098,350	1,027,715	709,755	710,024	658,494	0.8%
<b>Total Expenditures</b>	<b>\$ 55,004,624</b>	<b>\$ 59,259,032</b>	<b>\$ 61,235,570</b>	<b>\$ 69,075,014</b>	<b>\$ 61,662,125</b>	<b>\$ 73,506,020</b>	
Transfers Out	7,907,692	4,127,166	4,714,131	9,604,676	10,131,531	4,018,313	5.2%
<b>Total Uses of Funds</b>	<b>\$ 62,912,316</b>	<b>\$ 63,386,198</b>	<b>\$ 65,949,701</b>	<b>\$ 78,679,690</b>	<b>\$ 71,793,656</b>	<b>\$ 77,524,333</b>	<b>100%</b>

Total Budgeted Expenditures (exclusive of Transfers Out) include budgeted Capital Improvements, which can vary significantly from year to year. Net of Capital Projects and payment to CalPERS, total expenditures reflect a 0.3% increase for FY 2020/21 compared to the prior year adopted budget. Expenditures of note include:

**Salaries and Benefits** – The FY 2020/21 budget reflects an increase in salaries related to negotiated adjustments and benefits attributed to increased CalPERS and medical benefits rates. Staffing modifications include reclassification of a Payroll Technician Position and an Administrative Technician position to Administrative Analyst positions and a Parking Control Officer Position to a Senior Parking Control Officer position to better align current service delivery within the existing budget. Staff also proposes one-time temporary hours within the Town Manager’s Office, Police Department, and Community Development Department.

**Fixed Assets** – Budgeted fixed asset costs stem primarily from scheduled vehicle and equipment replacements. The variance in expenditures from year to year does not impact current year charges to the Departments, only the actual cash out to replace the asset.

**Internal Service Charges** – These expenditures represent the service program costs charged back to the operational programs for Liability Insurance, Information Technology, Vehicle Replacement, and Building Maintenance services. The FY 2020/21 budget reflects an increase in the Internal Service Charges reflecting scheduled replacements.



## TOTAL TOWN EXPENDITURES

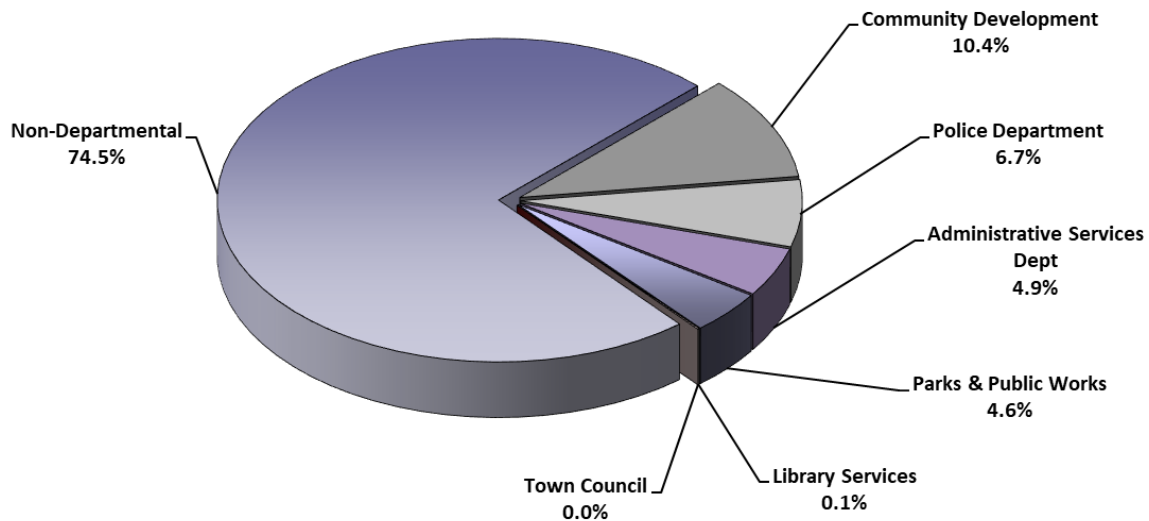
### BY CATEGORY

**Debt Service** – Debt service charges reflect the Redevelopment Agency’s two outstanding Certificates of Participation (2002 and 2010) through a leasing expenditure and reimbursement revenue which nets to zero for the Town, while Successor Agency (SA) to the Los Gatos Redevelopment Agency funds provide the actual debt payment for the bond issues. The SA reimburses the General Fund for the debt service payment. The 1992 COP for Parking Lot #4 was paid in full in early FY 2012/13.



## GENERAL FUND REVENUES

### BY DEPARTMENT



### FY 2020/21 Departmental Revenues

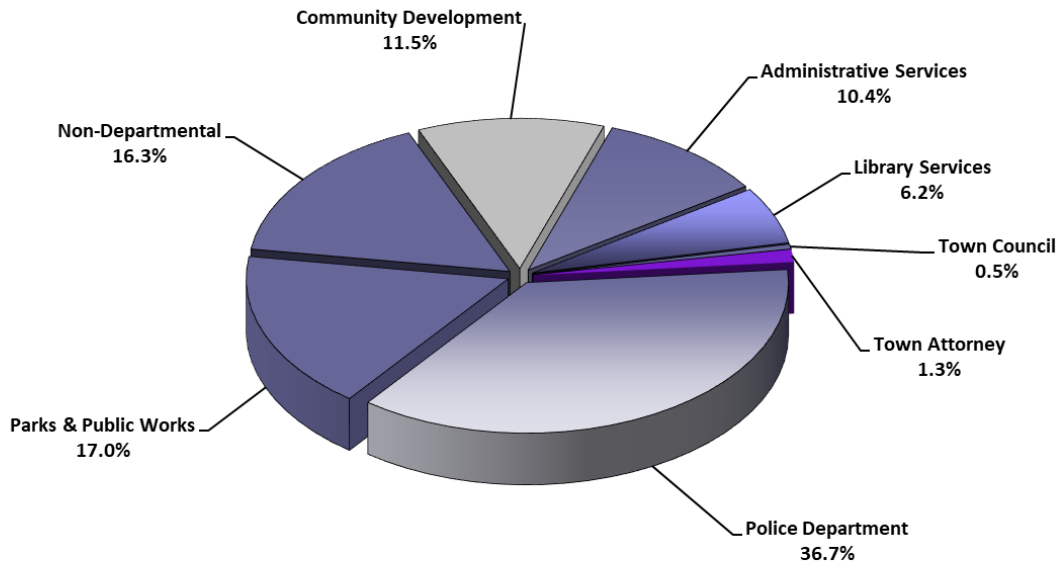
Departments	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
Town Council	\$ 2,634	\$ 730	\$ 1,527	\$ -	\$ -	\$ -	0.0%
Non-Departmental	30,660,035	28,988,474	34,475,646	31,267,889	31,312,321	31,373,670	74.2%
Administrative Services*	1,939,016	1,946,533	3,172,019	2,176,383	2,655,258	2,019,873	4.8%
Community Development	3,803,661	3,835,046	4,203,611	4,967,543	3,972,923	4,288,785	10.1%
Police Department	2,880,573	2,769,309	2,556,445	2,661,412	2,524,288	2,759,731	6.5%
Parks & Public Works	1,666,480	3,530,073	2,760,825	1,716,845	2,368,798	1,783,685	4.2%
Library Services	81,746	71,902	56,958	48,500	59,719	38,000	0.1%
<b>Total General Fund Revenues</b>	<b>\$ 41,034,145</b>	<b>\$ 41,142,067</b>	<b>\$ 47,227,031</b>	<b>\$ 42,838,572</b>	<b>\$ 42,893,307</b>	<b>\$ 42,263,744</b>	<b>100%</b>
Town Debt Payments	\$ 1,923,303	\$ 1,914,739	\$ 1,909,073	\$ 1,905,024	\$ 1,905,024	\$ 1,908,494	
Pension Trust**	-	-	5,022,848	-	429,174	962,158	
Compensated Absences**	-	2,169,600	(1,928,865)	-	-	-	
Transfers In	313,825	544,836	1,578,911	538,536	593,286	616,834	
<b>Net Operating Revenues</b>	<b>\$ 43,271,273</b>	<b>\$ 45,771,242</b>	<b>\$ 53,808,998</b>	<b>\$ 45,282,132</b>	<b>\$ 45,820,791</b>	<b>\$ 45,751,230</b>	

\*The Town Manager's Office, Human Resources, Finance, Clerk Administration, and Information Technology Programs are all accounted for within the Administrative Services Department.

\*\* Previously expensed transfers were returned to be included in the General Fund.



## GENERAL FUND EXPENDITURES BY DEPARTMENT



### FY 2020/21 Departmental Expenditures

Departments	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
Police Department	\$ 13,251,291	\$ 14,423,554	\$ 14,948,952	\$ 16,940,786	\$ 15,743,235	\$ 17,587,825	36.7%
Parks & Public Works	6,597,744	7,099,527	7,969,631	8,070,068	7,987,006	8,152,044	17.0%
Non-Departmental	4,945,746	4,868,721	6,875,760	3,873,255	3,574,014	7,803,668	16.3%
Community Development	3,793,929	4,192,165	4,577,495	5,760,099	4,561,625	5,517,030	11.5%
Administrative Services*	2,825,082	3,193,995	3,931,807	4,815,138	4,281,866	4,974,616	10.4%
Library Services	2,508,678	2,529,017	2,493,617	2,935,010	2,715,304	2,946,509	6.2%
Town Council	193,584	192,183	205,903	240,605	206,469	243,486	0.5%
Town Attorney	426,548	354,205	562,542	621,391	562,983	645,303	1.3%
<b>Total General Fund Exp</b>	<b>\$ 34,542,602</b>	<b>\$ 36,853,367</b>	<b>\$ 41,565,707</b>	<b>\$ 43,256,352</b>	<b>\$ 39,632,502</b>	<b>\$ 47,870,481</b>	<b>100%</b>
Town Debt Payments	\$ 1,923,303	\$ 1,914,739	\$ 1,909,073	\$ 1,905,024	\$ 1,905,024	\$ 1,908,494	
Pension Trust**	-	-	7,155	-	4,765,797	-	
Compensated Absences**	-	240,735	-	-	-	-	
Transfers Out	7,298,187	3,484,330	2,785,220	7,753,140	8,225,245	3,401,479	
<b>Net Operating Expenditures</b>	<b>\$ 43,764,092</b>	<b>\$ 42,493,171</b>	<b>\$ 46,267,155</b>	<b>\$ 52,914,516</b>	<b>\$ 54,528,568</b>	<b>\$ 53,180,454</b>	

\* The Town Manager's Office, Human Resources, Finance, Clerk Administrator, and Information Technology Programs are all accounted for within the Administrative Services Department.

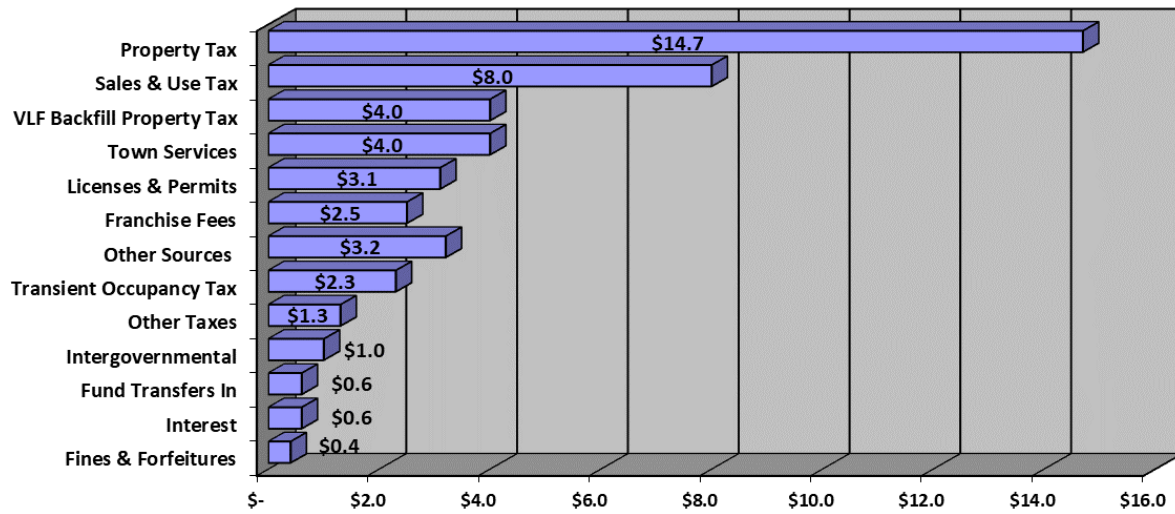
\*\* Pension Trust and Compensated absences are incorporated in the General Fund.



## GENERAL FUND REVENUES

### BY CATEGORY

\$44.8 Million



Revenue Category	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
Property Tax	\$ 11,518,257	\$ 12,510,822	\$ 13,636,099	\$ 14,174,700	\$ 13,860,986	\$ 14,678,319	32.1%
VLF Backfill Property Tax	3,237,955	3,447,584	3,685,247	3,795,800	3,895,800	3,973,720	8.7%
Sales & Use Tax	9,171,373	7,592,206	8,158,152	8,001,917	8,104,256	7,987,247	17.5%
Franchise Fees	2,366,908	2,474,814	2,475,916	2,458,520	2,458,520	2,532,289	5.5%
Transient Occupancy Tax	2,322,910	2,628,927	2,692,043	2,848,730	1,874,052	2,287,671	5.0%
Other Taxes	1,720,980	1,686,251	1,526,894	1,400,000	1,294,011	1,300,000	2.8%
Licenses & Permits	3,042,166	3,011,309	3,067,994	3,382,534	3,203,082	3,086,898	6.7%
Intergovernmental	908,285	1,010,166	945,191	978,141	868,614	969,385	2.1%
Town Services	3,454,666	4,625,136	4,580,511	4,328,336	4,184,272	4,013,412	8.8%
Fines & Forfeitures	917,106	676,212	510,266	483,950	364,929	434,950	1.0%
Interest	171,653	244,762	1,689,575	629,774	1,310,518	626,409	1.4%
Other Sources	4,125,189	5,318,217	9,262,199	2,261,194	3,808,465	3,244,096	7.1%
<b>Total Revenues</b>	<b>\$ 42,957,448</b>	<b>\$ 45,226,406</b>	<b>\$ 52,230,087</b>	<b>\$ 44,743,596</b>	<b>\$ 45,227,505</b>	<b>\$ 45,134,396</b>	
Transfers In:	\$ 313,825	\$ 544,836	\$ 1,578,911	\$ 538,536	\$ 593,286	\$ 616,834	1.3%
<b>Total Revenues &amp; Transfers In</b>	<b>\$ 43,271,273</b>	<b>\$ 45,771,242</b>	<b>\$ 53,808,998</b>	<b>\$ 45,282,132</b>	<b>\$ 45,820,791</b>	<b>\$ 45,751,230</b>	<b>100%</b>

FY 2020/21 General Fund revenues and fund transfers are estimated to increase by 1.0% from the FY 2019/20 adopted budget. The Town's operations are funded through a variety of revenue sources as depicted above. Revenues were estimated by trend analysis and historical data as explained below:

**Sales Tax** – While the Town only receives 1.125 cents of the 9.125 cents of sales tax paid per dollar of taxable sales generated in Town, Sales and Use Tax remains one of the General Fund's largest revenue sources. The FY 2020/21 budget reflects \$8 million in sales tax revenue, which is significant decrease from the draft Five-Year Forecast presented to the Town Council in January 2020; however, it equates to a 0.2 % decrease compared to the prior year budgeted amount. The modest change compared to the prior year budget is the combined effect of the additional revenues associated with the newly enacted 1/8 cent sales tax moderating the negative impact associated with COVID-19 pandemic. In addition, staff had previously requested a Mid-Year budget adjustment of \$700,000 (not reflected in the FY 19/20 Adopted Budget) based on receipts prior to the County shelter-in-place (SIP) order in response to the COVID-19 emergency. Given the significant impacts related to SIP, staff will request a budget adjustment for FY 2019/20 reversing that adjustment back to prior Adopted Budget levels.

**Property Tax** – Property Tax revenues have increased by 3.6% compared to the prior year budgeted amount as property tax collection is based on the January 2020 assessment roll for FY 2020/21. Property Tax budget projections



## GENERAL FUND REVENUES

### BY CATEGORY

are based on valuations projected by the Santa Clara County Assessor's Office, given increased home sales, coupled with anticipated adjustments in property tax distribution due to the dissolution of California redevelopment agencies. The Town receives 9.3 cents of each property tax dollar paid by property owners. The remaining 90.7 cents of each dollar is distributed to several other taxing jurisdictions, including local schools, community college districts, the County of Santa Clara, Santa Clara County Central Fire Protection District, and other special districts that serve the community.

***Town Services*** – Charges for Town Services decreased by 7.3% reflecting development projects that are in progress.

***Licenses & Permits*** – Licenses and Permits decreased by 8.7% based on current and anticipated building activities.

***Intergovernmental Revenues*** – Intergovernmental revenues reflect a 0.9% decrease since less grant revenue is anticipated to be received than the prior fiscal year.

***Franchise Fees*** – Compared to the prior fiscal year, Franchise Fees, including cable television, electric utility and solid waste, have increased by 3%. The increase is based on an analysis of current year collection trends.

***Transient Occupancy Tax*** – Transient Occupancy Tax (TOT) is expected to decrease by 19.7% from FY 2019/20 budgeted amount of \$2.8 million or 15% from FY 2018/19 actual proceeds due to the anticipated effect of the SIP Public Health Orders. Given the significant impacts of the SIP, staff conducted a survey of local hotels to understand current occupancy rates. Based on the survey, staff will request a budget adjustment for FY 2019/20 to reflect decreased TOT revenue.

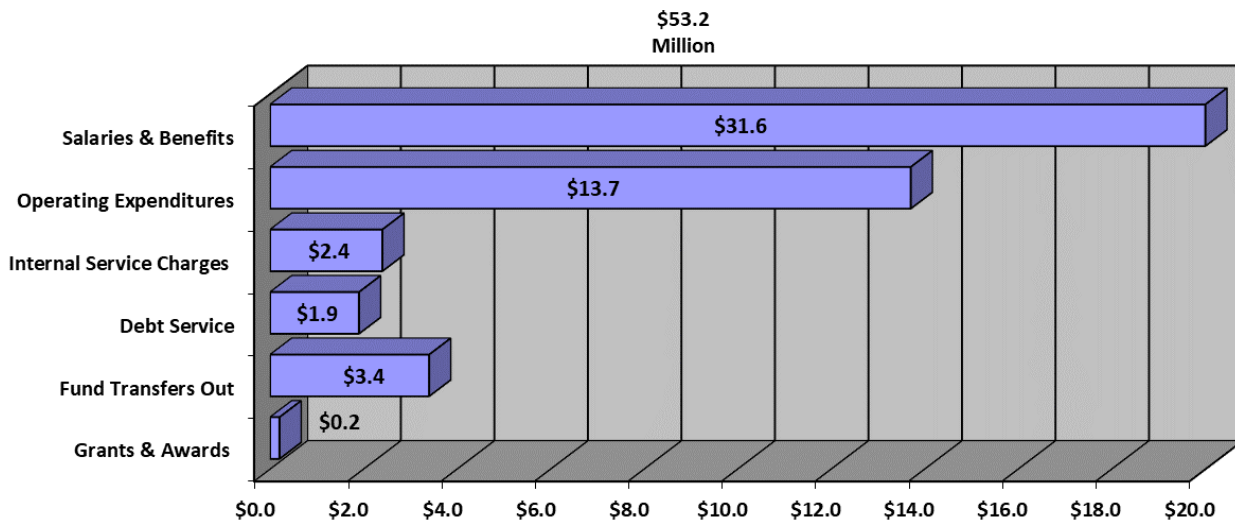
***Fines and Forfeitures*** – Fines and Forfeitures include library and traffic fines and administrative citations which are expected to decrease by 10.1%.

***Transfers In*** – Transfers in increased by 14.5% compared to the prior year budget, reflecting an utilization of a previously saved equipment replacement collection in FY 2020/21.

***Other Sources*** – Other sources includes the Town "Pass Through" programs and restricted pension trust fund activities.



## GENERAL FUND EXPENDITURES BY CATEGORY



Expenditure Category	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed	% of Total
Salaries & Benefits	\$ 21,884,855	\$ 23,574,425	\$ 26,803,225	\$ 30,910,359	\$ 28,505,727	\$ 31,579,000	59.5%
Operating Expenditures	8,896,209	9,457,424	11,955,327	9,869,872	13,464,492	13,690,647	25.7%
Fixed Assets	-	-	38,307	-	-	-	0.0%
Grants & Awards	209,381	194,808	248,533	222,500	242,500	245,000	0.5%
Debt Service	1,923,303	1,914,739	1,909,073	1,905,024	1,905,024	1,908,494	3.6%
Internal Service Charges	3,552,157	3,867,445	2,527,470	2,253,620	2,185,580	2,355,834	4.3%
<b>Total Expenditures</b>	<b>\$ 36,465,905</b>	<b>\$ 39,008,841</b>	<b>\$ 43,481,935</b>	<b>\$ 45,161,375</b>	<b>\$ 46,303,323</b>	<b>\$ 49,778,975</b>	
Transfers Out	\$ 7,298,187	\$ 3,484,330	\$ 2,785,220	\$ 7,753,140	\$ 8,225,245	\$ 3,401,479	6.4%
<b>Total Exp &amp; Transfers Out</b>	<b>\$ 43,764,092</b>	<b>\$ 42,493,171</b>	<b>\$ 46,267,155</b>	<b>\$ 52,914,515</b>	<b>\$ 54,528,568</b>	<b>\$ 53,180,454</b>	<b>100.0%</b>

The FY 2020/21 General Fund Operating Budget (net of transfers out, payment to CalPERS, and the General Plan Update expenses totaling \$4.8M) represents a 1.8% increase compared to the net FY 2019/20 adopted operating expenditures budget.

**Salaries & Benefits** – The delivery of Town services is highly dependent on labor which comprises 59.5% of budgeted General Fund expenditures for FY 2020/21. The FY 2020/21 budget reflects an increase in salaries consistent with approved labor contracts, and benefits costs attributed to increased CalPERS and medical benefits rates.

**Operating Expenditures** –The operating expenditures include \$4.2 million payment to CalPERS and \$0.6 million for the General Plan Update. The FY 2020/21 operating expenditures increased when compared to the FY 2019/20 adopted budget. Town-wide efforts continue to emphasize the importance of containing operating costs while maintaining core services; however, factors such as escalating energy costs and general cost increases have offset many departmental reductions.



## **GENERAL FUND EXPENDITURES**

### **BY CATEGORY**

**Grants & Awards** –The Town provides General Fund grants and awards to local nonprofit organizations for a variety of human, art, special events and educational services. FY 2020/21 grants and awards reflect 10.1% increase in grant funding from the prior year.

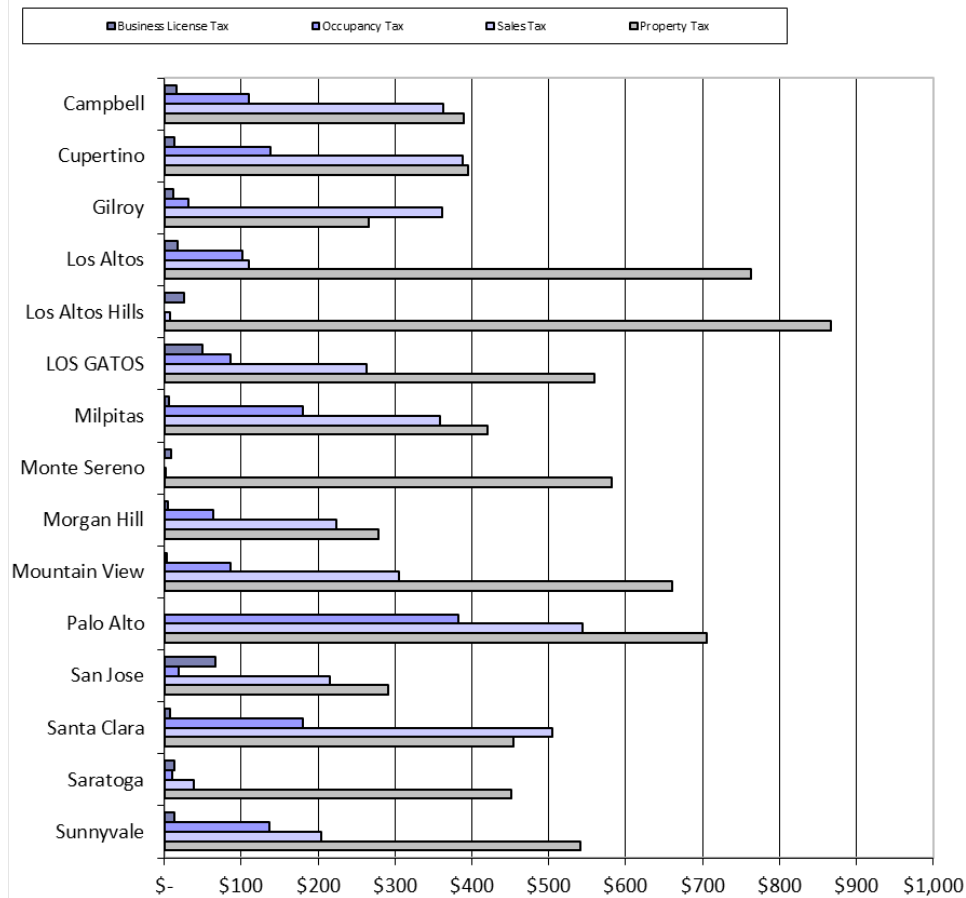
**Internal Service Charges** – These expenditures represent the service program costs charged back to the operational programs for Liability Insurance, Information Technology, Vehicle Replacement, and Building Maintenance services.

**Debt Service** – The Town facilitates the Successor Agency (SA) to the Los Gatos Redevelopment Agency's two Certificates of Participation (COPs) through a leasing expense and reimbursement revenue which nets to zero for the Town, while SA funds provide the actual debt payment for the bond issues.

**Transfers Out** – The General Fund Transfers Out include \$3,401,479 to the Capital Projects Fund.



**GENERAL FUND TAX REVENUES**  
**CITIES OF SANTA CLARA COUNTY – TAX REVENUES PER CAPITA**  
**(LATEST DATA AVAILABLE AT THE TIME OF PUBLICATION)**



**FY 2018/19 Actual Tax Revenue Amounts and Per Capita**

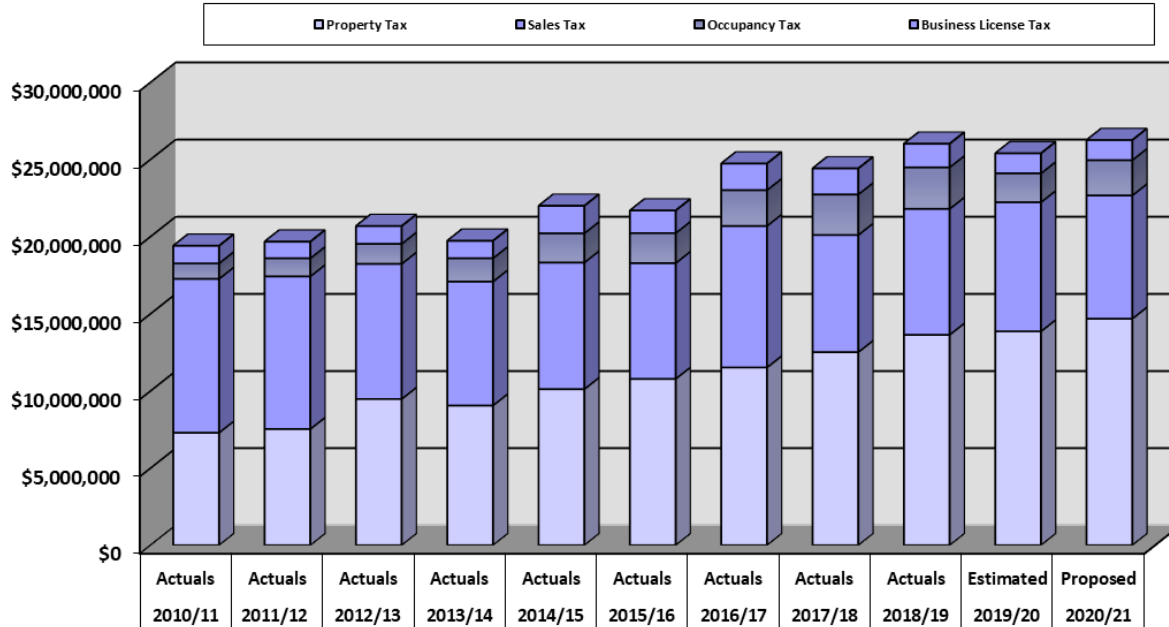
Cities	Population	Property Tax		Sales Tax		Occupancy Tax		Business License Tax	
		Amount	Per Capita	Amount	Per Capita	Amount	Per Capita	Amount	Per Capita
Campbell	43,250	\$ 16,877,568	390	\$ 15,684,222	\$ 363	\$ 4,768,870	\$ 110	\$ 693,263	\$ 16
Cupertino	64,127	25,301,094	395	24,901,779	388	8,901,337	139	876,601	14
Gilroy	55,928	14,848,765	265	20,186,105	361	1,771,882	32	693,758	12
Los Altos	31,190	23,791,531	763	3,427,203	110	3,166,067	102	540,262	17
Los Altos Hills	8,785	7,621,614	868	65,926	8	-	-	220,888	25
<b>LOS GATOS</b>	<b>30,988</b>	<b>17,321,347</b>	<b>559</b>	<b>8,158,162</b>	<b>263</b>	<b>2,692,044</b>	<b>87</b>	<b>1,526,894</b>	<b>49</b>
Milpitas	80,430	33,811,009	420	28,889,785	359	14,502,735	180	500,339	6
Monte Sereno	3,500	2,038,501	582	1,743	0	-	-	33,580	10
Morgan Hill	45,742	12,761,577	279	10,247,494	224	2,893,113	63	201,762	4
Mountain View	81,992	54,183,866	661	25,057,747	306	7,050,530	86	230,981	3
Palo Alto	67,082	47,329,394	706	36,507,728	544	25,648,696	382	-	-
San Jose	1,051,316	306,222,332	291	226,336,942	215	19,530,772	19	70,673,106	67
Santa Clara	128,717	58,501,737	454	65,036,080	505	23,228,956	180	928,545	7
Saratoga	31,407	14,166,177	451	1,207,471	38	347,605	11	424,854	14
Sunnyvale	155,567	84,211,809	541	31,862,256	205	21,192,146	136	1,957,738	13
<b>Average</b>	<b>125,335</b>	<b>\$ 47,932,555</b>	<b>\$ 382</b>	<b>\$ 33,171,376</b>	<b>\$ 265</b>	<b>\$ 9,046,317</b>	<b>\$ 72</b>	<b>\$ 5,300,171</b>	<b>\$ 42</b>

Source: Cities of Santa Clara County



# GENERAL FUND TAX REVENUES

## BUDGET WITH 10 YEAR HISTORY



Fiscal Year		Property Tax	Sales Tax	Occupancy Tax	Business License Tax	Sum of Key Revenues	Change from Prior Year
2010/11	Actuals	\$ 7,289,897	\$ 9,971,409	\$ 1,004,659	\$ 1,136,511	\$ 19,402,476	8.8%
2011/12	Actuals	\$ 7,532,073	\$ 9,889,100	\$ 1,174,485	\$ 1,077,320	\$ 18,196,717	(6.2%)
2012/13	Actuals	\$ 9,477,043	\$ 8,757,428	\$ 1,295,887	\$ 1,151,579	\$ 20,681,937	13.7%
2013/14	Actuals	\$ 9,054,908	\$ 8,029,571	\$ 1,512,846	\$ 1,130,020	\$ 19,727,345	(4.6%)
2014/15	Actuals	\$ 10,113,287	\$ 8,202,678	\$ 1,896,721	\$ 1,779,407	\$ 21,992,093	11.5%
2015/16	Actuals	\$ 10,779,434	\$ 7,501,175	\$ 1,943,166	\$ 1,465,546	\$ 21,689,321	(1.4%)
2016/17	Actuals	\$ 11,518,257	\$ 9,171,373	\$ 2,322,910	\$ 1,720,980	\$ 24,733,520	14.0%
2017/18	Actuals	\$ 12,510,822	\$ 7,592,206	\$ 2,628,927	\$ 1,686,251	\$ 24,418,206	(1.3%)
2018/19	Actuals	\$ 13,636,099	\$ 8,158,152	\$ 2,692,043	\$ 1,526,894	\$ 26,013,188	6.5%
2019/20	Estimated	\$ 13,860,986	\$ 8,364,914	\$ 1,874,052	\$ 1,294,011	\$ 25,393,963	(2.4%)
2020/21	Proposed	\$ 14,678,319	\$ 7,987,247	\$ 2,287,671	\$ 1,300,000	\$ 26,253,237	3.4%



**GENERAL FUND**  
**FY 2020/21 ESTIMATED FUND BALANCE ACTIVITY**

<b>Use of / Addition to GF Reserves:</b>	<b>Estimated July 1, 2020 Balance</b>	<b>Revenues &amp; Transfers In</b>	<b>Expenditures and Transfers Out</b>	<b>Fund Balance Sources (Uses)</b>	<b>Estimated June 30, 2021 Balance</b>
<b><i>Unreserved Fund Balances</i></b>					
Undesignated Reserves	\$ -	\$ -	\$ -	\$ -	\$ -
Available to be Appropriated	2,715,950	45,751,230	53,180,454	7,441,129	2,727,855
<b><i>Restricted Fund Balances</i></b>					
Pension	639,519	-	-	962,158	1,601,677
<b><i>Committed to:</i></b>					
Budget Stabilization Reserve	5,427,603	-	-	-	5,427,603
Catastrophic Reserves	5,427,603	-	-	-	5,427,603
Pension/OPEB Reserve	4,232,500	-	-	(4,232,500)	-
<b><i>Assigned to:</i></b>					
Open Space Reserve	410,000	-	-	-	410,000
Sustainability	140,553	-	-	-	140,553
Capital / Special Projects	7,422,640	-	-	(4,170,787)	3,251,853
Authorized Carryforwards	413,729	-	-	-	413,729
Compensated Absences	1,232,653	-	-	-	1,232,653
Surplus Property Reserve	1,200,000	-	-	-	1,200,000
<b>Total Use of and Addition To Reserves</b>	<b>\$ 29,262,750</b>	<b>\$ 45,751,230</b>	<b>\$ 53,180,454</b>	<b>\$ -</b>	<b>\$ 21,833,526</b>

The balances are estimates and will be finalized upon closing FY 2019/20.



**GENERAL FUND**  
**FY 2019/20 & FY 2020/21 ESTIMATED FUND BALANCE ACTIVITY**

	Restricted for Pension	Budget Stabilization	Catastrophic	Pension/OPEB	Open Space	Sustainability	Capital/Special Projects	Carryforward Encumbrances	Vehicle Maintenance & Store	To Workers's Comp	Compensated Absences	Surplus Property Reserve	Estimated Available to be Appropriated	Total GF Balance
<b>Actual General Fund Balance June 30, 2019</b>	<b>\$ 5,015,316</b>	<b>\$ 5,419,222</b>	<b>\$ 5,419,222</b>	<b>\$ 4,232,500</b>	<b>\$ 562,000</b>	<b>\$ 140,553</b>	<b>\$ 13,262,303</b>	<b>\$ 413,729</b>	<b>\$ 1,040,375</b>	<b>\$ 1,232,654</b>	<b>\$ 1,232,654</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 37,970,528</b>
Additional Funding for PCI Improvements (FY 2019/20 Adopted Budget)							(1,337,500)							
Downtown Revitalization (FY 2019/20 Adopted Budget)							(1,000,000)							
Downtown Revitalization (FY 2019/20 Adopted Budget)									(972,384)					
Additional Capital Projects (FY 2019/20 Adopted Budget)					(152,000)		(3,220,000)							
50% of Com. Abs. to Workers' Comp (FY 2019/20 Adopted Budget)										(1,232,654)				
Additional Grant (FY 2019/20 Adopted Budget)									(5,000)					
Additional Side Walk Cleaning (FY 2019/20 Adopted Budget)									(27,685)					
Regular Payment to IRS 115 Pension Trust (FY 2019/20 Adopted Budget)	390,000													
Vegetation Management (Council Action 8/20/2019)							(300,707)							
PARS Transfer (October 2019)	(4,765,797)													
Sale of Winchester Property (Council Action 4/21/2020)												1,200,000		
Reserve 25% of FY 2020/21 GF Operating Expenditure (per General Fund Reserve Policy)		8,381	8,381				(16,762)							
Vehicle and Store Residual Balance (per General Fund Reserve Policy)							35,306		(35,306)					
FY 2019/20 Estimated Year-End Surplus													2,715,949	
<b>Estimated General Fund Balance June 30, 2020</b>	<b>\$ 639,519</b>	<b>\$ 5,427,603</b>	<b>\$ 5,427,603</b>	<b>\$ 4,232,500</b>	<b>\$ 410,000</b>	<b>\$ 140,553</b>	<b>\$ 7,422,640</b>	<b>\$ 413,729</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,232,654</b>	<b>\$ 1,200,000</b>	<b>\$ 2,715,949</b>	<b>\$ 29,262,750</b>
Additional Capital Projects							(3,401,479)							
FY 2020/21 One-time Uses							(769,308)							
Paying off CalPERS 2015 Gain/Loss Base				(3,660,342)										
Residual Pension/OPEB Reserve to IRS 115 Pension Trust (CEPPT)	572,158			(572,158)										
Regular Payment to IRS 115 Pension Trust (CEPPT)	390,000													
FY 2020/21 Estimated Year-End Surplus													11,905	
<b>Estimated General Fund Balance June 30, 2021</b>	<b>\$ 1,601,677</b>	<b>\$ 5,427,603</b>	<b>\$ 5,427,603</b>	<b>\$ -</b>	<b>\$ 410,000</b>	<b>\$ 140,553</b>	<b>\$ 3,251,853</b>	<b>\$ 413,729</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,232,654</b>	<b>\$ 1,200,000</b>	<b>\$ 2,727,854</b>	<b>\$ 21,833,526</b>

FY 2019/20 ACTIONS

PROPOSED FY 2020/21 ACTIONS



**SCHEDULE OF INTERFUND TRANSFERS**  
**FISCAL YEAR 2019/20 & 2020/21**

Fund Description	Estimated		Proposed Budget	
	2019/20 Transfers In	2019/20 Transfers Out	2020/21 Transfers In	2020/21 Transfers Out
<b>General Funds</b>				
General Fund	\$ 593,286	\$ 8,225,245	\$ 616,834	\$ 3,401,479
<b>Special Revenue Funds</b>				
Solid Waste Management	-	-	-	-
HCD Housing Rehabilitation	-	-	-	-
HCD-Community Dev Block Grant	-	-	-	-
Urban Run-Off Program	10,000	-	-	-
Landscape & Lighting Districts				
Blackwell District	-	460	-	460
Kennedy Meadows District	-	1,510	-	1,510
Gemini Court District	-	610	-	610
Santa Rosa Heights District	-	660	-	660
Vasona Heights District	-	1,430	-	1,430
Hillbrook District	-	250	-	250
<b>Internal Service Funds</b>				
Liability Self Insurance-Fund	-	-	-	-
Worker's Comp Self Insurance	1,232,654	-	-	-
Management Information Systems	-	-	-	37,800
Office Stores Fund	-	-	-	-
Equipment Fund	-	579,750	-	40,498
Vehicle Maintenance Fund	-	-	-	-
Facilities Maintenance Fund	-	788,000	-	-
<b>Trust &amp; Agency Funds</b>				
Barbara J. Cassin Trust	-	-	-	-
History Project Trust Fund	-	-	-	-
Library Trust Fund	-	-	-	-
<b>Capital Project Funds</b>				
GFAR	8,295,591	417,616	3,401,479	417,616
Grant Funded CIP Projects	-	-	-	-
Storm Drain #1	-	-	-	-
Storm Drain #2	-	-	-	-
Storm Drain #3	-	-	-	-
Traffic Mitigation	-	10,000	-	10,000
Construction Utility Underground	-	-	-	-
Gas Tax - Street & Signal	-	106,000	-	106,000
<b>Successor Agency of the Los Gatos RDA Fund</b>				
SA - Administration	-	-	-	-
SA - Debt Service	-	-	-	-
SA - Low / Moderate Housing	-	-	-	-
SA - Recognized Obligation Retirement	-	-	-	-
SA - General Fund	-	-	-	-
<b>Total Transfers</b>	<b>\$ 10,131,531</b>	<b>\$ 10,131,531</b>	<b>\$ 4,018,313</b>	<b>\$ 4,018,313</b>



# FUND BALANCE ACTIVITY SUMMARY

## FISCAL YEAR 2020/21

	7/1/20 Estimated Fund Balance	Fiscal Year 2020/21 Proposed Budget					6/30/21 Estimated Fund Balance	
		Plus		Less				
		Revenues & Carryforwards	Transfers In	Expenditures & Carryforwards	Transfers Out	Use of Reserves		
<b>GENERAL FUND</b>								
<b>Unreserved Fund Balances</b>								
<i>Undesignated Reserves</i>								
Available to be Appropriated	\$ 2,715,950	\$ 45,134,396	\$ 616,834	\$ 49,778,975	\$ 3,401,479	\$ 7,441,129	\$ 2,727,855	
<b>Restricted Fund Balances</b>								
Pension Trust	639,519	-	-	-	-	962,158	1,601,677	
<b>Committed to:</b>								
Budget Stabilization Reserve	5,427,603	-	-	-	-	-	5,427,603	
Catastrophic Reserves	5,427,603	-	-	-	-	-	5,427,603	
Pension/OPEB Reserve	4,232,500	-	-	-	-	(4,232,500)	-	
<b>Assigned to:</b>								
Open Space Reserve	410,000	-	-	-	-	-	410,000	
Sustainability	140,553	-	-	-	-	-	140,553	
Capital/Special Projects	7,422,640	-	-	-	-	(4,170,787)	3,251,853	
Authorized Carryforwards	413,729	-	-	-	-	-	413,729	
Compensated Absences	1,232,653	-	-	-	-	-	1,232,653	
Surplus Property Reserve	1,200,000	-	-	-	-	-	1,200,000	
<b>Total General Fund Reserves</b>	<b>\$ 29,262,750</b>	<b>\$ 45,134,396</b>	<b>\$ 616,834</b>	<b>\$ 49,778,975</b>	<b>\$ 3,401,479</b>	<b>\$ -</b>	<b>\$ 21,833,526</b>	

*General Fund Undesignated Reserves reflect ongoing revenue, carryforward, transfer, expenditures, the net effect of the change in Designated Reserves, and the use of Undesignated Reserves.*

- *FY2020/21 Budgeted revenue and expenditure appropriations, and transfers to and from the General Fund.*
- *Authorized carryforwards reflect operating appropriations that were brought forward as a funding source. The actual carryforward amount will be determined at FY 2019/20 year-end, with funding offset by undesignated reserves.*
- *General Fund Reserve Policy requires a minimum of 25% of General Fund operating expenditures equally divided between the Budget Stabilization Reserve and Catastrophic Reserve.*
- *In FY 2015/16, Council established a General Fund Pension/Other Post Employment Benefits (OPEB) Reserve Account. At the same time, the Council revised the General Fund Reserve Policy to provide for a maximum of \$300,000 in General Fund Year End Savings upon year-end close to be deposited in the Pension/OPEB Reserve Account and used as authorized by Town Council.*
- *Undesignated Fund Balance is a year-end fund balance not yet identified by the Town Council for a specific purpose. The Town General Fund Reserve Policy requires full funding of the Catastrophic and Budget Stabilization Reserves, distribution to the Pension/OPEB Reserve, and any remaining balance to the Capital/Special Project Reserve.*

<b>SPECIAL REVENUE FUNDS</b>								
Solid Waste Fund	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Housing Conservation Program	\$ 177,240	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 177,240
Community Dev Block Grant	(10,587)	-	-	-	-	-	-	(10,587)
Urban Run-Off Source Fund	237,093	584,394	-	559,077	-	-	-	262,410
Blackwell Assessment District	13,291	3,210	-	2,947	460	-	-	13,094
Kennedy Assessment District	32,526	10,605	-	7,403	1,510	-	-	34,218
Gemini Assessment District	31,127	4,750	-	1,934	610	-	-	33,333
Santa Rosa Assessment District	50,187	5,000	-	8,812	660	-	-	45,715
Vasona Assessment District	51,516	10,075	-	7,214	1,430	-	-	52,947
Hillbrook Assessment District	20,195	6,040	-	4,507	250	-	-	21,478
<b>Total Special Revenue Funds Reserves</b>	<b>\$ 602,588</b>	<b>\$ 624,074</b>	<b>\$ -</b>	<b>\$ 591,894</b>	<b>\$ 4,920</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 629,848</b>



## FUND BALANCE ACTIVITY SUMMARY

### FISCAL YEAR 2020/21

	Fiscal Year 2020/21 Proposed Budget							
	7/1/20 Estimated Fund Balance	Plus Revenues & Carryforwards	Transfers In	Less Expenditures & Carryforwards	Transfers Out	Use of Reserves	6/30/21 Estimated Fund Balance	
<b>INTERNAL SERVICE FUNDS</b>								
Liability Self-Insurance	\$ 1,255,255	\$ 418,135	\$ -	\$ 668,059	\$ -	\$ -	\$ 1,005,331	
Worker's Comp Self-Insurance	1,244,533	1,185,906	-	1,775,300	-	-	655,139	
Information Technology	2,536,424	917,219	-	1,020,075	37,800	-	2,395,768	
Office Stores Fund	-	-	-	-	-	-	-	
Equipment Replacement	1,762,734	297,546	-	1,356,248	40,498	-	663,534	
Vehicle Maintenance	-	-	-	-	-	-	-	
Facilities Maintenance	201,465	1,148,757	-	1,169,722	-	-	180,500	
<b>Total Internal Service Funds Reserves</b>	<b>\$ 7,000,411</b>	<b>\$ 3,967,563</b>	<b>\$ -</b>	<b>\$ 5,989,404</b>	<b>\$ 78,298</b>	<b>\$ -</b>	<b>\$ 4,900,272</b>	
<b>Equipment Replacement Fund Balance is the accumulation of replacement funding-to-date for assets. Revenues are the pro-rated annual charges to departments for asset replacement, and expenditures reflect the cost of equipment up for replacement in this fiscal year. The Fund will continue to reallocate Fund Balance as a transfer to the General Fund for assets that have accumulated replacement costs and have been identified as no longer being part of the Replacement Schedule.</b>								
<b>TRUST &amp; AGENCY</b>								
Library Trust	\$ 43,132	\$ 70,500	\$ -	\$ 90,500	\$ -	\$ -	\$ 23,132	
Ness Trust Bequest	21,291	-	-	20,755	-	-	536	
Betty McClendon Trust	84,199	700	-	700	-	-	84,199	
Barbara J Cassin Trust	354,042	2,900	-	2,500	-	-	354,442	
<b>Total Trust &amp; Agency Funds Reserves</b>	<b>\$ 502,664</b>	<b>\$ 74,100</b>	<b>\$ -</b>	<b>\$ 114,455</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 462,309</b>	
<b>CAPITAL PROJECTS FUNDS</b>								
GFAR	\$ 14,990,662	\$ 1,884,716	\$ 3,401,479	\$ 5,487,221	\$ 417,616	\$ -	\$ 14,372,020	
GFAR - Designated for Parking	1,460,210	-	-	-	-	-	1,460,210	
Grant Funded CIP Projects	(796,127)	1,479,200	-	1,479,200	-	-	(796,127)	
Storm Drain #1	993,373	49,470	-	50,000	-	-	992,843	
Storm Drain #2	1,820,150	53,490	-	50,000	-	-	1,823,640	
Storm Drain #3	(119,883)	1,380	-	75,000	-	-	(193,503)	
Traffic Mitigation	304,646	425,027	-	415,027	10,000	-	304,646	
Construction Tax-Undergrounding	3,062,696	3,863,048	-	4,436,000	-	-	2,489,744	
Gas Tax	311,160	1,233,317	-	1,210,054	106,000	-	228,423	
<b>Total Capital Projects Funds Reserves</b>	<b>\$ 22,026,887</b>	<b>\$ 8,989,648</b>	<b>\$ 3,401,479</b>	<b>\$ 13,202,502</b>	<b>\$ 533,616</b>	<b>\$ -</b>	<b>\$ 20,681,896</b>	
<b>GFAR, Grant Fund, Storm Drain Funds, and Gas Tax Fund Balances reflect the spending down of available funds in FY 2020/21 in line with the planned Capital Improvement Program. The GFAR and Grant Funds also include transfers-in to fund these planned projects. Traffic Mitigation Fund reflects a transfer out of \$10,000 for estimated annual administration fees. Grant Funded Projects Fund Balance reflects appropriations for incoming revenues and prior year carryforwards, which will result in either positive or negative fund balance depending on timing of receipts and budget. All grant projects net to zero at completion.</b>								
<b>Successor Agency of the Los Gatos RDA Fund</b>								
SA- Trust Fund	\$ 3,839,819	\$ 3,829,488	\$ -	\$ 3,828,791	\$ -	\$ -	\$ 3,840,516	
<b>Total SA of the Los Gatos RDA Funds Reserves</b>	<b>\$ 3,839,819</b>	<b>\$ 3,829,488</b>	<b>\$ -</b>	<b>\$ 3,828,791</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,840,516</b>	
<b>TOTAL RESERVES</b>	<b>\$ 63,235,119</b>	<b>\$ 62,619,269</b>	<b>\$ 4,018,313</b>	<b>\$ 73,506,021</b>	<b>\$ 4,018,313</b>	<b>\$ -</b>	<b>\$ 52,348,367</b>	



## FUND BALANCE RESERVES

### 5 YEAR COMPARATIVE BALANCES

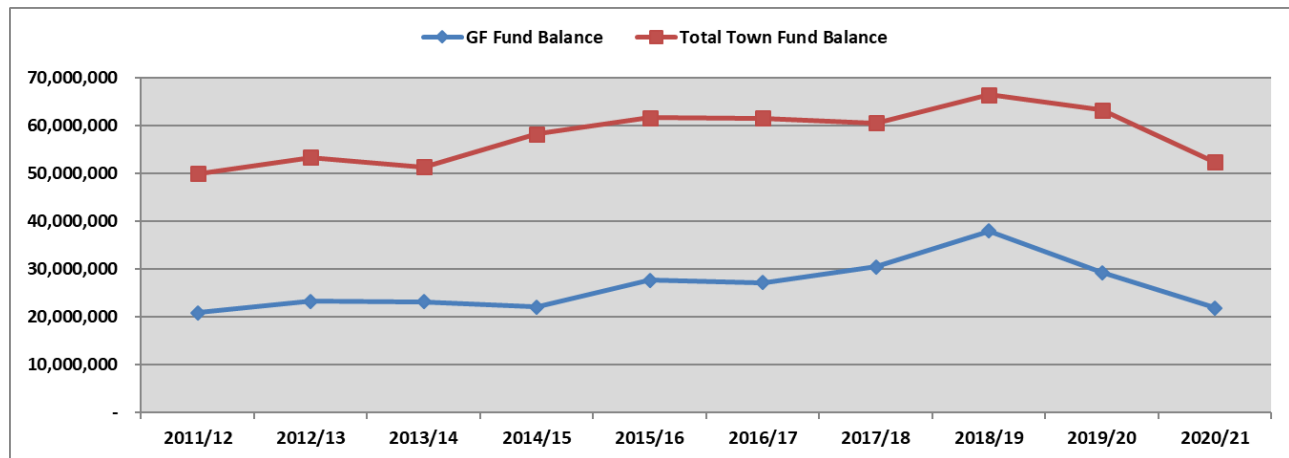
Fund Balance Reserves	6/30/2017 Actual YE Balance	6/30/2018 Actual YE Balance	6/30/2019 Actual YE Balance	6/30/2020 Estimated YE Balance	6/30/2021 Budgeted YE Balance
<b>GENERAL FUND</b>					
<b>Restricted Fund Balances</b>					
Pension	0	\$ -	\$ 5,015,316	\$ 639,519	\$ 1,601,677
<b>Unreserved Fund Balances</b>					
Undesignated Reserves					
Available to be Appropriated	-	-	-	2,715,950	2,727,855
<b>Committed to:</b>					
Budget Stabilization Reserve	4,969,847	5,037,243	5,419,222	5,427,603	5,427,603
Catastrophic Reserves	4,969,847	5,037,243	5,419,222	5,427,603	5,427,603
Pension/OPEB Reserve	3,388,913	2,878,913	4,232,500	4,232,500	-
Almond Grove Reserve	1,801,318	-	-	-	-
<b>Assigned to:</b>					
Open Space Reserve	562,000	562,000	562,000	410,000	410,000
Sustainability	140,553	140,553	140,553	140,553	140,553
Strategic Planning Reserve	2,600,000	129,090	-	-	-
Capital/Special Projects	8,273,124	14,421,203	13,262,303	7,422,640	3,251,853
Authorized Carryforwards	34,852	99,927	413,729	413,729	413,729
Compensated Absences*	410,158	2,122,512	1,232,653	1,232,653	1,232,653
To Workers Comp	-	-	1,232,654	-	-
Stores and Vehicle Maintenance	-	-	1,040,375	-	-
Surplus Property Reserve	-	-	-	1,200,000	1,200,000
<b>Total General Fund Reserves*</b>	<b>\$ 27,150,612</b>	<b>\$ 30,428,684</b>	<b>\$ 37,970,527</b>	<b>** \$ 29,262,750</b>	<b>\$ 21,833,526</b>
<b>SPECIAL REVENUE FUNDS</b>					
Housing Conservation Program	\$ 177,240	\$ 177,240	\$ 177,240	\$ 177,240	\$ 177,240
Community Dev Block Grant	(10,587)	(10,587)	(10,587)	(10,587)	(10,587)
Urban Run-Off Source Fund	14,894	71,338	159,450	237,093	262,410
Blackwell Assessment District	11,928	12,700	13,488	13,291	13,094
Kennedy Assessment District	42,097	35,234	37,926	32,526	34,218
Gemini Assessment District	23,787	26,088	28,921	31,127	33,333
Santa Rosa Assessment District	62,247	58,477	54,659	50,187	45,715
Vasona Assessment District	45,148	49,175	54,233	51,516	52,947
Hillbrook Assessment District	14,436	17,010	18,912	20,195	21,478
<b>Total Special Revenue Funds Reserves</b>	<b>\$ 381,190</b>	<b>\$ 436,675</b>	<b>\$ 534,242</b>	<b>\$ 602,588</b>	<b>\$ 629,848</b>
<b>INTERNAL SERVICE FUNDS</b>					
Liability Self-Insurance	\$ 885,441	\$ 994,769	\$ 1,313,304	\$ 1,255,255	1,005,331
Worker's Comp Self-Insurance	902,307	620,726	843,081	1,244,533	655,139
Information Technology	2,251,331	2,161,808	2,518,468	2,536,424	2,395,768
Office Stores Fund	200,437	227,790	-	-	-
Equipment Replacement	1,894,057	2,328,270	2,808,804	1,762,734	663,534
Vehicle Maintenance	182,369	262,791	-	-	-
Facilities Maintenance	(37,872)	245,437	970,786	201,465	180,500
<b>Total Internal Service Funds Reserves</b>	<b>\$ 6,278,070</b>	<b>\$ 6,841,591</b>	<b>\$ 8,454,443</b>	<b>\$ 7,000,411</b>	<b>\$ 4,900,272</b>

\* Year End Fund Balance represents General Fund 111 (Long Term Compensated Absences were accounted in Fund 961 prior to FY 2017/18) Pension Trust Fund 731 was incorporated in FY 2018/19.



## FUND BALANCE RESERVES 5 YEAR COMPARATIVE BALANCES

Fund Balance Reserves	6/30/2017 Actual YE Balance	6/30/2018 Actual YE Balance	6/30/2019 Actual YE Balance	6/30/2020 Estimated YE Balance	6/30/2021 Budgeted YE Balance
<b>TRUST FUNDS</b>					
Library Trust	\$ 50,997	\$ 54,771	\$ 69,582	\$ 43,132	\$ 23,132
Ness Trust Bequest	41,087	41,603	21,291	21,291	536
Betty McClendon Trust	89,412	84,505	85,999	84,199	84,199
Barbara J Cassin Trust	350,461	354,865	361,142	354,042	354,442
<b>Total Trust Reserves</b>	<b>\$ 531,957</b>	<b>\$ 535,744</b>	<b>\$ 538,014</b>	<b>\$ 502,664</b>	<b>\$ 462,309</b>
<b>CAPITAL PROJECTS FUNDS</b>					
GFAR	\$ 16,793,552	\$ 10,714,868	\$ 7,058,779	\$ 14,990,662	14,372,020
GFAR - Designated for Parking	1,460,210	1,460,210	1,460,210	1,460,210	1,460,210
Grant Funded CIP Projects	(380,253)	(134,111)	(255,637)	(796,127)	(796,127)
Storm Drain #1	795,381	809,377	932,416	993,373	992,843
Storm Drain #2	1,018,786	1,752,774	1,800,548	1,820,150	1,823,640
Storm Drain #3	(8,725)	(76,154)	(104,407)	(119,883)	(193,503)
Traffic Mitigation	228,541	260,487	304,647	304,646	304,646
Construction Tax-Undergrounding	2,929,116	2,997,984	3,079,685	3,062,696	2,489,744
Gas Tax	693,508	703,148	853,822	311,160	228,423
<b>Total Capital Projects Funds Reserves</b>	<b>\$ 23,530,116</b>	<b>\$ 18,488,583</b>	<b>\$ 15,130,063</b>	<b>\$ 22,026,887</b>	<b>\$ 20,681,896</b>
<b>Successor Agency Trust of the Los Gatos RDA</b>					
SA - Trust Fund ( Budgetary Fund Balance)	\$ 3,690,510	\$ 3,803,778	\$ 3,840,187	\$ 3,839,819	\$ 3,840,516
<b>Total Successor Agency Fund Reserves</b>	<b>\$ 3,690,510</b>	<b>\$ 3,803,778</b>	<b>\$ 3,840,187</b>	<b>\$ 3,839,819</b>	<b>\$ 3,840,516</b>
<b>TOTAL RESERVES</b>	<b>\$ 61,562,455</b>	<b>\$ 60,535,055</b>	<b>\$ 66,467,476</b>	<b>\$ 63,235,119</b>	<b>\$ 52,348,367</b>





## DEPARTMENT REVENUES By PROGRAM

		2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>Town Offices</b>							
1101	Town Council	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
1301	Town Attorney	2,634	730	1,527	-	-	-
1302	Liability Self-Insurance Fund	497,401	506,519	657,152	443,727	375,554	418,135
<b>Total Town Offices</b>		<b>\$ 500,035</b>	<b>\$ 507,249</b>	<b>\$ 658,679</b>	<b>\$ 443,727</b>	<b>\$ 375,554</b>	<b>\$ 418,135</b>
<b>Administrative Services Department</b>							
1201	Non-Departmental	\$ 32,681,146	\$ 31,218,827	\$ 36,710,334	\$ 33,488,529	\$ 33,587,711	\$ 33,676,078
1231	Pension Trust	-	-	5,022,848	-	429,174	962,158
1261	Compensated Absences	-	2,169,600	(1,928,865)	-	-	-
2101	Town Manager Administration	7,639	14,590	28,989	29,415	3,763	3,464
2102	Community Grants	-	-	-	-	-	-
2103	Housing Program	102,654	-	-	-	-	-
2104	HCD Housing Rehab	(6,011)	-	-	-	-	-
2201	Human Resources	15,235	-	-	-	-	-
2202	Workers' Compensation Fund	1,026,355	1,135,140	1,492,981	1,026,229	1,182,643	1,185,906
2301	Finance & Administrative Services	1,893,142	1,931,943	2,973,730	2,139,774	2,651,045	2,016,409
2302	Office Stores Fund	130,520	127,786	141,938	-	-	-
2303	Parking Assessment District	-	-	-	-	-	-
2401	Clerk Administration	-	-	-	-	450	-
2502	Information Technology Management	-	-	169,300	-	-	-
2501	Information Technology Systems	1,110,362	1,172,455	1,223,741	859,223	880,186	917,219
2803	Smoking Restriction Implementation	19,998	-	-	-	-	-
2999	Pass Thru Accounts	3,002	-	-	7,194	-	-
<b>Total Administrative Services</b>		<b>\$ 36,984,042</b>	<b>\$ 37,770,341</b>	<b>\$ 45,834,996</b>	<b>\$ 37,550,364</b>	<b>\$ 38,734,972</b>	<b>\$ 38,761,234</b>
<b>Community Development</b>							
3101	Administration	\$ -	\$ -	\$ 7,500	\$ -	\$ -	\$ -
3201	Developmental Review	693,250	707,514	681,892	607,500	575,127	542,000
3202	Advanced Planning	149,224	142,006	570,034	1,130,200	239,532	716,944
3301	Inspection Services	2,172,585	2,105,643	2,184,412	2,510,000	2,347,962	2,302,500
3401	Code Compliance	5,225	4,800	60,378	4,300	15,200	5,000
3501	BMP Housing Program	195,941	190,833	144,712	183,043	196,702	189,841
3999	Pass Thru Accounts	587,435	684,249	554,682	532,500	598,400	532,500
<b>Total Community Development</b>		<b>\$ 3,803,660</b>	<b>\$ 3,835,045</b>	<b>\$ 4,203,610</b>	<b>\$ 4,967,543</b>	<b>\$ 3,972,923</b>	<b>\$ 4,288,785</b>
<b>Police Department</b>							
4101	Administration	\$ 6,778	\$ 14,210	\$ 30,047	\$ 23,735	\$ 20,740	\$ 23,735
4201	Records & Communication	8,880	9,530	11,909	10,472	6,000	6,000
4202	Personnel & Community Services	377,720	430,842	376,852	435,600	379,224	390,640
4301	Patrol	905,751	919,251	926,565	961,883	971,364	1,010,797
4302	Traffic	498,202	535,896	594,315	456,703	473,167	465,107
4303	Investigations	168,080	130,497	132,929	140,713	182,173	243,944
4304	Parking Program	872,394	676,242	478,574	504,400	385,364	462,400
4800	Grants Program - Police	15,196	50,579	1,309	95,791	46,027	54,695
4999	Pass Thru Accounts	27,573	2,263	3,946	32,115	5,479	24,115
<b>Total Police Department</b>		<b>\$ 2,880,574</b>	<b>\$ 2,769,310</b>	<b>\$ 2,556,446</b>	<b>\$ 2,661,412</b>	<b>\$ 2,469,538</b>	<b>\$ 2,681,433</b>



## DEPARTMENT REVENUES BY PROGRAM

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>Parks &amp; Public Works</b>						
5101 Administration	\$ 7,231	\$ (3,272)	\$ -	\$ -	\$ -	\$ -
5201 Engineering Program Services	128,775	209,631	223,701	-	122,820	-
5202 Engineering Development Svcs	696,327	1,817,315	1,092,535	680,260	817,117	712,100
5203 Non-Point Source Fund	372,626	577,591	716,352	584,394	584,394	584,394
5301 Park Services	250,936	318,940	233,408	225,270	226,503	210,270
5302 Environmental Services	158,961	148,110	187,706	160,156	160,156	160,156
5401 Street & Signals	219,798	198,030	279,912	195,543	202,440	245,543
5402 Equipment Replacement	458,689	672,616	632,492	229,093	236,080	297,546
5403 Vehicle Maintenance	577,675	586,654	764,407	-	-	-
5404 Facilities Maintenance	1,423,566	1,459,036	1,787,255	1,173,757	1,163,757	1,148,757
5405 Property Damage	26,856	206,630	83,025	-	11,158	-
5501 Lighting & Landscape Districts	39,940	36,990	41,638	39,680	39,680	39,680
5999 Pass Thru Accounts	79,790	319,073	334,920	140,000	512,988	140,000
8011 GFAR	1,320,005	839,574	1,629,129	2,005,471	2,998,164	1,884,716
8021 Grant Funded CIP Projects	3,093	261,534	257,968	1,047,100	74,006	1,479,200
8031 Storm Drain #1	74,183	13,997	123,039	49,150	60,957	49,470
8032 Storm Drain #2	69,142	752,689	47,774	53,770	19,602	53,490
8033 Storm Drain #3	6,813	40,564	1,447	1,620	24	1,380
8041 Traffic Mitigation	163,126	151,452	118,787	942,524	293,234	425,027
8042 Utility Undergrounding	47,615	68,868	81,701	52,490	32,011	3,863,048
8051 Gas Tax - Street & Signals	611,471	865,607	1,217,552	1,316,054	1,364,620	1,233,317
<b>Total Parks &amp; Public Works</b>	<b>\$ 6,736,618</b>	<b>\$ 9,541,629</b>	<b>\$ 9,854,748</b>	<b>\$ 8,896,332</b>	<b>\$ 8,919,711</b>	<b>\$ 12,528,094</b>
<b>Library</b>						
7101 Administration	\$ 7,218	\$ 206	\$ 55	\$ -	\$ -	\$ -
7201 Adult Services	9,836	9,836	35,000	35,000	35,000	35,000
7202 Children's Services	14,066	14,066	-	2,500	2,500	-
7203 Acquisitions & Cataloging	3,559	1,762	(37)	-	-	-
7204 Circulation Services	47,067	23,832	9,458	11,000	3,000	3,000
7801 Operating Grant	-	22,200	12,482	-	19,219	-
7301 Library Trust	80,350	75,040	83,840	75,550	70,550	70,500
7302 Clelles Ness Bequest Trust	345	516	736	-	-	-
7304 Betty McClendon Trust	750	1,079	1,495	700	700	700
7305 Barbara J Cassin Trust	2,939	4,404	6,277	2,900	2,900	2,900
<b>Total Library</b>	<b>\$ 166,130</b>	<b>\$ 152,941</b>	<b>\$ 149,306</b>	<b>\$ 127,650</b>	<b>\$ 133,869</b>	<b>\$ 112,100</b>
<b>Successor Agency to the Los Gatos RDA</b>						
9403 SA- Admin Services	\$ 22,073	\$ 25,623	\$ 29,216	\$ 10,000	\$ 10,000	\$ 9,000
9404 SA- Debt to 2002 COP	1,360,886	1,365,839	1,371,401	1,348,198	1,348,198	1,353,938
9405 SA-Debt to 2010 COP	2,511,290	2,504,390	2,509,589	2,465,004	2,465,004	2,466,550
9406 SA- Debt to 1992 COP	-	-	-	-	-	-
<b>Total SA to the Los Gatos RDA</b>	<b>\$ 3,894,249</b>	<b>\$ 3,895,852</b>	<b>\$ 3,910,206</b>	<b>\$ 3,823,202</b>	<b>\$ 3,823,202</b>	<b>\$ 3,829,488</b>
Transfers In	7,907,692	3,886,431	4,714,131	9,604,676	10,131,531	4,018,313
Carryforward of CIP Grant Revenue						
<b>Total Revenues by Department:</b>	<b>\$ 62,873,000</b>	<b>\$ 62,358,798</b>	<b>\$ 71,882,122</b>	<b>\$ 68,074,906</b>	<b>\$ 68,561,300</b>	<b>\$ 66,637,582</b>



## DEPARTMENTAL EXPENDITURES By PROGRAM

		2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>Town Offices</b>							
1101	Town Council	\$ 193,584	\$ 192,183	\$ 205,903	\$ 240,605	\$ 206,469	\$ 243,485
1301	Town Attorney	426,548	354,205	562,542	621,390	562,983	645,303
1302	Liability Self-Insurance Fund	1,015,409	397,190	338,617	680,137	433,603	668,059
<b>Total Town Offices</b>		<b>\$ 1,635,541</b>	<b>\$ 943,578</b>	<b>\$ 1,107,062</b>	<b>\$ 1,542,132</b>	<b>\$ 1,203,055</b>	<b>\$ 1,556,847</b>
<b>Administrative Services Department</b>							
1201	Non-Departmental	\$ 6,869,047	\$ 7,024,195	\$ 8,784,833	\$ 5,778,279	\$ 5,479,038	\$ 9,712,162
1231	Pension Trust	-	-	7,155	-	4,765,797	-
1261	Pension Trust	-	240,735	-	-	-	-
2101	Town Manager Administration	825,373	1,070,761	1,077,603	1,341,099	1,218,648	1,406,422
2102	Community Grants	119,800	119,800	136,513	142,500	142,500	150,000
2201	Human Resources	552,914	630,554	678,490	761,991	734,548	785,883
2301	Finance & Administrative Services	1,002,075	1,049,871	1,145,906	1,545,213	1,279,576	1,550,837
2401	Clerk Administration	315,912	322,976	349,776	438,948	376,422	459,193
2502	Information Technology Management	-	33	540,044	578,194	530,172	622,280
2803	Tobacco Prevention Initiatives	9,009	-	629	-	-	-
2802	Obesity Grant	-	-	-	-	-	-
2999	Pass Through	-	-	2,845	7,194	-	-
2202	Workers' Compensation Fund	1,337,371	1,416,722	1,270,628	1,657,210	2,013,845	1,775,300
2302	Office Stores Fund	113,210	100,432	104,345	-	-	-
2501	Information Technology Systems	1,747,482	1,267,349	567,082	955,575	862,230	1,020,075
2303	Parking Assessment District	-	-	-	-	-	-
<b>Total Administrative Services</b>		<b>\$ 12,892,193</b>	<b>\$ 13,243,428</b>	<b>\$ 14,665,849</b>	<b>\$ 13,206,203</b>	<b>\$ 17,402,776</b>	<b>\$ 17,482,152</b>
<b>Community Development</b>							
3101	Administration	\$ 221,508	\$ 222,614	\$ 210,791	\$ 303,002	\$ 253,803	\$ 330,196
3201	Developmental Review	1,135,513	1,258,291	1,329,381	1,528,945	1,323,785	1,580,428
3202	Advanced Planning	314,024	336,023	766,110	1,463,555	616,070	1,091,310
3301	Inspection Services	1,132,888	1,290,433	1,316,494	1,473,613	1,325,123	1,493,076
3401	Code Compliance	206,572	209,720	255,324	275,442	246,975	299,679
3501	BMP Housing Program	195,991	190,833	144,713	183,043	197,468	189,841
3999	Pass Thru Accounts	587,435	684,249	554,682	532,500	598,400	532,500
<b>Total Community Development</b>		<b>\$ 3,793,931</b>	<b>\$ 4,192,163</b>	<b>\$ 4,577,495</b>	<b>\$ 5,760,100</b>	<b>\$ 4,561,624</b>	<b>\$ 5,517,030</b>
<b>Police Department</b>							
4101	Administration	\$ 861,561	\$ 1,026,502	\$ 1,223,444	\$ 1,299,427	\$ 1,240,091	\$ 1,378,275
4201	Records & Communication	1,949,183	2,072,274	2,221,494	2,363,660	2,163,767	2,483,105
4202	Personnel & Community Services	596,274	773,826	562,528	1,037,275	856,443	1,023,462
4301	Patrol	5,827,002	6,575,258	7,112,700	7,512,107	7,314,696	7,925,958
4302	Traffic	932,169	992,689	1,011,364	1,084,957	833,509	1,066,473
4303	Investigations	2,342,031	2,282,295	2,219,461	2,844,068	2,661,856	2,877,009
4304	Parking Program	700,325	683,817	565,896	671,384	620,474	754,733
4800	Grants Program - Police	14,567	11,451	27,547	95,791	46,027	54,695
4999	Pass Thru Accounts	28,178	5,442	4,520	32,115	6,372	24,115
<b>Total Police Department</b>		<b>\$ 13,251,290</b>	<b>\$ 14,423,554</b>	<b>\$ 14,948,954</b>	<b>\$ 16,940,784</b>	<b>\$ 15,743,235</b>	<b>\$ 17,587,825</b>



# DEPARTMENTAL EXPENDITURES By PROGRAM

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>Parks &amp; Public Works</b>						
5101 Administration	\$ 340,123	\$ 562,340	\$ 570,096	\$ 594,434	\$ 606,451	\$ 615,919
5201 Engineering Program Services	1,157,205	1,168,666	1,215,300	1,244,432	1,440,652	1,301,155
5202 Engineering Development Svcs	699,677	721,593	742,264	795,332	735,900	788,192
5203 Non-Point Source Fund	466,761	521,147	628,241	579,173	516,751	559,077
5301 Park Services	1,738,961	1,835,775	1,737,287	2,016,614	1,957,937	2,040,375
5302 Environmental Services	299,259	342,130	337,937	398,228	332,270	370,876
5401 Street & Signals	2,173,657	2,087,096	2,220,248	2,212,674	2,289,997	2,276,016
5402 Equipment Replacement	416,957	636,400	601,961	1,661,240	702,400	1,356,248
5403 Vehicle Maintenance	805,179	506,234	252,206	-	-	-
5404 Facilities Maintenance	1,875,804	1,475,728	1,011,905	1,173,751	1,145,078	1,169,722
5405 Property Damage	109,072	76,898	56,226	25,000	19,500	25,000
5406 Vehicle Maintenance Management	-	-	221,062	235,199	154,298	244,673
5407 Facilities Maintenance Management	-	-	305,042	408,155	310,001	349,839
5501 Lighting & Landscape Districts	20,707	33,029	27,266	85,317	44,057	32,817
5999 Pass Thru Accounts	79,790	305,028	564,170	140,000	140,000	140,000
8011 GFAR	5,249,110	9,040,871	7,552,806	9,825,101	2,944,255	5,487,221
8021 Grant Funded CIP Projects	3,400	15,394	379,494	1,047,100	614,496	1,479,200
8031 Storm Drain #1	-	-	-	50,000	-	50,000
8032 Storm Drain #2	-	18,700	-	50,000	-	50,000
8033 Storm Drain #3	12,750	107,992	29,700	50,000	15,500	75,000
8041 Traffic Mitigation	138,694	109,507	64,626	932,524	283,235	415,027
8042 Utility Undergrounding	-	-	-	-	49,000	4,436,000
8051 Gas Tax - Street & Signals	1,463,077	749,965	960,881	1,210,054	1,801,282	1,210,054
<b>Total Parks &amp; Public Works</b>	<b>\$ 17,050,183</b>	<b>\$ 20,314,493</b>	<b>\$ 19,478,718</b>	<b>\$ 24,734,328</b>	<b>\$ 16,103,060</b>	<b>\$ 24,472,411</b>
<b>Library</b>						
7101 Administration	\$ 426,637	\$ 439,522	\$ 451,284	\$ 466,219	\$ 468,392	\$ 514,552
7201 Adult Services	637,465	576,961	548,199	689,115	558,268	653,511
7202 Children's Services	513,667	533,279	502,330	606,412	506,214	599,182
7203 Acquisitions & Cataloging	121,183	123,873	-	-	-	-
7204 Circulation Services	809,726	836,336	969,174	1,172,264	1,158,037	1,179,264
7801 Operating Grant	-	19,045	22,632	1,000	24,393	-
7301 Library Trust	75,498	71,265	69,029	100,000	97,000	90,500
7302 Clelles Ness Bequest Trust	-	-	21,048	20,755	-	20,755
7304 Betty McClendon Trust	-	5,986	-	2,500	2,500	700
7305 Barbara J Cassin Trust	-	-	-	10,000	10,000	2,500
<b>Total Library</b>	<b>\$ 2,584,176</b>	<b>\$ 2,606,267</b>	<b>\$ 2,583,696</b>	<b>\$ 3,068,265</b>	<b>\$ 2,824,804</b>	<b>\$ 3,060,964</b>
<b>Successor Agency to the Los Gatos RDA</b>						
9402 SA- Housing Trust Others	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
9403 SA- Admin Services	1,571	1,443	109,556	8,053	8,053	8,083
9404 SA- Debt to 2002 COP	1,094,785	1,347,477	1,346,321	1,349,688	1,350,058	1,354,798
9405 SA- Debt to 2010 COP	2,700,954	2,427,364	2,417,921	2,465,461	2,465,460	2,465,910
9406 SA- Debt to 1992 COP	-	-	-	-	-	-
<b>Total SA to the Los Gatos RDA</b>	<b>\$ 3,797,310</b>	<b>\$ 3,776,284</b>	<b>\$ 3,873,798</b>	<b>\$ 3,823,202</b>	<b>\$ 3,823,571</b>	<b>\$ 3,828,791</b>
<b>Total Operating Expenditures</b>	<b>\$ 55,004,624</b>	<b>\$ 59,499,767</b>	<b>\$ 61,235,572</b>	<b>\$ 69,075,014</b>	<b>\$ 61,662,125</b>	<b>\$ 73,506,020</b>
Transfers Out	7,907,692	3,886,431	4,714,129	9,604,676	10,131,531	4,018,313
<b>Total Expenditures by Department:</b>	<b>\$ 62,912,316</b>	<b>\$ 63,386,198</b>	<b>\$ 65,949,701</b>	<b>\$ 78,679,690</b>	<b>\$ 71,793,656</b>	<b>\$ 77,524,333</b>



## IN-KIND DONATIONS FY 2020 SUMMARY

The information below provides an estimated value of in-kind support the Town provides annually to local non-profit organizations, in addition to contribution of funds as described elsewhere in this budget, such as community grants. The in-kind support consists of Town facilities leased to these organizations at rates substantially below present market rates.

**Los Gatos Museum Association** - The Town and Los Gatos Museum Association (LGMA), renamed NUMU, have recently amended the agreement in which NUMU leases 10,630 square feet in the Town Hall. NUMU has occupied the new space since the beginning FY 2015/16.

**Los Gatos-Saratoga Recreation** - Beginning January 2010, Los Gatos Saratoga (LGS) Recreation entered into a 20-year lease with the Town for the former Neighborhood Center, renamed the Adult Recreation Center. In exchange for providing and expanding senior services, the facility is leased at a below market rate. LGS Recreation also leases the Town-owned facility located at 123 E. Main Street, on a month to month basis.

	<b>NUMU (LG Museums)</b>	<b>Adult Recreation Center</b>	<b>Recreation Department</b>
<b>Location</b>	110 E. Main St 10-Year Lease	208 E. Main St. 20-Year Lease	123 E. Main St.
Market Price Per Square Foot/Month*	\$3.1 *	\$3.1 *	\$3.2 **
Square Footage	10,630	12,000	6,479
Value of Rent/Year	\$395,436	\$447,264	\$244,949
Rent Paid/Year	\$25,000	\$251,861	\$38,178
<b>Total value of Donation/Lease Term</b>	<b>\$ 370,436</b>	<b>\$ 195,404</b>	<b>\$ 206,771</b>

\* Market rate is based on appraisal on every five-year.

\*\* Market rate is based on the State of California Department of Industrial Relations, Division of Labor Statistics and Research's Consumer Price Index, All Urban Consumers, All Items, San Francisco-Oakland - San Jose, California as identified in the lease term.

In addition to providing subsidized leases, the Town provides in-kind staffing support for the Holiday Tree Lighting and the Children's Holiday Parade. Costs to provide maintenance and public safety services for the Holiday Tree Lighting are estimated to be \$4,100; the Children's Holiday Parade costs are estimated to be \$45,500. These estimates only include expenses that occur at the event and do not include time dedicated to event planning and logistics. The estimated total of all in-kind expenses is \$822,211.



## FEE-RELATED PROJECTS LISTS

Under California law, cities and other local agencies may enact Development Impact Fees on proposed development which must be paid as a condition of development approval. Development Impact Fees ("DIFs") were enacted under Assembly Bill 1600 by the California Legislature in 1987 and codified under California Government Code §66000 *et. seq.*, also referred to as the Mitigation Fee Act (the Act or AB 1600).

Development Impact Fees are not ongoing fees or taxes; they are one-time fees, paid at the time of construction. Impact fees are not special assessments, nor are they permitted to cover on-going operations and maintenance costs. By definition, "a fee is voluntary and must be reasonably related to the cost of the service provided by the local agency." The fees are collected by local governmental agencies to pay for infrastructure or capital facilities needed to serve new development. Because impact fees are collected during the development approval process, the fees are typically paid by developers, builders, or other property owners who are seeking to develop property as a way of paying their "fair share" of needed facilities.

The Town collects three Development Impact Fees that meet the reporting requirements of AB 1600: the Traffic Impact Mitigation Fee, Below-Market Priced Housing Program In-Lieu Fee, and the Construction Activity Impact Fee. The following tables provide potential project lists.

Below Market Price (BMP) Housing Program Potential Project List			
Source	Description	Estimated Project Cost (2020 \$)	BMP Fee Eligible Cost
BMP	Extremely Low Income Housing Projects	\$ 3,000,000	\$ 3,000,000
BMP	Reacquisition of Distressed/Foreclosed Properties	700,000	700,000
BMP	Hello Housing Program Services	600,000	600,000
<b>Total</b>		<b>\$ 4,300,000</b>	<b>\$ 4,300,000</b>

**Note:**

*BMP - Below Market Housing Program*

Construction Impact Activity Project List			
Source	Description	Estimated Project Cost (2020\$)	Construction Impact Fee Eligible Cost
CIP	Street Repair and Resurfacing Projects (5 year-plan)	\$ 17,929,790	\$ 17,929,790
<b>Total</b>		<b>\$ 17,929,790</b>	<b>\$ 17,929,790</b>

**Note:**

*CIP - Town of Los Gatos, Capital Improvement Program*



## FEE-RELATED PROJECTS LISTS

Town of Los Gatos Traffic Mitigation Improvements Potential Project List			
Source	Description	Estimated Project Cost (2014 \$)	Mitigation Impact Fee Eligible Cost
GP/VTP 2035	Blossom Hill Rd and Union Ave Intersection Improvements	\$ 1,200,000	\$ 1,080,000
GP/VTP 2035	Los Gatos - Almaden Rd Improvements	3,000,000	1,500,000
GP/VTP 2035	Los Gatos Blvd Widening - Samaritan Dr to Camino Del Sol Road widening, new sidewalks and bike lanes	4,000,000	2,000,000
GP/VTP 2035	Union Ave Widening and Sidewalks - complete ped and bike routes	3,000,000	1,500,000
GP/VTP 2035	Wood Rd Gateway on Santa Cruz Ave - roundabout	1,200,000	600,000
GP/VTP 2035	Central Traffic Signal Control System	750,000	72,600
GP/VTP 2035	Hwy 9 Los Gatos Creek Trail connector - new path and bridge for ped/bike	1,000,000	500,000
GP/VTP 2035	Hwy 9/N. Santa Cruz Ave Intersection Improvements	1,400,000	1,260,000
CIP	Roberts Road Improvements from bridge to University	600,000	300,000
CIP	Pollard Road Widening from Knowles to York Avenue	2,500,000	1,250,000
CIP	Sidewalks infill - Van Meter, Fischer and Blossom Hill Schools	1,000,000	500,000
CIP	Winchester Blvd/Lark Avenue Intersection Improvements	850,000	765,000
CIP	Westbound Lark to Hwy 17 northbound ramps - add two right-turn lanes	3,750,000	3,375,000
CIP	Unfunded Deferred Street Maintenance (Annual PMS Survey)	10,500,000	1,016,400
GP	Lark/Los Gatos Intersection Improvements - Add Third Left Turn Lanes for Eastbound and Northbound Approaches	1,200,000	1,080,000
GP	Complete Street Improvements - Lark from Garden Hill to Los Gatos Blvd	2,100,000	1,050,000
GP	Complete Street Improvements - SR 9 from University to Los Gatos Blvd	650,000	325,000
GP	Complete Street Improvements - Blossom Hill Road from Old Blossom Hill Road to Regent Drive	3,000,000	1,500,000
GP	Complete Street Improvements - Knowles from Pollard to Winchester	2,000,000	1,000,000
GP	Complete Street Improvements - Winchester from Blossom Hill to Lark	1,500,000	750,000
GP	Blossom Hill Road widening over Highway 17	2,000,000	1,000,000
GP	Local Bikeway Improvements	750,000	375,000
<b>Total</b>		<b>\$ 47,950,000</b>	<b>\$ 22,799,000</b>

**Notes:**

VTP = Valley Transportation Plan, 2035 by Santa Clara Valley Transportation Authority.

Town CIP = Town of Los Gatos, Capital Improvement Program and pending construction project list.

Source: Town of Los Gatos.



**SUMMARY OF POSITIONS**  
**DEPARTMENTAL STAFF BY FUND**

	<b>2016/17 Funded</b>	<b>2017/18 Funded</b>	<b>2018/19 Funded</b>	<b>2019/20 Funded</b>	<b>2020/21 Proposed</b>
<b>General Fund</b>					
Town Council	0.50	0.50	0.50	0.50	0.50
Town Attorney*	1.04	0.91	1.88	1.88	1.88
Administrative Services*	16.28	16.19	20.53	20.17	20.17
Community Development	19.99	20.08	20.08	20.08	20.20
Police Department	58.00	59.00	59.00	60.00	60.00
Parks & Public Works*	28.40	29.40	33.50	33.50	33.75
Library	12.25	12.25	12.50	12.50	12.50
<b>Total General Fund Staff</b>	<b>136.45</b>	<b>138.33</b>	<b>147.98</b>	<b>148.61</b>	<b>148.98</b>
<b>Special Revenue Funds</b>					
Parks & Public Works	1.00	1.00	1.00	1.00	1.00
<b>Total Special Revenue Fund Staff</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Internal Service Funds</b>					
Town Attorney*	0.71	0.71	-	-	-
Administrative Services*	3.70	3.95	-	-	-
Parks & Public Works*	4.10	4.10	-	-	-
<b>Total Internal Services Funds Staff</b>	<b>8.51</b>	<b>8.76</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Successor Agency to the Los Gatos RDA</b>					
Administrative Services	-	0.01	0.01	0.01	0.01
Community Development	0.01	-	-	-	-
<b>Total Redevelopment Agency Staff</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>
<b>Total Town FTEs</b>	<b>145.98</b>	<b>148.10</b>	<b>148.99</b>	<b>149.63</b>	<b>150.00</b>

Full Time Equivalent (FTE)

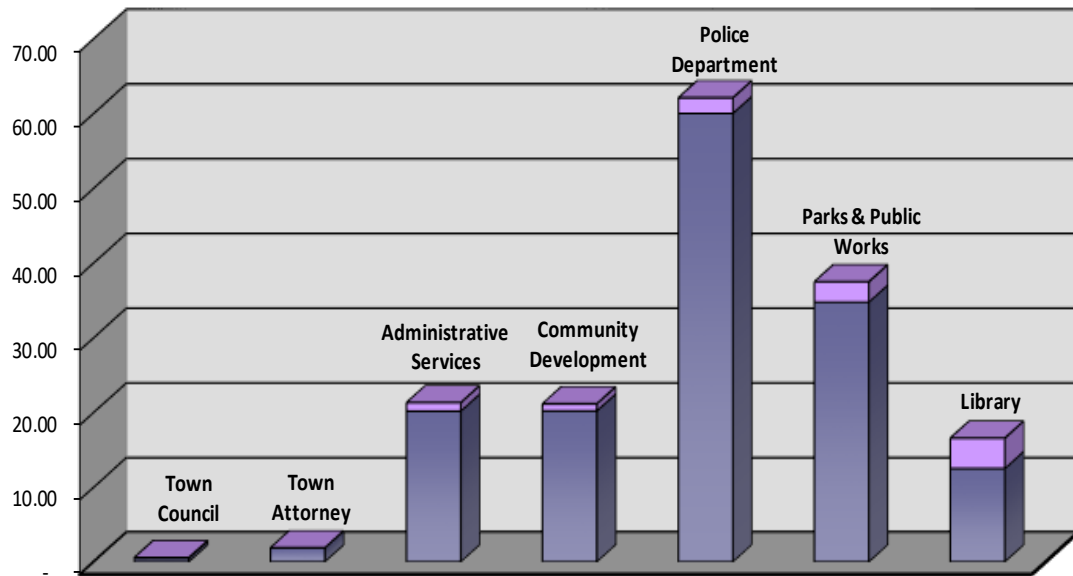
\*Personnel previously budgeted in Internal Service Funds are budgeted in General Fund Programs beginning in FY 2018/19.

Administrative Services staffing numbers include the following programs: Town Manager's Office; Human Resources; Finance; Clerk Administration; and Information Technology Staffing



## SUMMARY OF POSITIONS

### BUDGETED FTEs BY DEPARTMENT



Blue Bar – Town Staff  
Purple Bar – Hourly Employees

### FY 2020/21 Budgeted FTEs by Department (Includes Converted Hourly Employees)

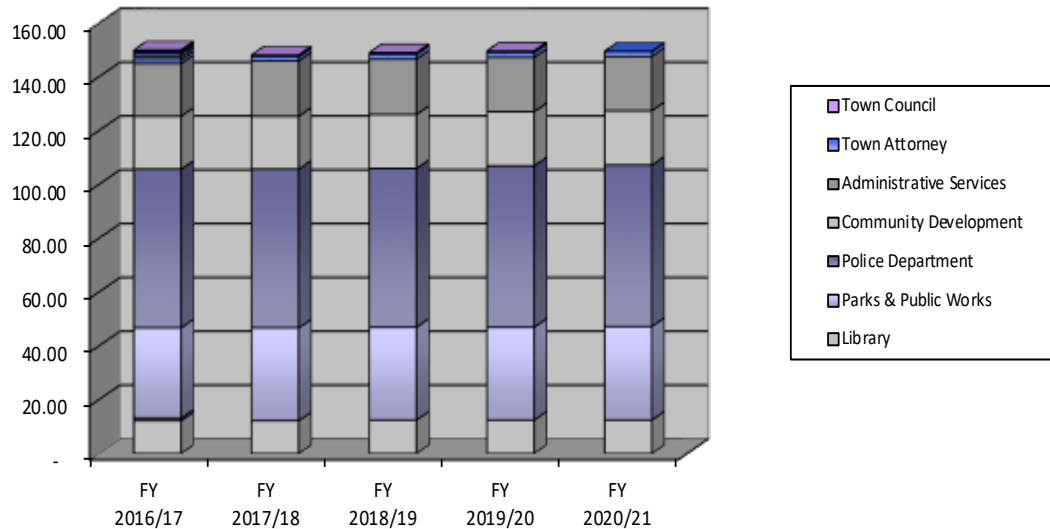
Departments	Authorized/ Funded Town Staff Positions	Hourly Emp Staff converted to FTEs	Total Budgeted Positions
Town Council	0.50	0.08	0.58
Town Attorney	1.88	-	1.88
Administrative Services	20.18	1.13	21.30
Community Development	20.20	0.94	21.14
Police Department	60.00	2.09	62.09
Parks & Public Works	34.75	2.72	37.47
Library	12.50	4.06	16.56
<b>Total Positions</b>	<b>150.00</b>	<b>11.03</b>	<b>161.03</b>

*Administrative Services staffing numbers include the following six programs: Town Manager's Office; Human Resources; Finance; Clerk Administration; and Information Technology Staffing*

*Hourly employee positions result from seasonal, temporary, and part-time labor needs.*



## SUMMARY OF POSITIONS FUNDED FTEs BY DEPARTMENT



### Five Year Staffing Trend

Departments	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
Town Council	0.63	0.50	0.50	0.50	0.50
Town Attorney	1.63	1.63	1.88	1.88	1.88
Administrative Services	19.35	20.59	20.53	20.18	20.18
Community Development	19.63	19.63	20.08	20.08	20.20
Police Department	59.00	59.00	59.00	60.00	60.00
Parks & Public Works	33.50	34.50	34.50	34.50	34.75
Library	12.25	12.25	12.50	12.50	12.50
<b>Total Budgeted FTEs</b>	<b>145.98</b>	<b>148.10</b>	<b>148.99</b>	<b>149.63</b>	<b>150.00</b>

*FTEs represent Town staff positions funded in annual budgets. Numbers do not include temporary hours or the filled or unfilled status of the positions.*



## SUMMARY OF PERSONNEL CHANGES FY 2020/21

The Town's total budgeted personnel costs for FY 2020/21 increased to \$31.8 million (\$31.1 million in FY 2019/20) and accounts for 41% of the total Town's expenditures. Rising healthcare and pension rates have increased labor costs; however, reduction strategies including budgeting salaries for FY 2020/21 at actual salary plus a one-step increase, structural reorganization, and realignments have helped to mitigate growing personnel expenditures. The following discussion describes some of the staffing expenditures, savings, and budget impacts.

### ***Employee Compensation***

Personnel costs represent salaries of full-time and part-time personnel (including vacation, holiday, and sick leave compensation) and benefits, including health coverage, life and disability insurance, and retirement contributions. For represented positions, annual salary increases and benefit adjustments are negotiated under each bargaining unit's Memorandum of Understanding (MOU's). Salary increases and benefit adjustments for unrepresented positions are determined under the Council's authority and are not subject to bargaining.

### ***Memoranda of Understanding (MOUs)***

All non-sworn and management employees received an across the board salary increase of 2.5% plus a 1.5% base salary one-time payment (non-PERSable) during FY 2018/19 and a 3% across the board salary increase was effective in FY 2019/20.

- The TEA and AFSCME labor agreements had a re-opener provision to negotiate the specific topic of salaries effective in FY 2020/21 of the agreements that expire on June 30, 2021. Based the agreements reached with TEA and AFSCME, the FY 2020/21 budget incorporates an 1% cost of living adjustment and a 2% base salary one-time payment (non-PERSable) bonus.
- The sworn employees represented by the Police Officers' Association (POA) received an across the board salary increase of 2.5% during FY 2018/19 and will receive a negotiated 4% across the board increase in FY 2019/20. The MOU has a re-opener provision to negotiate salaries effective in FY 2020/21 and the entire agreement open for negotiation prior to September 30, 2021.

### ***Benefits***

The Town contracts for medical coverage through CalPERS and rates are adjusted each January for the calendar year. Kaiser serves as the benchmark medical plan to determine the Town contribution toward all medical plan premiums. In the recent past, Kaiser rates have fluctuated and increased by as much as 11% in one year, simultaneously increasing the Town contribution. In 2020, Kaiser rates increased 4% from the prior year. As evidenced by this fluctuation, national health care costs continue to be an area of concern and potential expense volatility. Employees contribute to the cost of medical premiums when enrolled in the majority of CalPERS plans.

Dental, vision and life insurance rates are expected to remain relatively stable. Conversely, short and long-term disability insurance costs are increasing due to changes in the market and a growth in the Town's claim experience. Efforts are underway to identify measures to control and/or reduce costs. During negotiations in FY 2018/19, the Town's discretionary retiree medical benefit contribution was eliminated for all future hires. It is important to note that changes in benefit coverage are generally subject to negotiations with affected employee groups.

### ***Pension Plan***

The Town's pension plans over the past several decades, like all other CalPERS participants, have experienced unfavorable investment returns, changes in actuarial assumptions, and unfavorable demographic shifts which have outweighed any positive plan experiences. As such, the Town's employer pension contributions are expected to continue to increase.



## SUMMARY OF PERSONNEL CHANGES FY 2020/21

In order to help mitigate these negative plan experiences in FY 2012/13, CalPERS established a three-tier pension plan for non-sworn participants, changing the pension formula from 2.5% at 55 to 2% at 60 for new hires after September 15, 2012 or 2% at 62 for “new” employees hired after January 1, 2013 who have not previously worked in a public pension system. Similarly, in FY 2012/13 the State implemented a new tier for safety employees, changing the pension formula for “new” employees from 3% at 50 to 2.7% at 57, effective January 1, 2013. While these changes do not provide immediate cost savings, it is anticipated to significantly reduce future salary and benefit expenditures in the future.

In December 2016 the CalPERS Board announced a plan to lower its discount rate from its current rate of 7.5%. The phase-in of the discount rate change approved by the Board effective beginning FY 2018/19 is as follows:

Valuation Date	Fiscal Year for Required Contribution	Discount Rate
June 30, 2016	FY 2018/19	7.375%
June 30, 2017	FY 2019/20	7.25%
June 30, 2018	FY 2020/21	7.00%

The immediate effect of this change is the actuarial valuation report being prepared for June 30, 2016 by CalPERS which sets the employer contribution rate for FY 2018/19 at a lower discount rate of 7.375%. This action will in turn lead to increased actuarial accrued liabilities because with lower expected returns there are lower projected assets to meet the expected pension obligations. Town staff had already anticipated increases in employer contributions in its Five-Year Financial Plan, and the rates in years three through five of the plan increased due to the lowering of the discount rate. The CalPERS Board had previously adopted recommendations to modify both the smoothing and amortization policies and implement these changes going forward with an impact to employer rates which began in FY 2015/16. As a result of this change, the smoothing period changed from a 15-year rolling period to a five-year direct smoothing rate. The amortization period changed from a 30-year rolling period to a 30-year fixed rate. The cumulative effect of these changes requires the Town to pay significantly more into the system.

Pension reform continues to be an important topic in regard to cost containment and staff is monitoring a number of state-wide initiatives that may impact future pension costs. In addition to the potential for State mandated reforms the Town has been proactive in implementing pension/OPEB cost mitigation strategies.

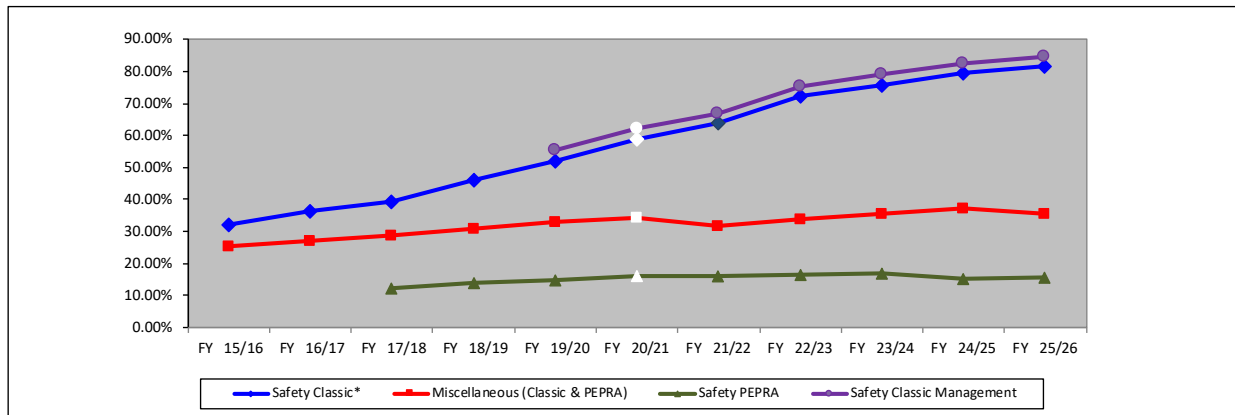
In FY 2014/15, the Town’s miscellaneous employee rate was projected to increase to 23.45% and the safety rate was projected to increase to 43.87%. By Council authority in June 2014, the Town paid off its CalPERS side fund liability of \$4.5M which substantially decreased PERS sworn rates in future years. As a result of this payoff, the FY 2014/15 Town’s miscellaneous employee rate was 22.38% and the safety rate was 29.56%, a sworn rate reduction of 14.31% from previously forecasted. In FY 2020/21 the Town’s miscellaneous employee rate is projected to increase to 34.23%; the safety rate is projected to increase to 58.98%; and the PEPR safety rate is projected to be 15.95%.

In addition, per the Pension/OPEB Committee direction, the first discretionary payment of \$4.8 million was transferred to CalPERS for the 2016 gain/loss amortization base. The Town anticipates transferring an additional \$3.6 million to pay off the 2015 gain/loss base in FY 2020/21. The Current estimates indicate that these changes would result in the Town increasing from the FY 2019/20 rate of 52.22% to 84.56% in FY 2025/26 of pay rate for safety employees and from the FY 2019/20 rate of 33.18% to approximately 35.55% in FY 2020/25.

Using official information issued by CalPERS, the following schedule reflects the Town’s actual CalPERS pension rate for FY 2020/21 and the expected rates for the following fiscal years based on the Town’s five-year forecast model which was updated using a CalPERS provided tool in January 2020 that provided a calculation method to estimate rate impacts of the current market earnings.



## SUMMARY OF PERSONNEL CHANGES FY 2020/21



	FY 15/16	FY 16/17	FY 17/18	FY 18/19	FY 19/20	FY 20/21	FY 21/22	FY 22/23	FY 23/24	FY 24/25	FY 25/26
<b>PERS Pension Plan</b>											
<b>Safety Classic*</b>	32.36%	36.18%	39.36%	46.09%	52.22%	58.98%	63.67%	72.14%	75.91%	79.46%	81.56%
<b>Safety Classic Management</b>					55.22%	61.98%	66.67%	75.14%	78.91%	82.46%	84.56%
<b>Safety PEPPA</b>			12.25%	13.96%	15.02%	15.95%	15.99%	16.58%	17.14%	15.29%	15.71%
<b>Miscellaneous (Classic &amp; PEPPA)</b>	25.43%	26.96%	28.90%	30.87%	33.18%	34.23%	31.59%	33.66%	35.46%	37.12%	35.50%

\* Safety Classic Rate reflects 3% decrease in employer's contribution rate to reflect 3% contribution as negotiated with the Town's POA during the collective bargaining process effective FY 2019/20.

### Management Strategies

Several strategies have been implemented to mitigate rising personnel costs. These include adjusting user fees to recover the cost of staff time to provide Town services, focusing staff time on core services to reduce overtime expenses, and reducing hourly staffing use. In light of limited available resources and uncertain economic trends in revenues sources such as Sales Tax, limited staffing changes and one-time additions have been included in the FY 2020/21 budget. Departments continuously evaluate staffing structures, anticipate succession needs, and modify staffing to improve efficiencies, align with service delivery demands, and meet other Town goals. In this budget, a couple of Departments have included cost neutral restructuring.

### Overtime

Overtime expenditures continue to be assessed and adjusted when appropriate. While unpredictable or non-controllable events will impact the Town's limited public safety and public works maintenance resources, continued adjustments to schedules and workload have been successful in reducing budgeted overtime. Although some non-critical Town services have experienced moderate service level reductions, scheduling restrictions have not seriously impacted routine operations.

### Staffing Changes

The FY 2020/21 Operating Budget has 161.3 budgeted FTEs, including temporary staff. This reflects an increase of 0.72 of FTEs compared to the prior year. The recommended FY 2020/21 staffing levels also reflect the following changes from the prior year's adopted budget:

- **Administrative Services and Town Offices** - The FY 2020/21 budget reflects the remaining year of a part time, two-year position to assist with the Town's emergency preparedness activities and regional emergency management engagement. The FY 2020/21 budget also includes a reclassification of an 1.0 FTE Payroll Technician position to an 1.00 FTE Administrative Analyst position in the Finance Department.



## SUMMARY OF PERSONNEL CHANGES FY 2020/21

- *Community Development Department (CDD)* –The FY 2020/21 budget includes the part-time Code Compliance Officer position which will be continued for one more year in FY 2020/21 with one-time funding. The budget also reflect a 0.12 FTE increase of an Associate Planner position.
- *Police* – The FY 2020/21 budget contains one-time requests for Temporary Parking and Project Managers to assist with the review and the implementation of the Comprehensive Parking Study and critical operational technology needs. The FY 2020/21 budget also includes reclassifications of 1 FTE Administrative Technician position to a 1 FTE Administrative Analyst and 1 FTE Parking Control Officer position to a 1 FTE Senior Parking Control Officer position.
- *Parks and Public Works (PPW)* – The FY 2020/21 budget also includes a reclassification of a 1 FTE Engineer Technician position to a 1 FTE Senior Engineer Technician position and a 0.25 FTE increase of the administrative Assistant position.

In addition to direct personnel expenditures, Departments are charged for internal support services and employee insurance costs through payroll allocation charges. Appropriate charge-back rates are established based on either employee group historical costs or through a flat surcharge per employee. Annual reviews of all funds may result in adjustments to the rates as needed.

### *Liability Insurance*

Self-Insurance Fund rates (liability claim insurance premiums) for FY 2020/21 remain relatively consistent with prior year rates. The Self-Insurance Fund Balance is declining as a result of adverse claims against the Town over the last several years. Staff will closely monitor and recommend a budget strategy to be incorporated into the FY 2020/21 proposed budget.

### *Workers' Compensation*

The Workers' Compensation fund balance is declining as a result of several new injuries that kept employees out of work for extensive periods of time along with the cost of related medical procedures and continuing medical expenses associated with past employee claims. The FY 2020/21 Workers' Compensation rates remain at the prior year level. Staff will closely monitor and recommend a budget strategy as needed.

### *Information Technology*

The Information Technology (IT) program is funded through charge-back to the Departments. The charge is based on the Department's computer and printer equipment, established to fund the replacement cost of current technology equipment.



## TOWN STAFF POSITIONS BY HOME DEPARTMENT

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed	Comments
<b>TOWN ATTORNEY'S OFFICE</b>						
Town Attorney	1.00	1.00	1.00	1.00	1.00	
Deputy Town Attorney	0.63	0.63	0.75	0.75	0.75	
<b>TOTAL DEPARTMENT FTEs</b>	<b>1.63</b>	<b>1.63</b>	<b>1.75</b>	<b>1.75</b>	<b>1.75</b>	
<b>TOWN MANAGER'S OFFICE</b>						
Town Manager	1.00	1.00	1.00	1.00	1.00	
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00	
Assistant to Town Manager	1.00	-	-	-	-	
Administrative Analyst	-	1.00	1.00	1.00	1.00	
Executive Asst. to Town Mgr.	1.00	1.00	1.00	1.00	1.00	
Economic Vitality Manager	0.63	0.75	0.75	0.75	0.75	
Economic Vitality Coordinator	-					
Events & Marketing Specialist	-	0.50	0.50	0.50	0.50	
<b>TOTAL DEPARTMENT FTEs</b>	<b>4.63</b>	<b>5.25</b>	<b>5.25</b>	<b>5.25</b>	<b>5.25</b>	
<b>HUMAN RESOURCES</b>						
Human Resources Director	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.50	1.00	1.00	1.00	
Human Resources Technician	1.00	1.00	1.00	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>3.00</b>	<b>3.50</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	
<b>FINANCE SERVICES</b>						
Finance Director	1.00	1.00	1.00	1.00	1.00	
Finance & Budget Manager	1.00	1.00	1.00	1.00	1.00	
Accountant/Finance Analyst	1.00	1.00	1.00	2.00	2.00	
Payroll Technician	1.00	1.00	1.00	1.00	-	CY delete 1.0 FTE
Administrative Analyst	1.00	2.00	2.00	2.00	3.00	CY add 1.0 FTE
Account Technician	1.35	0.35	0.35	-	-	
<b>TOTAL DEPARTMENT FTEs</b>	<b>6.35</b>	<b>6.35</b>	<b>6.35</b>	<b>7.00</b>	<b>7.00</b>	
<b>CLERK ADMINISTRATION</b>						
Clerk Administrator	1.00	1.00	1.00	-	-	
Town Clerk	-	-	-	1.00	1.00	
Deputy Town Clerk	-	-	-	1.00	1.00	
Administrative Assistant	-	-	-	1.00	1.00	
Office Assistant	2.00	2.00	2.00	-	-	
<b>TOTAL DEPARTMENT FTEs</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>	
<b>INFORMATION TECHNOLOGY SERVICES</b>						
IT Manager	1.00	1.00	1.00	1.00	1.00	
Network Administrator	1.00	1.00	1.00	-	-	
IT Analyst	-	-	1.00	-	-	
IT Systems Administrator	-	-	-	1.00	1.00	
IT Technician	1.00	1.00	1.00	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>3.00</b>	<b>3.00</b>	<b>4.00</b>	<b>3.00</b>	<b>3.00</b>	



**TOWN STAFF**  
**POSITIONS BY HOME DEPARTMENT**

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed	Comments
<b>COMMUNITY DEVELOPMENT</b>						
Community Development Dir.	1.00	1.00	1.00	1.00	1.00	
Planning Manager	1.00	1.00	1.00	1.00	1.00	
Chief Building Official	1.00	1.00	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	1.00	1.00	1.00	
Executive Assistant	1.00	1.00	1.00	1.00	1.00	
Administrative Assistant	1.00	1.00	1.00	1.00	1.00	
Senior Planner	2.00	2.00	2.00	2.00	2.00	
Associate Planner	2.63	2.63	2.63	2.63	2.75	CY add .12 FTE
Assistant Planner	1.00	1.00	1.00	1.00	1.00	
Planning Technician	1.00	1.00	1.00	1.00	1.00	
Senior Building Inspector	-	-	1.00	1.00	1.00	
Building Inspector	4.00	4.00	3.00	3.00	3.00	
Permit Technician	2.00	2.00	2.00	2.00	2.00	
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>19.63</b>	<b>19.63</b>	<b>19.63</b>	<b>19.63</b>	<b>19.75</b>	
<b>POLICE</b>						
Chief of Police	1.00	1.00	1.00	1.00	1.00	
Police Captain	1.00	1.00	2.00	2.00	2.00	
Police Lieutenant	2.00	2.00	-	-	-	
Police Sergeant	6.00	6.00	7.00	7.00	7.00	
Police Corporal	4.00	4.00	4.00	4.00	4.00	
Police Officer	25.00	25.00	25.00	25.00	25.00	
Community Outreach Coordinator	1.00	1.00	1.00	1.00	1.00	
Community Services Officer	2.00	1.00	1.00	1.00	1.00	
Police Records and Communication Mgr	-	-	-	1.00	1.00	
Police Records Manager	1.00	1.00	1.00	-	-	
Senior Administrative Analyst	-	-	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	-	-	1.00	CY add 1.0 FTE
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher Lead	1.00	1.00	1.00	1.00	1.00	
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00	
Senior Parking Control Officer					1.00	CY add 1.0 FTE
Parking Control Officer	2.00	2.00	2.00	2.00	1.00	CY delete 1.0 FTE
Police Records Specialist	4.00	4.00	4.00	4.00	4.00	
Human Resources Specialist	-	1.00	1.00	-	-	
Administrative Technician	-	-	-	1.00	-	CY delete 1.0 FTE
IT Systems Administrator	-	-	-	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>59.00</b>	<b>59.00</b>	<b>59.00</b>	<b>60.00</b>	<b>60.00</b>	



**TOWN STAFF**  
**POSITIONS BY HOME DEPARTMENT**

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed	Comments
<b>PARKS and PUBLIC WORKS DEPARTMENT</b>						
Parks & Public Works Director	1.00	1.00	1.00	1.00	1.00	
Asst PPW Dir/Town Engineer	-	-	1.00	1.00	1.00	
Town Engineer	1.00	1.00	-	-	-	
Superintendent	1.00	1.00	1.00	1.00	1.00	
Facilities & Environmental Services Mgr	1.00	-	-	-	-	
Transportation & Mobility Mgr	-	1.00	1.00	1.00	1.00	
Park & Public Works Operations Mgr	-	2.00	2.00	2.00	2.00	
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00	
Senior Administrative Analyst	-	-	1.00	1.00	1.00	
Administrative Analyst	1.00	1.00	-	-	-	
Executive Assistant	2.00	1.00	1.00	1.00	1.00	
Administrative Assistant	2.00	2.00	2.50	2.50	2.75	<i>CY add .25 FTE</i>
Office Assistant	0.50	0.50	-	-	-	
Environmental Programs Specialist	-	1.00	1.00	1.00	1.00	
Associate Engineer	2.00	2.00	2.00	2.00	2.00	
Assistant Engineer	1.00	1.00	2.00	2.00	2.00	
Construction Project Mgr	1.00	1.00	1.00	1.00	1.00	
Senior Engineering Technician	-	-	-	-	1.00	<i>CY add 1.0 FTE</i>
Engineering Technician	1.00	1.00	1.00	1.00	-	<i>CY delete 1.0 FTE</i>
Sr Public Works Inspector	1.00	1.00	1.00	1.00	1.00	
Public Works Inspector	1.00	1.00	-	-	-	
Parks Service Officer	1.00	1.00	1.00	1.00	1.00	
Town Arborist	1.00	1.00	1.00	1.00	1.00	
Tree Trimmer/High Climber	1.00	1.00	1.00	-	-	
Lead Parks & Maint. Worker	3.00	3.00	3.00	3.00	3.00	
Parks & Maintenance Worker	9.00	8.00	8.00	9.00	9.00	
Equipment Mechanic	1.00	1.00	1.00	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>33.50</b>	<b>34.50</b>	<b>34.50</b>	<b>34.50</b>	<b>34.75</b>	
<b>LIBRARY</b>						
Library Director	1.00	1.00	1.00	1.00	1.00	
Division Manager	2.00	2.00	2.00	2.00	2.00	
Librarian	3.00	3.00	3.00	3.00	3.00	
Library Technology Specialist	1.00	1.00	2.00	2.00	2.00	
Library Assistant	1.00	1.00	-	-	-	
Library Specialist	0.75	0.75	1.75	1.75	1.75	
Customer Service Supervisor	1.00	1.00	-	-	-	
Customer Service Specialist	1.50	1.50	1.75	1.75	1.75	
Sr Library Page	1.00	1.00	1.00	1.00	1.00	
<b>TOTAL DEPARTMENT FTEs</b>	<b>12.25</b>	<b>12.25</b>	<b>12.50</b>	<b>12.50</b>	<b>12.50</b>	
<b>TOTAL TOWN FTEs</b>	<b>145.98</b>	<b>148.10</b>	<b>148.97</b>	<b>149.63</b>	<b>150.00</b>	



**TOWN STAFF**  
**POSITIONS BY HOME DEPARTMENT**

ELECTED OFFICIALS					
	2016/17	2017/18	2018/19	2019/20	2020/21
	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Proposed</u>
Town Council	5.00	5.00	5.00	5.00	5.00
<b>TOTAL ELECTED OFFICIALS</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

HOURLY EMPLOYEES					
	2016/17	2017/18	2018/19	2019/20	2020/21
	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Funded</u>	<u>Proposed</u>
<i>Temporary Hours by Department</i>					
Town Council	175	175	175	175	175
Administrative Services	2,196	2,196	1,376	2,350	2,350
Community Development	1,305	1,305	1,695	1,695	1,955
Police Department	3,422	5,502	3,035	3,035	4,350
Parks & Public Works	8,567	6,637	5,661	5,661	5,661
Library Department	9,546	9,796	9,294	9,294	8,450
<i>Total Temporary Hours by Department</i>	<b>25,211</b>	<b>25,611</b>	<b>21,236</b>	<b>22,210</b>	<b>22,941</b>
<b>CONVERTED HOURLY EMPLOYEES</b>	<b>12.12</b>	<b>12.31</b>	<b>10.21</b>	<b>10.68</b>	<b>11.03</b>

(1.00 FTE = 2080 hours)









## ***Town Offices***



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# Town Offices

## **PROGRAM PURPOSE**

The Town Offices Program comprises the Town Council Administration Program and the Town Attorney Administration Program, which includes the Self-Insurance Liability Program. The purpose of each program is outlined in the sections that follow this page.

## **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 Town Offices budget is programmed to maintain existing staffing and service levels.



# **TOWN OFFICES**

## DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Service Charge	\$ -	\$ 30	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-
Fines & Forfeitures	-	700	850	-	-	-
Other Revenues	2,634	-	677	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 2,634</b>	<b>\$ 730</b>	<b>\$ 1,527</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
Salaries and Benefits*	\$ 422,766	\$ 426,102	\$ 666,306	\$ 742,204	\$ 690,267	\$ 768,434
Operating Expenditures	164,622	86,578	88,366	104,606	64,125	104,606
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	32,744	33,708	13,773	15,185	15,060	15,748
<b>TOTAL EXPENDITURES</b>	<b>\$ 620,132</b>	<b>\$ 546,388</b>	<b>\$ 768,445</b>	<b>\$ 861,995</b>	<b>\$ 769,452</b>	<b>\$ 888,788</b>

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>PROGRAM</b>						
Town Council	\$ 193,584	\$ 192,183	\$ 205,903	\$ 240,605	\$ 206,469	\$ 243,485
Town Attorney	426,548	354,205	562,542	621,390	562,983	645,303
<b>TOTAL EXPENDITURES</b>	<b>\$ 620,132</b>	<b>\$ 546,388</b>	<b>\$ 768,445</b>	<b>\$ 861,995</b>	<b>\$ 769,452</b>	<b>\$ 888,788</b>

\*Personnel previously budgeted in the Liability Self-Insurance Internal Service Fund are budgeted in the Town Attorney Program beginning in FY 2018/19.



## TOWN OFFICES

### DEPARTMENT STAFFING

#### *Full Time Equivalents (FTE)*

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>General Fund</b>					
Town Attorney	0.60	0.60	1.00	1.00	1.00
Deputy Town Attorney	0.31	0.31	0.75	0.75	0.75
Deputy Town Clerk	-	-	-	0.13	-
Executive Asst to the Town Mgr	0.50	0.50	0.50	0.50	0.50
Administrative Assistant	-	-	-	-	0.13
Office Assistant	0.13	0.13	0.13	-	-
<b>Total General Fund FTEs</b>	<b>1.54</b>	<b>1.54</b>	<b>2.38</b>	<b>2.38</b>	<b>2.38</b>

#### **Non-General Fund FTEs**

#### *Liability Self-Insurance*

Town Attorney	0.35	0.35	-	-	-
Deputy Town Attorney	0.31	0.31	-	-	-
<b>Total Liability FTEs</b>	<b>0.66</b>	<b>0.66</b>	<b>-</b>	<b>-</b>	<b>-</b>

#### *Workers Compensation*

Town Attorney	0.05	0.05	-	-	-
<b>Total Workers Comp FTEs</b>	<b>0.05</b>	<b>0.05</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Town Offices FTEs</b>	<b>2.25</b>	<b>2.25</b>	<b>2.38</b>	<b>2.38</b>	<b>2.38</b>

#### *Elected Officials*

Councilmembers	5.00	5.00	5.00	5.00	5.00
<b>TOTAL ELECTED OFFICIALS</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

#### *Temporary Staff*

Intern	175	175	175	175	175
<b>TOTAL ANNUAL HOURS</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>







# **Town Council**

## **TOWN COUNCIL ADMINISTRATION PROGRAM 1101**

### **PROGRAM PURPOSE**

The Town Council is the elected legislative body that represents the residents and provides policy direction for the delivery of services and capital improvements for the Town of Los Gatos. The Town Council comprises five Council members, with the Mayor and Vice Mayor appointed annually by the Council each November. The Town operates under a Council/Manager (corporate) form of government that combines the policy leadership of elected officials with the managerial responsibility of an appointed Town Manager and appointed Town Attorney reporting to the Council. With the professional support of Town staff, the Mayor and Town Council identify and adopt appropriate policy, program, and budget priorities for the Town.

As an elected legislature, the Council's priorities reflect, through its regulatory and budgetary enactments, the aspirations of the residents of Los Gatos. These priorities are implicit in the programs adopted and set forth in the annual operating budget for the Town of Los Gatos.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 Council budget includes general administrative services, constituent services, elected official support, official meetings and events, and Council policy/program analysis.



## TOWN COUNCIL

### SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Service Charge</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Interest</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 168,321	\$ 169,966	\$ 190,652	\$ 216,993	\$ 188,586	\$ 219,824
<i>Operating Expenditures</i>	22,141	19,032	14,598	23,250	17,550	23,250
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	3,122	3,185	653	362	333	411
<b>TOTAL EXPENDITURES</b>	<b>\$ 193,584</b>	<b>\$ 192,183</b>	<b>\$ 205,903</b>	<b>\$ 240,605</b>	<b>\$ 206,469</b>	<b>\$ 243,485</b>

### KEY PROGRAM SERVICES

- Represents the residents of Los Gatos.
- Formulates and enacts public policy in response to current and anticipated needs within political, administrative, and fiscal constraints.
- Provides community leadership as the legislative and policy-making body of the municipal government.
- Oversees Town Boards and Commissions.
- Represents the Town of Los Gatos through coordination and collaboration with other government agencies.



# TOWN COUNCIL

## TOWN COUNCIL STAFFING

### *Full Time Equivalents (FTE)*

	2016/17	2017/18	2018/19	2019/20	2020/21
<i>Town Staff</i>	Funded	Funded	Funded	Funded	Proposed
Executive Asst. to the Town Mgr.	0.50	0.50	0.50	0.50	0.50
<b>TOTAL PROGRAM FTEs</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>	<b>0.50</b>

### *Elected Officials*

Councilmembers	5.00	5.00	5.00	5.00	5.00
<b>TOTAL ELECTED OFFICIALS</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>	<b>5.00</b>

### *Temporary Staff Hours*

Intern	175	175	175	175	175
<b>TOTAL ANNUAL HOURS</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>	<b>175</b>







# **Town Attorney**

## **TOWN ATTORNEY ADMINISTRATION PROGRAM 1301**

### **PROGRAM PURPOSE**

The Town Attorney is the legal advisor to the Town Council, Successor Agency to the former Redevelopment Agency, and Town staff. In this capacity, the Office of the Town Attorney provides a wide range of legal services to ensure that Town actions and activities are legally sound. The core services of the Town Attorney's Office include, but are not limited to: providing timely legal advice to the Town Council, Town advisory bodies, and staff; drafting contracts, opinions, resolutions, and ordinances; reviewing, processing, and settling claims against the Town; and prosecuting and defending civil lawsuits against the Town.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.



## ACCOMPLISHMENTS

Core Goals	Accomplishments
<b><i>Community Character</i></b> Preserve and enhance the appearance character and environment quality of the community	<ul style="list-style-type: none"> <li>• Advised on a significant number of resolutions, ordinances, policies, and development projects in furtherance of implementation of the 2020 General Plan.</li> <li>• Provided litigation support for land use and California Environmental Quality Act challenges.</li> </ul>
<b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government	<ul style="list-style-type: none"> <li>• Prepared for and supported Council and Planning Commission meetings.</li> <li>• Prepared for and supported various Committee, Commission, and Board meetings as requested by staff and/or Council.</li> </ul>
<b><i>Fiscal Stability</i></b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	<ul style="list-style-type: none"> <li>• Advised on the legal and financial matters associated with the Council Finance Committee and the Town Pension and OPEB Trusts Oversight Committee.</li> <li>• Provided administrative and analytical support in staff report development and review.</li> <li>• Provided legal support for two proposed ballot initiatives.</li> </ul>



# TOWN ATTORNEY

## SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Service Charge	\$ -	\$ 30	\$ -	\$ -	\$ -	\$ -
Interest	-	-	-	-	-	-
Fines & Forfeitures	-	700	850	-	-	-
Other Revenues	2,634	-	677	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 2,634</b>	<b>\$ 730</b>	<b>\$ 1,527</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
Salaries and Benefits*	\$ 254,445	\$ 256,136	\$ 475,654	\$ 525,211	\$ 501,681	\$ 548,610
Operating Expenditures	142,481	67,546	73,768	81,356	46,575	81,356
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	29,622	30,523	13,120	14,823	14,727	15,337
<b>TOTAL EXPENDITURES</b>	<b>\$ 426,548</b>	<b>\$ 354,205</b>	<b>\$ 562,542</b>	<b>\$ 621,390</b>	<b>\$ 562,983</b>	<b>\$ 645,303</b>

\*Personnel previously budgeted in the Liability Self-Insurance Internal Service Fund are budgeted in the Town Attorney Program beginning in FY 2018/19.

## FY 2020/21 KEY PROJECTS

Core Goals	Key Projects
<b>Community Character</b> Preserve and enhance the appearance character and environment quality of the community	<b>Policy Development</b> Assist and advise on the review and revision of numerous policies including but not limited to ordinance rewrite and amendments, implementation of the General Plan, and environmental issues related to development proposals.
<b>Good Governance</b> Ensure responsive, accountable and collaborate government	<b>Process Improvements</b> Respond to the needs of the Town Council and Town staff. Without compromising this key focus, the Town Attorney will continue to assist in streamlining administrative functions, including contract management, Council action, and code enforcement.  Continue to explore and implement measures to reduce the cost of legal services and overall Town liability.



## TOWN ATTORNEY

Core Goals	Key Projects
<b><i>Fiscal Stability</i></b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	<b><i>Improved Efficiencies</i></b> Continue to seek improved efficiencies in providing legal services as necessary to meet budget constraints.

## KEY PROGRAM SERVICES

- Represents the Town regarding litigation matters, including criminal prosecutions of code violations.
- Serves as the legal advisor for the Town Council, Town staff, and Town Boards and Commissions.
- Processes and evaluates all personal injury, property damage, and other monetary claims against the Town and manages all litigation involving the Town.
- Drafts and/or reviews all proposed ordinances and resolutions.
- Supervises personal injury and property damage claims and related claims litigation.
- Drafts and/or reviews Town staff reports and contracts.
- Assists in the administration of the Town's liability insurance and risk management program.
- Negotiates key transactions such as property matters.
- Provides legal advice and support to Town Boards, Committees, and Commissions.

## TOWN ATTORNEY STAFFING

### ***Full Time Equivalents (FTE)***

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b><i>Town Staff</i></b>					
Town Attorney	0.60	0.60	1.00	1.00	1.00
Deputy Town Attorney	0.31	0.31	0.75	0.75	0.75
Office Assistant	0.13	0.13	0.13	-	-
Administrative Assistant	-	-	-	-	0.13
Deputy Town Clerk	-	-	-	0.13	-
<b>TOTAL PROGRAM FTEs</b>	<b>1.04</b>	<b>1.04</b>	<b>1.88</b>	<b>1.88</b>	<b>1.88</b>



## TOWN ATTORNEY

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>To reduce the legal and financial consequences of claims and lawsuits against the Town.</i>					
a. Claims for denial or approval processed within 45 days of filing:	90%	95%	95%	95%	95%
2. <i>To protect the Town from legal exposure through the timely review of contracts, staff reports, and Town policies and practices.</i>					
a. Staff reports reviewed within 24 hours of receipt:	90%	90%	95%	95%	95%
b. Contracts reviewed and signed within 48 hours of receipt:*	90%	90%	90%	90%	90%
c. Staff questions and referrals responded to within 3 working days:	90%	95%	95%	95%	95%

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of incident reports processed:	12	14	16	16	16
2. Number of property loss reports processed:	9	29	13	19	22
3. Number of subpoenas handled:	12	7	7	7	7
6. Number of contracts reviewed:	239	See Clerk	See Clerk	See Clerk	See Clerk
7. Number of cases handled:	8	6	3	2	0
8. Number of claims:	22	29	16	14	18
9. Number of City Council and Advisory Body meetings attended:	52	52	52	52	52







# **Town Attorney**

## **LIABILITY SELF-INSURANCE FUND PROGRAM 1302**

### **FUND PURPOSE**

The Town is a member of the Joint Powers Authority Pooled Liability Assurance Network (PLAN) insurance pool, a self-insurance program established in 1986 to provide general liability, property insurance, and risk management services to 28 cities within the Bay Area. This coverage minimizes the Town's exposure to losses.

The annual premium paid by the Town allows for \$10 million total coverage with a \$50,000 deductible per occurrence. Self-Insurance rates have been established to allocate the cost of this Internal Service Fund accurately to all programs based on staffing levels, thus more accurately distributing and reflecting actual costs of services.

### **BUDGET OVERVIEW**

The Self-Insurance Program is funded through departmental charges based on established assessment rates per labor dollar expended. Service rates are established to maintain fund balance capacity at a minimum of three times the annual operating expense. This rule of thumb provides a funding source for potential claims against the Town. Excess funding is reduced through lower service rates and transfers back to the General Fund. The Town continues to receive grant funding and to make strides in the area of Risk Management.



**TOWN ATTORNEY**  
**Liability Self-Insurance Program**

STATEMENT OF SOURCE AND USE OF FUNDS

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	1,403,449	885,441	994,770	1,313,305	1,313,305	1,255,256
Total Beginning Fund Balance	1,403,449	885,441	994,770	1,313,305	1,313,305	1,255,256
Revenues						
<i>Service Charge</i>	\$ 497,401	\$ 506,519	\$ 365,155	\$ 443,727	\$ 375,554	\$ 418,135
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	291,997	-	-	-
Total Revenues	\$ 497,401	\$ 506,519	\$ 657,152	\$ 443,727	\$ 375,554	\$ 418,135
<b>TRANSFERS IN</b>						
<i>Transfer from Equipment Replacement</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL TRANSFERS IN</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>497,401</b>	<b>506,519</b>	<b>657,152</b>	<b>443,727</b>	<b>375,554</b>	<b>418,135</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 1,900,850</b>	<b>\$ 1,391,960</b>	<b>\$ 1,651,922</b>	<b>\$ 1,757,032</b>	<b>\$ 1,688,859</b>	<b>\$ 1,673,391</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ 432,819	\$ 203,614	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	582,590	193,576	338,617	680,137	433,603	668,059
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	\$ 1,015,409	\$ 397,190	\$ 338,617	\$ 680,137	\$ 433,603	\$ 668,059
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	885,441	994,770	1,313,305	1,076,895	1,255,256	1,005,332
Total Ending Fund Balance	885,441	994,770	1,313,305	1,076,895	1,255,256	1,005,332
<b>TOTAL USE OF FUNDS</b>	<b>\$ 1,900,850</b>	<b>\$ 1,391,960</b>	<b>\$ 1,651,922</b>	<b>\$ 1,757,032</b>	<b>\$ 1,688,859</b>	<b>\$ 1,673,391</b>

\* Personnel are budgeted in the Town Attorney Program beginning in FY 2018/19.



**TOWN ATTORNEY**  
**Liability Self-Insurance Program**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable and collaborate government	<b>Premium Management</b> Emphasize the improvement of safety concerns by actively pursuing training programs. In an effort to minimize insurance claims, the insurance pool offers safety training in areas which produce a high liability risk.  Resolve claims favorable to the Town.

**KEY PROGRAM SERVICES**

- Acts as liaison with the Town's Liability Insurance administration.
- Informs Town Council and Town management of potential claims and results.

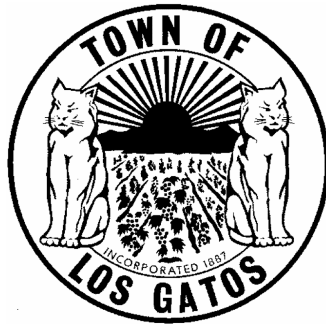
**LIABILITY SELF-INSURANCE PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Town Staff</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Town Attorney*	0.35	0.35	-	-	-
Deputy Town Attorney*	0.31	0.31	-	-	-
Administrative Analyst*	0.10	0.10	-	-	-
<b>Total Liability FTEs</b>	<b>0.76</b>	<b>0.76</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Personnel previously budgeted in in the Liability Self Insurance Internal Service fund are budgeted in the Town Attorney Program beginning in FY 2018/19.









## ***Administrative Services***



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# Administrative Services

## DEPARTMENT PURPOSE

The Town Manager provides overall management, administration, and direction for the entire Town organization, reporting to the full Town Council. The Town Manager identifies community issues and needs requiring legislative policy decisions and provides alternative solutions for Council consideration; assures that the Council's policies, programs, and priorities are effectively and efficiently implemented; prepares the Town budget with recommendations on the appropriate resources for Council action; provides research and information necessary for responsible decision making; fosters public awareness of municipal programs, services, and goals; responds to resident and other constituent inquiries by explaining Town services and functions; and investigates problems to determine appropriate actions; and provides information and specialized assistance on more complex Town issues.

The Administrative Services portion of Town Manager oversight encompasses responsibility for human resources, finance, budgeting, purchasing, labor relations, information technology systems, economic vitality, equipment replacement, workers' compensation, records management, customer service management, and other administrative support. For budget purposes, Administrative Services incorporates six key programs: Town Manager's Office, Clerk Department, Finance Department, Human Resources Department, Information Technology (IT), Non-Departmental (i.e., Town services and functions that are not attributable to a single Department). In addition, the Town's Workers' Compensation Fund is accounted for in the Administrative Services. The following sections provide summaries of the Administrative Services' core services and service objectives.

## BUDGET OVERVIEW

The majority of revenues which support Town wide services are accounted for in the Non-departmental program within Administrative Services. For FY 2020/21, revenues captured in Administrative Services reflect changes in Property Tax, Transient Occupancy Tax, Franchise Fees Licenses and Permits, and Charges for Services due to the forecasted economic impact of the



## ∞ ADMINISTRATIVE SERVICES ∞

COVID-19 pandemic and the mandated Public Health Orders. These revenue modifications are informed by the Town's sales tax consultant MuniServices, the County Tax Assessor, communications with Los Gatos hoteliers, and other sources. These estimates are conservative, assuming a recession scenario.

In terms of expenditures, the FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

The FY 2020/21 budget also reflects the second year of a part time, two-year position to assist with the Town's emergency preparedness activities and regional emergency management engagement and the reclassification of the Payroll Technician position to an Administrative Analyst position to better align current service delivery and needs.



## ADMINISTRATIVE SERVICES

### SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Other Taxes	\$ 1,720,980	\$ 1,686,251	\$ 1,526,894	\$ 1,400,000	\$ 1,294,011	\$ 1,300,000
Licenses and Permits	-	965	11,405	114,415	88,654	92,964
Intergovernmental Revenues	19,998	-	-	-	-	-
Service Charges	1,019	60	200	-	-	-
Interest	171,653	930	1,196	-	-	-
Other Revenues	25,366	258,327	1,632,324	661,968	1,272,593	1,589,067
<b>TOTAL REVENUES</b>	<b>\$ 1,939,016</b>	<b>\$ 1,946,533</b>	<b>\$ 3,172,019</b>	<b>\$ 2,176,383</b>	<b>\$ 2,655,258</b>	<b>\$ 2,982,031</b>
<b>EXPENDITURES</b>						
Salaries and Benefits*	\$ 2,138,861	\$ 2,493,535	\$ 3,341,837	\$ 4,076,442	\$ 3,610,441	\$ 4,216,498
Operating Expenditures	355,651	368,698	347,429	450,411	393,051	467,261
Grants	128,809	119,800	136,513	142,500	142,500	150,000
Pass Through Accounts	-	-	2,845	7,194	-	-
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	201,762	211,962	103,182	138,592	135,874	140,856
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,825,083</b>	<b>\$ 3,193,995</b>	<b>\$ 3,931,806</b>	<b>\$ 4,815,139</b>	<b>\$ 4,281,866</b>	<b>\$ 4,974,615</b>
	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>PROGRAM</b>						
Town Manager's Office	\$ 825,373	\$ 1,070,761	\$ 1,077,603	\$ 1,341,099	\$ 1,218,648	\$ 1,406,422
Community Grants	119,800	119,800	136,513	142,500	142,500	150,000
Human Resources	552,914	630,554	678,490	761,991	734,548	785,883
Finance & Admin Services	1,002,075	1,049,871	1,145,906	1,545,213	1,279,576	1,550,837
Clerk Administration	315,912	322,976	349,776	438,948	376,422	459,193
Information Technology Management	-	33	540,044	578,194	530,172	622,280
Smoking Restriction Implementation	9,009	-	629	-	-	-
Pass Through	-	-	2,845	7,194	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,825,083</b>	<b>\$ 3,193,995</b>	<b>\$ 3,931,806</b>	<b>\$ 4,815,139</b>	<b>\$ 4,281,866</b>	<b>\$ 4,974,615</b>

\* Personnel previously budgeted in Administrative Services Department Internal Service Funds are budgeted in the General Fund beginning in FY 2018/19.



# ⌘ ADMINISTRATIVE SERVICES ⌘

## DEPARTMENT STAFFING

<i>Full Time Equivalents (FTE)</i>					
	2016/17	2017/18	2018/19	2019/20	2020/21
<i>General Fund</i>	Funded	Funded	Funded	Funded	Proposed
Town Manager	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00
Assistant To Town Manager	1.00	-	-	-	-
Executive Asst. to Town Mgr.	0.50	0.50	0.50	0.50	0.50
Economic Vitality Manager	-	0.30	0.30	0.30	0.30
Economic Vitality Coordinator	0.25	-	-	-	-
Administrative Assistant	-	-	-	1.00	0.88
Office Assistant	1.88	1.75	1.88	-	-
Community Outreach Coordinator	1.00	-	-	-	-
Human Resources Director	0.75	0.75	1.00	1.00	1.00
Administrative Analyst	1.70	4.10	4.00	4.00	5.00
Human Resources Technician	1.00	1.00	1.00	1.00	1.00
Finance Director	1.00	1.00	1.00	1.00	1.00
Finance & Budget Manager	1.00	1.00	1.00	1.00	1.00
Accountant/Finance Analyst	1.00	0.99	0.99	1.99	1.99
Payroll Technician	0.95	0.95	1.00	1.00	-
Account Technician	1.25	0.35	0.35	-	-
Town Clerk	-	-	-	1.00	1.00
Clerk Administrator	1.00	1.00	1.00	-	-
Deputy Town Clerk	-	-	-	0.88	1.00
Events & Marketing Specialist	-	0.50	0.50	0.50	0.50
IT Manager	-	-	1.00	1.00	1.00
IT Systems Administrator	-	-	-	1.00	1.00
Network Administrator	-	-	1.00	-	-
IT Analyst	-	-	1.00	-	-
IT Technician	-	-	1.00	1.00	1.00
<b>Total General Fund FTEs</b>	<b>16.28</b>	<b>16.19</b>	<b>20.52</b>	<b>20.17</b>	<b>20.17</b>
<b>Non-General Fund FTEs (located in Administrative Services programs unless otherwise noted)</b>					
<b>Successor Agency to the Los Gatos RDA</b>					
Accountant/Finance Analyst	-	0.01	0.01	0.01	0.01
<b>Total Successor Agency FTEs</b>	<b>-</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>
<b>Equipment Replacement</b>					
Account Technician	0.10	-	-	-	-
Administrative Analyst	-	0.10	-	-	-
<b>Total Equip Replace FTEs</b>	<b>0.10</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Liability Self-Insurance</b>					
Administrative Analyst	0.10	0.10	-	-	-
<b>Total Liability Self-Insurance</b>	<b>0.10</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>-</b>



## ⌘ ADMINISTRATIVE SERVICES ⌘

### ADMINISTRATIVE SERVICES STAFFING

<i>Full Time Equivalents (FTE)</i>	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Workers Compensation</b>					
Human Resources Director	0.25	0.25	-	-	-
Payroll Technician	0.05	0.05	-	-	-
Administrative Analyst	0.20	0.20	-	-	-
<b>Total Workers Comp FTEs</b>	<b>0.50</b>	<b>0.50</b>	-	-	-
<b>Information Technology Services</b>					
IT Manager	1.00	1.00	-	-	-
Network Administrator	1.00	1.00	-	-	-
IT Technician	1.00	1.00	-	-	-
Office Assistant	-	0.13	-	-	-
<b>Total IT FTEs</b>	<b>3.00</b>	<b>3.13</b>	-	-	-
<b>Total Admin Services FTEs</b>	<b>19.98</b>	<b>20.02</b>	<b>20.53</b>	<b>20.18</b>	<b>20.18</b>
<b>Temporary Staff Hours</b>					
Intern I	450	450	450	1,050	1,050
Facility Attendant	50	50	50	50	50
Administrative Analyst	726	726	626	-	-
IT Technician	720	720	-	-	-
Mail Room Clerk (Library Dept Temps	250	250	250	250	250
Emergency Management	-	-	-	1,000	1,000
<b>Total Annual Hours</b>	<b>2,196</b>	<b>2,196</b>	<b>1,376</b>	<b>2,350</b>	<b>2,350</b>







# **Administrative Services**

## **TOWN MANAGER'S OFFICE ADMINISTRATION PROGRAM 2101**

### **PROGRAM PURPOSE**

The Town Manager's Office ensures that all Town programs and services are provided effectively and efficiently. The core services of the Town Manager's Office are to: provide administrative direction and leadership for all Town Departments and programs to ensure the community receives high quality services; oversee the Town Council agenda process to provide comprehensive information and analysis to the Town Council in a timely manner; support business attraction and retention through economic vitality efforts; provide staff support to all Council standing Committees and the Community and Senior Services Commission; and facilitate associated projects and services of these Committees and the Commission; foster public awareness of, equitable access to, and engagement in municipal programs, services, and goals; and provide timely and accurate responses to constituent inquiries, concerns, and requests.

Other key duties include providing direct staff assistance to the Mayor and Town Council on special projects and day-to-day activities, and initiating new or special projects under the direction of the Council that enhance the Town government and community.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributed to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 Town Manager's Office budget is programmed to maintain existing staffing and service levels with the continuation of a part time, two-year position to assist with the Town's emergency preparedness activities and regional emergency management engagement.

As in prior years, the Town Manager's Office will continue to direct its attention in managing key special projects and policies as reflected in the 2020-2022 Town Council Strategic Priorities.



## ADMINISTRATIVE SERVICES

### Town Manager's Office

#### ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b><i>Community Character</i></b> Preserve and enhance the appearance, character, and environmental quality of the community</p>	<ul style="list-style-type: none"> <li>• Provided support to the Council Policy Committee as it evaluated a variety of land use policies and good government practices.</li> <li>• Assisted businesses to locate, expand, or stay in Los Gatos, including updating policies to strengthen the economic vitality of the Town.</li> <li>• Initiated work on the downtown parklet pilot program.</li> <li>• Provided strategic guidance to the launch of the Town's General Plan update, involving all Town Departments and Boards, Commissions, and Committees.</li> </ul>
<p><b><i>Good Governance</i></b> Ensure responsive, accountable, and collaborative government</p>	<ul style="list-style-type: none"> <li>• Supported the Town Council in its decision making.</li> <li>• Led streamlining efforts to improve the efficiency of Town processes.</li> <li>• Provided administrative support to the Pension and OPEB Trusts Oversight Committee to manage the additional discretionary monies deposited into the Town's IRS 115 Pension and healthcare accounts.</li> <li>• Led an inter-departmental Communications Team with a goal of creating a Town Communication Plan to increase community engagement.</li> <li>• Continued to increase transparency and community access to Town financial information through the development of a dedicated Fiscal Transparency webpage.</li> <li>• Represented the Town in County-wide and regional forums.</li> <li>• Supported the Town Council as it took positions on pending legislation and funding items affecting Los Gatos.</li> <li>• Continued to enhance community awareness and engagement through increased content on the Town's Facebook, Instagram, Nextdoor and Twitter accounts.</li> <li>• Promoted community participation in Town matters by signing up for notifications through a dedicated email and Notify me on the Town's website.</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

Core Goals	Accomplishments
<p><b><i>Fiscal Stability</i></b>  Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<ul style="list-style-type: none"> <li>• Led a series of Town Council discussions and in-depth examinations of municipal financial practices.</li> <li>• Led the development of additional discretionary payments directly to CalPERS.</li> <li>• Led the development of a comprehensive Town-wide budget.</li> <li>• Provided technical and administrative support to the Council Finance Committee as it advises the Town Council on options to reduce the Town's unfunded pension and other post-employment benefit obligations.</li> <li>• Conducted an initial community budget survey.</li> <li>• Transitioned the Dittos Lane property to Below Market Price Housing.</li> <li>• Facilitated the sale of the Winchester Boulevard property.</li> </ul>
<p><b><i>Quality Public Infrastructure</i></b>  Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<ul style="list-style-type: none"> <li>• Supported respective Council Members as they serve on regional boards governing transportation, clean energy, and other topics.</li> <li>• Led an inter-Departmental team regarding cut-through traffic and staffed a hotline to respond to community input.</li> <li>• Provided the Council and community with feedback received on the completed one-way street pilot for North Santa Cruz Avenue and supported the economic vitality and infrastructure elements of the downtown parklet pilot program.</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

Core Goals	Accomplishments
<p><b><i>Civic Enrichment</i></b>  Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment</p>	<ul style="list-style-type: none"> <li>• Supported the Arts and Culture Commission in the implementation of another phase of the Footbridge Restoration project, the Utility Art Box Program, and potential funding sources for Town art.</li> <li>• Provided oversight to the Leadership Los Gatos program which promotes community enrichment and involvement.</li> <li>• Worked with Jazz on the Plazz, Fiesta de Artes, Farmers' Market, and other community organizations regarding special events to ensure consistency across organizations.</li> <li>• Operated the 2019 Music in the Park summer concert series and facilitated an RFP for future management.</li> <li>• Hosted the Town's annual Tree Lighting, Screen on the Green, and Fourth of July events.</li> <li>• Oversaw the continuation of the Town's action items in support of its World Health Organizations Age-Friendly Community Designation.</li> </ul>
<p><b><i>Public Safety</i></b>  Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<ul style="list-style-type: none"> <li>• Continued to participate in County-led Emergency Management training programs and exercises.</li> <li>• Continued to implement a comprehensive training plan for all Town staff involved in the activation of the Emergency Operation Center.</li> <li>• Expanded communication and coordination with County Fire and other agencies regarding wildfire prevention and preparedness.</li> <li>• Led the Town's response to the COVID-19 emergency.</li> <li>• Developed a Wildland Urban Interface Evacuation Assessment for the Town.</li> <li>• Adopted Annex 9 of the Santa Clara County Community Wildfire Protection Plan.</li> <li>• Enhanced the Town's defensible space ordinances.</li> <li>• Managed responses to three PG&amp;E Public Safety Power Shutoff events.</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	-	965	11,405	4,415	2,964	2,964
<i>Intergovernmental Revenues</i>	-	-	-	-	-	-
<i>Service Charges</i>	510	60	200	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	7,129	13,565	17,384	25,000	799	500
<b>TOTAL REVENUES</b>	<b>\$ 7,639</b>	<b>\$ 14,590</b>	<b>\$ 28,989</b>	<b>\$ 29,415</b>	<b>\$ 3,763</b>	<b>\$ 3,464</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 678,324	\$ 894,948	\$ 945,000	\$ 1,157,583	\$ 1,065,697	\$ 1,208,383
<i>Operating Expenditures</i>	63,255	83,539	81,929	116,050	85,721	129,050
<i>Grants</i>	-	-	-	-	-	-
<i>Pass Through Accounts</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	83,794	92,274	50,674	67,466	67,230	68,989
<b>TOTAL EXPENDITURES</b>	<b>\$ 825,373</b>	<b>\$ 1,070,761</b>	<b>\$ 1,077,603</b>	<b>\$ 1,341,099</b>	<b>\$ 1,218,648</b>	<b>\$ 1,406,422</b>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Community Character</b>            Preserve and enhance the appearance, character, and environmental quality of the community</p>	<p style="text-align: center;"><b><i>Land Use Policies Review</i></b></p>
	<p>Continue to support the Council Policy Committee in its evaluation of land use and other policies.</p>
	<p style="text-align: center;"><b><i>Business Attraction and Retention</i></b></p>
	<p>Continue to assist businesses to find available locations in Los Gatos and encourage diverse and unique offerings in the downtown. Economic Vitality staff will also continue to identify actions in collaboration with other Town Departments to enhance overall community vitality for Council consideration.</p>
	<p style="text-align: center;"><b><i>Music in the Park</i></b></p>
	<p>Oversee the transition of production of the Music in the Park summer concert series to a new management team.</p>
	<p style="text-align: center;"><b><i>Special Events</i></b></p>
	<p>Continue to work with event organizers to fine tune the Special Events Permit process, providing guidelines and other information to assist events and processing all Special Event Permit applications.</p>
	<p style="text-align: center;"><b><i>General Plan Update</i></b></p>
	<p>Continue to ensure all Departments and Town Commissions are actively engaged in the General Plan Update, foster community involvement, and provide strategic support to the Community Development Department throughout the General Plan Update process.</p>
	<p style="text-align: center;"><b><i>COVID-19 Recovery</i></b></p>
	<p>Leverage the Town organization to ensure an efficient and robust recovery from the impacts of COVID-19.</p>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b>            Ensure responsive, accountable, and collaborative government</p>	<p style="text-align: center;"><b><i>Communication with the Public</i></b></p>
	<p>Enhance the usefulness of the Town's website and social media channels to improve accessibility and transparency of information and services for the public. Continue community budget survey efforts. Work with KCAT-TV to develop and maintain a Town-branded YouTube page for viewing live and archived Town Council and other meetings. Continue the new postcard mailing program to all Los Gatos residents, businesses, and property owners encouraging online engagement with the Town.</p>
	<p style="text-align: center;"><b><i>Town Council Policies</i></b></p>
	<p>Continue to provide support, research, and analysis to the Policy Committee for the review and revision of Town policies regarding a wide range of topics. Continue to lead the inter-departmental Communications Team on the development of a Town Communications Plan and supporting policies and procedures.</p>
	<p style="text-align: center;"><b><i>Town Council Priorities</i></b></p>
	<p>Lead an annual Strategic Priorities session with the Town Council to provide guidance on policy, special projects, and key capital investments to align the work of Town Department and Commissions with current and future budgets.</p>
	<p style="text-align: center;"><b><i>IT</i></b></p>
	<p>Complete migration of eFinance hosted 5.1 finance system to enhance efficiencies and remove dependence on physical server data storage.</p>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b><i>Fiscal Stability</i></b>  Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<p style="text-align: center;"><b><i>Cost Containment</i></b></p>
	<p>Continue to provide oversight on the efforts to identify and implement employee benefit pension and other post-employment benefit costs containment measures to address long-term fiscal structural issues.</p>
	<p style="text-align: center;"><b><i>Fiscal Planning</i></b></p>
	<p>Continue to support the Town Pension and OPEB Trusts Oversight Committee and Finance Committee to develop additional discretionary payment strategies to address long-term pension liabilities.</p>
<p><b><i>Quality Public Infrastructure</i></b>  Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<p style="text-align: center;"><b><i>Financial Information</i></b></p>
	<p>Enhance the description of budget assumptions and graphic representation to better explain the Town's budget and other financial documents, including developing alternate budget scenarios to illustrate the effects of economic assumptions.</p>
	<p style="text-align: center;"><b><i>Property Asset Management</i></b></p>
	<p>Continue to manage the research, analysis, and negotiations regarding the potential sale and/or lease of remaining Town-owned properties.</p>
	<p style="text-align: center;"><b><i>Downtown Parking</i></b></p>
	<p>Support the Police Department in the implementation of the Comprehensive Parking Study.</p>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b><i>Civic Enrichment</i></b>  Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment</p>	<p style="text-align: center;"><b><i>Arts and Culture</i></b>  Support the Arts and Culture Commission's Gateway art project and the Parks and Public Works' Outside the Box Program.</p> <p style="text-align: center;"><b><i>Cultural Partnerships</i></b>  Continue to oversee the ongoing partnerships with the Museums of Los Gatos, the Friends of the Los Gatos Library, Los Gatos-Saratoga Recreation, local school districts, and other organizations.</p> <p style="text-align: center;"><b><i>Age Friendly Goals</i></b>  Support the community and Senior Services Commission in the implementation of the Town's current Age Friendly Goals, identification of additional goals, and adoption of wellness initiatives.</p>
<p><b><i>Public Safety</i></b>  Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<p style="text-align: center;"><b><i>Overall Emergency Preparedness</i></b>  Increase emergency preparedness activities in collaboration with the County Fire Department, County Office of Emergency Management, City of Monte Sereno, and volunteer organizations. Staff and manage a part-time Emergency Services Coordinator position. Work on updating and preparing the Town's Emergency Operations Center for activation when necessary. Enhance the "emergency preparedness" sections of the Town's website.</p> <p style="text-align: center;"><b><i>PG&amp;E Shutoffs</i></b>  Prepare for Summer 2020 PG&amp;E Public Safety Power Shutoff Events and update website information for future events.</p> <p style="text-align: center;"><b><i>COVID-19 Emergency</i></b>  Continue to lead the town's implementation of County Public Health Orders.</p>



**⌘ ADMINISTRATIVE SERVICES ⌘**  
**Town Manager's Office**

**KEY PROGRAM SERVICES**

- Provides staff support to the Mayor and Town Council.
- Provides administrative direction and leadership over Town departments, programs, and services.
- Oversees the Town's organizational and fiscal management efforts and program development and evaluation processes.
- Leads the preparation of the annual Operating and Capital Budgets.
- Oversees and administers the Economic Vitality program.
- Oversees the Town Council agenda process.
- Provides centralized customer service through telephone, counter, and website assistance.
- Provides staff support to the Finance Committee, Policy Committee, and the Community and Senior Services Commission.
- Manages the provision of senior services at the Los Gatos Adult Recreation Center through the long-term lease agreement with LGS Recreation.
- Manages the contracts with NUMU, Friends of the Library, LGS Recreation, and other community organizations.
- Manages the Community Grant process in partnership with the Library Director.
- Oversees and executes Town events, such as Spring into Green, 4<sup>th</sup> of July, and Screen on the Green.
- Processes all Special Event Permits.
- Addresses resident complaints, inquiries, and requests.
- Oversees continuous improvements in Town administrative processes, measurements, and other activities.
- Provides public information and website/social media management.
- Oversees special projects and new initiatives, particularly during policy development stages.
- Monitors and participates in regional activities to represent the Town interests.
- Monitors state and federal legislation.



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**TOWN MANAGER'S OFFICE STAFFING**

**Full Time Equivalents (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Town Manager	1.00	1.00	1.00	1.00	1.00
Assistant Town Manager	1.00	1.00	1.00	1.00	1.00
Administrative Analyst	-	1.00	1.00	1.00	1.00
Deputy Town Clerk	-	-	-	0.25	0.13
Assistant to Town Manager	1.00	-	-	-	-
Executive Asst. to Town Mgr.	0.50	0.50	0.50	0.50	0.50
Administrative Assistant	-	-	-	0.13	0.25
Office Assistant	0.38	0.38	0.38	-	-
Economic Vitality Manager	-	0.30	0.30	0.30	0.30
Economic Vitality Coordinator	0.25	-	-	-	-
Events & Marketing Specialist	-	0.50	0.50	0.50	0.50
<b>Total Manager's Program FTEs</b>	<b>4.13</b>	<b>4.68</b>	<b>4.68</b>	<b>4.68</b>	<b>4.68</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Facility Attendant	50	50	50	50	50
Emergency Management	-	-	-	1,000	1,000
Administrative Analyst	100	100	-	-	-
Intern I	450	450	450	675	675
<b>Total Annual Hours</b>	<b>600</b>	<b>600</b>	<b>500</b>	<b>1,725</b>	<b>1,725</b>



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Oversee the Town Council Agenda process to ensure comprehensive information and analysis is provided to the Town Council in a timely manner.</i>					
a. Percentage of Town Council reports available 120 hours prior to Town Council meetings:*(Prior to FY 2015/16, reports were available 96 hours prior to Town Council meetings)	See Clerk	See Clerk	See Clerk	See Clerk	See Clerk
2. <i>Supplement resources for nonprofit agencies providing human services and art, cultural, and educational programming so that residents may maintain or improve their quality of life.</i>					
a. The average percentage of a grantee's budget that comes from the Town's grant contributions:	6%	10%	2%	2%	2%
3. <i>Foster a comprehensive arts environment in Los Gatos through the support, development, and appreciation of the arts.</i>					
a. Percentage of public art pieces in good to excellent condition:	86%	80%	80%	80%	80%
b. Resident satisfaction with Arts and Cultural opportunities in Los Gatos:	99%	81%	76%	80%	80%
4. <i>Foster business growth and success to provide jobs and enhance economic vitality. Ensure efforts are being made for business attraction, retention, and promotion.</i>					
a. Percentage of businesses satisfied or very satisfied with business assistance received:**	98%	Measure Discontinued	Measure Discontinued	Measure Discontinued	Measure Discontinued



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of Town Council agenda reports processed:*	See Clerk	See Clerk	See Clerk	See Clerk	See Clerk
2. Number of community/customer referrals:	304	414	744	662	700
3. Grant agreements administered:					
a. Number of Human Service grants:	8	8	8	12	10
b. Number of Arts/Cultural/Educational grants:	5	5	5	5	5
c. Number of Special Events grants:**	Data Not Available	Measure Discontinued	Measure Discontinued	Measure Discontinued	Measure Discontinued
d. Dollar amount of Special Event grants:***	Data Not Available	Data Not Available	\$13,513	\$10,000	\$10,000
4. Total dollar amount of General Fund grant agreements administered:	\$119,800	\$124,800	\$136,513	\$142,400	\$150,000
5. Number of Los Gatos residents directly served by Town grant-funded organizations:	27,930	40,000	29,000	30,000	30,000
6. Number of Art in the Council Chambers exhibitions installed and curated:	4	4	4	4	4
7. Number of events, presentations or meetings designed to attract, retain or educate businesses:**	30	Measure Discontinued	Measure Discontinued	Measure Discontinued	Measure Discontinued
8. Number of business, commercial property owners, and industry professionals receiving business liaison services through the Economic Vitality Office: **	315	Measure Discontinued	Measure Discontinued	Measure Discontinued	Measure Discontinued
9. Number of attendees at events and meeting designed to attract, retain and educate businesses, and foster commerce:**	Data Not Available	Data Not Available	Data Not Available	Measure Discontinued	Measure Discontinued
10. Number of businesses receiving general business liaison assistance:	Data Not Available	75	100	85	90
11. Number of businesses receiving direct business support including in person and phone meetings, and interface through OpenCounter:**	Data Not Available	Data Not Available	Data Not Available	Measure Discontinued	Measure Discontinued
12. Commercial Brokers/Property Owner Outreach Communications:	Data Not Available	50	75	65	65

\* This measure was moved to Clerk Department during FY 2015/16.

\*\*Measure discontinued effective FY 19/20.

\*\*\*New measure effective FY 19/20.



**⌘ ADMINISTRATIVE SERVICES ⌘**  
**Town Manager's Office**

**COMMUNITY GRANT PROGRAM**

The Community Grant program is undergoing a significant procedural change in FY2020/21 compared to previous years. Changes include shifting the grant calendar process for applications and awards to earlier in the fiscal year and budgeting the lump sum amounts of all grant expenditures rather than noting each individual grantee at the time of budget adoption. The three expenditure lines that have been added for this fiscal year, "one-time grants," "innovation grants," and "recurring grants," are the lump sum amounts of all smaller grant funds that will be dispersed to grantees after the application and award process is completed. When the FY2020/21 actuals are reported at the close of year, these lump sum amounts will be noted as individual smaller grant amounts to the individual Grantees in order to compare historical budget year trends. The total amount of grant funding budgeted for FY 2020/21 is \$150,000.



**ADMINISTRATIVE SERVICES**  
**Town Manager's Office**

**GRANTS AND ARTS FUNDING SUMMARY**

	2016/17 Actuals	2017/18 Actuals	2018/19 Awarded	2019/20 Awarded	2020/21 Proposed
<b>Grants to Award</b>					
Recurring Grants	-	-	-	-	\$ 70,000
One- time Grants	-	-	-	-	74,000
Innovation Grants	-	-	-	-	6,000
<b>Total Grants to Award</b>					<b>\$ 150,000</b>
<b>Human Services Grants</b>					
Counseling and Support Services for Youth	\$ 15,000	\$ 10,000	\$ 10,000	\$ 20,000	\$ -
LGS Recreation - 55+ Program	-	10,000	15,000	15,000	-
LGS Recreation - Clubhouse Scholarship	-	11,000	9,000	7,000	-
LGS Recreation - Summer Enrichment School Scholarship	-	-	4,000	4,000	-
Live Oak Adult Day Services	13,000	13,000	13,000	13,000	-
Live Oak Sr. Nutrition and Service	28,500	29,000	29,000	35,000	-
Los Gatos Community Concert Association	-	-	-	500	-
Next Door Solutions Dom. Violence	15,000	6,000	3,000	15,000	-
NUMU - Senior Explorer Program	-	-	-	1,000	-
Parents Helping Parents	-	1,000	-	6,000	-
Saratoga Area and Senior Coordinating Council	-	-	-	5,000	-
Support Network	6,000	-	-	-	-
United Way - 211 Funding	2,500	-	-	-	-
West Valley Community Services	20,000	20,000	20,000	30,000	-
West Valley Muslim Association	-	-	-	1,000	-
<b>Total Human Services Grants</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 103,000</b>	<b>\$ 152,500</b>	<b>\$ -</b>
<b>Arts, Cultural &amp; Educational Grants</b>					
Art Docents of Los Gatos	\$ 4,000	\$ 4,000	\$ 4,000	\$ 3,000	\$ -
Cat Walk	-	-	-	-	-
Los Gatos Community Concert	3,800	5,000	5,000	4,000	-
Los Gatos High School New Millennium Foundation - 2019 STEAM	-	-	-	3,000	-
Morning Rotary	-	1,500	-	4,000	-
NUMU - Cataloguing	-	2,800	-	-	-
NUMU - Youth Explorer Program	7,000	6,500	6,500	6,000	-
NUMU - Video Histories with KCAT Project	-	-	3,000	-	-
Veterans M & S F of LG - Veteran's Day Celebration	-	-	1,500	-	-
Youth Science Institute	5,000	-	-	-	-
<b>Total Arts, Cultural &amp; Educational Grants</b>	<b>\$ 19,800</b>	<b>\$ 19,800</b>	<b>\$ 20,000</b>	<b>\$ 20,000</b>	<b>\$ -</b>
<b>Special Events Grants</b>					
Special Events Grants	\$ -	\$ -	\$ 19,000	\$ 10,000	\$ -
<b>Total Special Events Grants</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 19,000</b>	<b>\$ 10,000</b>	<b>\$ -</b>
<b>Total Grant Funding</b>	<b>\$ 119,800</b>	<b>\$ 119,800</b>	<b>\$ 123,000</b>	<b>\$ 172,500</b>	<b>\$ -</b>
<b>Arts Funding</b>					
Arts & Culture Commission	-	5,000	5,000	-	-
Forbes Mill	-	-	-	-	-
<b>Total Arts Funding</b>	<b>\$ -</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Grand Total</b>	<b>\$ 119,800</b>	<b>\$ 124,800</b>	<b>\$ 147,000</b>	<b>\$ 182,500</b>	<b>\$ 150,000</b>







# **Administrative Services**

## **HUMAN RESOURCES PROGRAM 2201**

### **PROGRAM PURPOSE**

The purpose of the Human Resources Program is to attract, develop, and retain a quality workforce to provide high quality Town services. It accomplishes this by providing effective and efficient employee recruitment and retention, professional development, training, organizational development, compensation and classification administration, employee relations support, safety and workers' compensation administration, benefit administration, and policy and procedure development and administration. Employee relations activities emphasize proactive and preventive informal resolution of employee and management concerns. Program staff is responsible for the development of Memoranda of Understanding (MOU's) with the Town's three bargaining units and informal discussions with the Town's management and confidential employees, all subject to Council direction and approval.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 Human Resource's budget is programmed to maintain existing staffing and service levels.

Human Resource staff will continue to assist the organization with filling critical Town-wide positions through effective recruitment and selection methods and will continue to assist Departments with succession planning; retention and training; and restructuring and redesigning jobs for efficiencies as vacancies become available. In addition, Human Resources invested in software focused on the automation of the performance evaluation process, new employee onboarding, and creation of electronic forms to improve efficiencies.



## ADMINISTRATIVE SERVICES

### Human Resources

#### ACCOMPLISHMENTS

Core Goals	Accomplishments
<p style="text-align: center;"><b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government</p>	<ul style="list-style-type: none"> <li>• Successfully recruited and onboarded 32 positions.</li> <li>• Organized a Health and Wellness Fair for employees with various local vendors in attendance offering preventative health screenings, flu shots, healthy snacks, and wellness information.</li> <li>• In compliance with SB 1343, training sessions were conducted related to preventing workplace harassment, discrimination and retaliation, including bullying and bystander segments, for all employees and elected officials.</li> <li>• In collaboration with the Town Attorney, created an administrative policy to capture the new employee paid sick leave and expanded family and medical leave provisions of the Families First Coronavirus Response Act.</li> <li>• Established a fully remote oral board experience using MS Teams to ensure continuation of the recruitment process for vacancies during the shelter-in-place Order.</li> <li>• Received a Talent Action Program Recognition award sponsored by Cal-ICMA in the employee attraction and recruitment category.</li> <li>• Developed Disaster Service Worker (DSW) Procedure.</li> </ul>
<p style="text-align: center;"><b><i>Fiscal Stability</i></b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<ul style="list-style-type: none"> <li>• Conducted the meet and confer process with AFSCME and TEA related to the salary re-opener language in both contracts.</li> <li>• Conducted a competitive request for proposal for the Town's workers' compensation third party administrator (TPA) services and replaced the Town's long-standing TPA with LWP Claims Solutions.</li> <li>• Amended the Town's pension contract with CalPERS to implement the negotiated change of a three percent additional contribution toward the employer's cost by Classic Members in the Police Officer Association.</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Human Resources**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenues</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	15,235	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 15,235</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits*</i>	\$ 379,863	\$ 454,488	\$ 550,744	\$ 601,497	\$ 584,575	\$ 624,666
<i>Operating Expenditures</i>	143,114	141,199	114,411	142,156	131,637	142,156
<i>Grants</i>	-	-	-	-	-	-
<i>Pass Through Accounts</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	29,937	34,867	13,335	18,338	18,336	19,061
<b>TOTAL EXPENDITURES</b>	<b>\$ 552,914</b>	<b>\$ 630,554</b>	<b>\$ 678,490</b>	<b>\$ 761,991</b>	<b>\$ 734,548</b>	<b>\$ 785,883</b>

*\* Personnel previously budgeted in the Workers' Compensation Internal Service Fund are budgeted in the Human Resources Program beginning in FY 2018/19.*



**ADMINISTRATIVE SERVICES**  
**Human Resources**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b> Ensure responsive, accountable and collaborate government</p>	<p style="text-align: center;"><b>Personnel Rules and Regulations</b></p>
	<p>Complete the process to review and update the Town's Personnel Rules and Regulations, which includes: meeting and conferring with employee groups regarding the proposed changes and bringing a recommendation to the Town Council to formally adopt a resolution accepting the revisions.</p>
	<p>Create an Administrative Policy to capture the new California Department of Transportation provisions related to commercial drivers participating in a nationwide clearing house database.</p>
	<p style="text-align: center;"><b>Labor Relations</b></p>
	<p>Meet and confer regarding salary re-opener language related to the POA contract prior to September 30, 2020.</p>
	<p>Initiate and complete the negotiation process of the full labor contracts for the TEA and AFSCME groups prior to June 20, 2021.</p>
	<p style="text-align: center;"><b>Training and Development</b></p>
	<p>Develop and present an internal employee training program related to interview and public presentation skills.</p>
	<p>Continue to identify and make available other training opportunities.</p>
	<p style="text-align: center;"><b>Records Management</b></p>
	<p>Activate the Forms module of the Town's current recruitment platform, NeoGov, to transition all Human Resources related forms to an electronic format allowing for the creation of signature workflows/routing and a seamless upload to employee files as well as automated delivery of executed forms to employees and management.</p>
<p><b>Fiscal Stability</b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<p style="text-align: center;"><b>Recruitment/Onboarding</b></p>
	<p>Implement the Onboarding module of the Town's current recruitment platform, NeoGov, to create efficiencies and consistencies in the hiring of new employees as well as to deliver a welcoming experience.</p>
	<p style="text-align: center;"><b>Succession Planning</b></p>
	<p>Continue to partner with Departments to identify future retirements and create a plan to ensure the transfer of institutional knowledge while simultaneously providing training opportunities to prepare employees for upcoming promotional opportunities.</p>



**⌘ ADMINISTRATIVE SERVICES ⌘**  
**Human Resources**

**KEY PROGRAM SERVICES**

- Provides effective administration and ensures legal compliance of employee relations program.
- Conducts employee training and organizational development assessments.
- Administers, evaluates, and selects competitive employee benefits.
- Works collaboratively with Department managers to facilitate the Town's recruitment and selection programs.
- Administers and refreshes classification and compensation plans.
- Provides information and interpretation regarding Town personnel rules, regulations and procedures, MOUs, administrative policies, and ordinances.
- Partners with the Town Manager's Office and Town Attorney's Office to resolve personnel issues.
- Maintains employee personnel files, records, and documentation.
- Ensures all legislative changes related to the Human Resources program areas (i.e., employment, benefits, training, workers' compensation, and recruitment) are communicated and implemented in a timely manner.
- Manages the workers' compensation program.
- Collaborates with the Parks and Public Works Department to administer the safety and ergonomics programs, including supporting the Town's employee Health and Safety Committee.
- Develops, implements, revises, and maintains administrative policies and procedures to ensure incorporation of legislative and Town-wide changes.
- Serves as advisor to employee recognition program.
- Provides support for Personnel Board activities.
- Participates in the development of multi-agency training programs, such as the Leadership Academy.



**ADMINISTRATIVE SERVICES**  
**Human Resources**

**HUMAN RESOURCES PROGRAM STAFFING**

**Full Time Equivalents (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Town Staff</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Human Resources Director*	0.75	0.75	1.00	1.00	1.00
Administrative Analyst*	0.80	1.30	1.00	1.00	1.00
Human Resources Technician	1.00	1.00	1.00	1.00	1.00
Office Assistant	0.13	-	-	-	-
<b>Total Human Resources FTEs</b>	<b>2.68</b>	<b>3.05</b>	<b>3.00</b>	<b>3.00</b>	<b>3.00</b>

*\*Personnel previously budgeted in Administrative Services Department Internal Service funds are budgeted in the General Fund beginning in FY 2018/19.*



**ADMINISTRATIVE SERVICES**  
**Human Resources**

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>To provide a competitive employee benefit package that contributes to the recruitment and retention of employees.*</i>					
a. Percentage of employees rating benefit program material, products, and services as good to excellent:	95%	94%	96%	98%	98%
b. Percentage of employees rating communication of the benefit program as good to excellent:*	Not Applicable	Not Applicable	Not Applicable	98%	98%
2. <i>To provide effective and efficient professional development, training, and organizational development.</i>					
a. Percentage of employees rating the effectiveness of training classes as good to excellent:	82%	83%	79%	96%	96%
b. Percentage of employee evaluations completed by due date:	90%	90%	Not Applicable	Not Applicable	Not Applicable
c. Percentage of employees who have received a formal evaluation in the last 12 months:*	Not Applicable	Not Applicable	Not Applicable	75%	95%
3. <i>To provide effective and efficient safety programs.</i>					
a. Percentage of employees rating safety programs as good or excellent based on quality, content, and response:	76%	78%	Not Applicable	Not Applicable	Not Applicable
4. <i>To provide effective and efficient employee recruitment services to departments.*</i>					
a. Percentage of hiring managers rating recruitment process timeline as good to excellent:	Not Applicable	Not Applicable	Not Applicable	83%	90%
5. <i>To provide effective and efficient employee relations support.</i>					
a. Percentage of labor agreements ratified prior to expiration of existing contracts:	Not Applicable	100%	100%	Not Applicable	100%
b. Percentage of employees rating the availability and timeliness of HR staff response to inquiries as good to excellent:*	Not Applicable	Not Applicable	Not Applicable	96%	96%



**ADMINISTRATIVE SERVICES**  
**Human Resources**

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of (full-time, part-time, and temporary) employees:	208	165	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
2. Number of recruitments conducted:	26	31	15	33	25
3. Number of employment applications reviewed:	3,100	2,147	2,139	2,540	2,300
4. Number of Workers' Compensation claims filed:	9	8	15	15	10
5. Percentage of eligible employees participating in deferred compensation:	50%	56%	42%	44%	48%
6. Number of sick leave hours used per benefitted employee:	58	52	<i>Not applicable</i>	<i>Not applicable</i>	<i>Not applicable</i>
7. Number of Personnel Action Forms processed:*	<i>Not Applicable</i>	<i>Not Applicable</i>	248	202	230
8. Number of employee promotions:*	<i>Not Applicable</i>	<i>Not Applicable</i>	4	8	8
9. Number of ergonomic evaluations conducted:*	<i>Not Applicable</i>	<i>Not Applicable</i>	24	6	12
10. Number of new employee onboarding sessions conducted (full-time, part-time, and temporary):*	<i>Not Applicable</i>	<i>Not Applicable</i>	21	23	34
11. Number of job classifications revised or created:*	<i>Not Applicable</i>	<i>Not Applicable</i>	2	5	6
12. Vacancy rate:*	<i>Not Applicable</i>	<i>Not Applicable</i>	9%	13%	10%

\*New measure effective FY 20/21



# **Administrative Services**

## **FINANCE PROGRAM 2301**

### **PROGRAM PURPOSE**

The Finance Program assures fiscal accountability to the Council and to the public. The Finance Program's core services are to: provide financial oversight and administer accounting functions for all of the Town's funds and accounts; prepare the Town's Annual Operating and Capital Budgets for fiscal and service accountability; coordinate the annual financial audit and preparation of the Comprehensive Annual Financial Report (CAFR) to verify that proper fiscal practices are maintained; administer the Town's Business License, Accounts Payable, Accounts Receivable, Investing, and Payroll functions; and oversee the Town's Purchasing and Claims Administration functions, ensuring proper practices are in place, and that fiscal and operational responsibility is upheld.

### **BUDGET OVERVIEW**

The Finance Program's FY 2020/21 budget reflects a decrease in business license tax revenue, business license processing fees and interest earnings due to the effect of the international COVID-19 pandemic. The Finance Program continues to monitor business license tax receipts and implement improvements for collections. The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 budget reflects a reclassification of a Payroll Technician to an Administrative Analyst to better align current service deliveries with Town needs.



**ADMINISTRATIVE SERVICES**  
**Finance**

**ACCOMPLISHMENTS**

Core Goals	Accomplishments
<p><b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government</p>	<ul style="list-style-type: none"> <li>• Coordinated the successful development of the FY 2018/19 Comprehensive Annual Financial Report (CAFR) and corresponding financial and compliance audit of the Town of Los Gatos.</li> <li>• Achieved the GFOA's Certificate of Achievement for Excellence in Financial Reporting for the CAFR for the FY 2017/18.</li> <li>• Achieved the GFOA's Distinguished Budget Presentation Award for the FY 2019/20 Operating Budget.</li> <li>• Completed State Controller's "Cities Annual Report" and "Streets Report."</li> </ul>
<p><b><i>Fiscal Stability</i></b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<ul style="list-style-type: none"> <li>• Managed the coordination and on-time preparation of the FY 2020/21 Operating Budget and FY 2020/21-2024/25 Capital Improvement Program for Council consideration.</li> <li>• Managed the Town's investments and prepared quarterly investment reports.</li> <li>• Supported the Successor Agency and its required filings.</li> <li>• Supported the Council Finance Committee and Pension/OPEB Oversight Committee.</li> <li>• Provided ongoing fiscal controls for contracts and other Town expenditures.</li> </ul>



# **ADMINISTRATIVE SERVICES** **Finance**

## **SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ 1,720,980	\$ 1,686,251	\$ 1,526,894	\$ 1,400,000	\$ 1,294,011	\$ 1,300,000
<i>Licenses and Permits</i>	-	-	-	110,000	85,690	90,000
<i>Intergovernmental Revenues</i>	-	-	-	-	-	-
<i>Service Charges</i>	509	930	1,196	-	-	-
<i>Interest</i>	171,653	244,762	1,445,640	629,774	1,271,344	801,961
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 1,893,142</b>	<b>\$ 1,931,943</b>	<b>\$ 2,973,730</b>	<b>\$ 2,139,774</b>	<b>\$ 2,651,045</b>	<b>\$ 2,191,961</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits*</i>	\$ 797,403	\$ 857,806	\$ 988,993	\$ 1,343,403	\$ 1,094,720	\$ 1,348,033
<i>Operating Expenditures</i>	135,057	125,833	125,617	170,200	153,934	170,200
<i>Grants</i>	-	-	-	-	-	-
<i>Pass Through Accounts</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	69,615	66,232	31,296	31,610	30,922	32,604
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,002,075</b>	<b>\$ 1,049,871</b>	<b>\$ 1,145,906</b>	<b>\$ 1,545,213</b>	<b>\$ 1,279,576</b>	<b>\$ 1,550,837</b>

\* Personnel previously budgeted in various Internal Service Funds are budgeted in the Finance Program beginning in FY 2018/19.



**ADMINISTRATIVE SERVICES**  
**Finance**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b> Ensure responsive, accountable, and collaborative government</p>	<p><b><i>Financial System Upgrade</i></b> Identify system parameters and evaluate potential replacement options of the Town's financial/personnel information system to support Town-wide budget-related operations and community needs.</p> <p><b><i>Electronic General Ledger Journal Entry Files</i></b> Continue to scan general ledger journal entry files to store electronically in Laserfiche.</p> <p><b><i>Department Cross Training in Key Functional Areas</i></b> Continue to cross train in key functional areas of the Finance Department with an emphasis on Payroll and Accountant functions.</p>
<p><b>Fiscal Stability</b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community</p>	<p><b><i>Long-Term Budget Development</i></b> Provide support, analysis, and recommendations to restructure and reduce long-term projected increases in employee salary and benefit costs. Explore ways to generate one-time or ongoing funds.</p> <p><b><i>Business License Amnesty Program</i></b> Identify terms and conditions, timeframe, and notify businesses of a potential amnesty program. Provide compliance period in which businesses can pay business license with no penalty.</p> <p><b><i>Town Council Finance Committee</i></b> Further support the Town Finance Committee as it pursues identifying strategies to address the Town's unfunded pension and OPEB liabilities, and identify new revenue sources.</p>



**⌘ ADMINISTRATIVE SERVICES ⌘**  
**Finance**

**KEY PROGRAM SERVICES**

- Develops and monitors the Town's Annual Operating and Capital Budgets in accordance with Governmental Finance Officer Association (GFOA) guidelines. Monitoring includes a Mid-Year Budget Report.
- Coordinates the annual audit of the Town's financial statements and preparation of the Comprehensive Annual Financial Report (CAFR).
- Maintains the Town's financial information system for record-keeping and reporting of all financial transactions.
- Oversees Town's Investment portfolio.
- Manages Other Post-Employment Benefits (OPEB) and Pension Trusts.
- Tracks legacy Redevelopment obligations that must be paid over the remaining life of the debt service.
- Provides Accounts Payable and Payroll disbursement and reporting services; Accounts Receivable invoicing, revenue collection, and cash reconciliation; and Business License Tax processing and auditing services.
- Provides accounting, arbitrage reporting, and claim reimbursement services for bond issues.
- Provides oversight of procurement functions including Purchase Order processing, financial tracking of contracts, vendor resolution issues, and proper accounting allocation.



**ADMINISTRATIVE SERVICES**  
**Finance**

**FINANCE PROGRAM STAFFING**

**Full Time Equivalents (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Finance Director	1.00	1.00	1.00	1.00	1.00
Finance & Budget Manager	1.00	1.00	1.00	1.00	1.00
Accountant/Fin Analyst	1.00	0.99	0.99	1.99	1.99
Payroll Technician*	0.95	0.95	1.00	1.00	-
Administrative Analyst*	0.90	1.80	2.00	2.00	3.00
Account Technician	1.25	0.35	0.35	-	-
<b>Total Finance Services FTEs</b>	<b>6.10</b>	<b>6.09</b>	<b>6.34</b>	<b>6.99</b>	<b>6.99</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff</b>					
Administrative Analyst	626	626	626	-	-
Mail Room Clerk (Library Dept Temps)	250	250	250	250	250
<b>Total Annual Hours</b>	<b>876</b>	<b>876</b>	<b>876</b>	<b>250</b>	<b>250</b>

*\*Personnel previously budgeted in Administrative Services Department Internal Service Funds are budgeted in the General Fund beginning in FY 2018/19.*



## ADMINISTRATIVE SERVICES

### Finance

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Provide oversight of Town investment activities to obtain highest available portfolio earnings in accordance with State and Town Codes.</i>					
a. Average rate of return on investments:	1.25%	1.73%	2.05%	1.75%	1.50%
2. <i>Assure legal and fiscal accountability to the public, in compliance with established accounting standards.</i>					
a. Town Financial Statements receive an 'Unqualified Opinion' from the Town's independent auditor:	Yes	Yes	Yes	Yes	Yes
b. Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Financial Reporting' awarded to the Town:	Yes	Yes	Yes	Yes	Yes
3. <i>Prepare accurate budget forecasts and workplans in compliance with standard budgeting practices.</i>					
a. Governmental Finance Officer Association (GFOA) 'Certificate of Achievement of Excellence in Budgeting' awarded to the Town:	Yes	Yes	Yes	Yes	Yes
4. <i>Provide timely and accurate financial reports within specified deadlines.</i>					
a. Percent of State Controller's annual financial reports completed and filed by deadlines:	100%	100%	100%	100%	100%
b. Percent of County annual financial reports completed and filed by deadlines:	100%	100%	100%	100%	100%
c. Percent of time bank statements reconciled to general ledger within 30 days of month-end:*	60%	80%	80%	90%	100%
d. Percent of quarterly reports completed and submitted to Council by deadlines:	100%	100%	100%	100%	100%
5. <i>Provide financial oversight and administer accounting functions for all Town funds and accounts.</i>					
a. Percentage of Accounts Payable invoices paid accurately:	99%	99%	99%	99%	99%
b. Percentage of Payroll checks paid accurately and on-time:	99%	99%	99%	99%	99%

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Quarterly investment reports to Town Council:	4	4	4	4	4
2. Number of general ledger corrections needed during audit due to processing error:	0	0	0	0	0
3. Annual number of invoices entered into the Accounts Payable system:	7,855	7,643	7,185	6,900	7,000
4. Average number of Accounts Payable checks issued weekly:	68	62	57	62	62
5. Average number of regular and temporary employee payroll checks issued bi-weekly:	186	186	185	186	186
6. Number of Business Licenses issued annually:	4,057	4,468	4,293	4,350	4,350







# **Administrative Services**

## **CLERK ADMINISTRATION PROGRAM 2401**

### **PROGRAM PURPOSE**

The Clerk Administration Program serves the public by providing information and assistance related to Town records; Council actions; Boards, Commissions, and Committees; public meetings; and elections. Currently, core services include maintaining key Town records through the timely indexing of resolutions, ordinances, minutes, rosters, recordings, and agreements. The program is focused on making Town records accessible by adding to the electronic repository of documents. The program's ultimate goal is to have all Town public records accessible to the public through the Town's website. The Clerk Administration Program also recruits individuals to serve on the Town's advisory bodies and assists them with the document filing requirements of the Fair Political Practices Commission. The Clerk Administration Program handles Town-related election activities and coordinates its efforts with the Santa Clara County Registrar of Voters to ensure an efficient election process. The Clerk Administration Program manages the Council agenda packet preparation, posting, and distribution. The Clerk Administration program also provides administrative support to the Town Attorney.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salaries and benefits costs attributed to negotiated salary raises, and higher benefit and CalPERS pension rates. The FY 2020/21 Clerk's budget is programmed to maintain existing staffing and service levels.



**ADMINISTRATIVE SERVICES**  
**Clerk Administration**

**ACCOMPLISHMENTS**

Core Goals	Accomplishments
<p><b><i>Good Governance</i></b>            Ensure responsive, accountable and collaborative government</p>	<ul style="list-style-type: none"> <li>Continued the creation of a Council Member Handbook as part of the Town's continuing efforts to increase efficiency and service to the Town Council.</li> <li>Continued the update of the Retention Schedule and created the required forms for transferring and destroying of records in coordination with the Town Attorney and the Manager's Office.</li> <li>Began using Municode Meetings as the agenda management system for Town Council, Planning Commission, Council Finance Committee, and Council Policy Committee meetings.</li> <li>Began storing Town Council and Planning Commission meeting videos on the Town's branded YouTube page through KCAT.</li> <li>In collaboration with the Town Attorney's Office, administered the Town's role in processing two ballot initiatives for the November 2020 election.</li> <li>Explored remote participation software to support the Town Council and other Town Commissions during the COVID-19 emergency.</li> <li>Administered DocuSign as a more efficient process for contract review and approval.</li> </ul>
<p><b><i>Civic Enrichment</i></b>            Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment</p>	<ul style="list-style-type: none"> <li>Presented an overview of the Clerk Department's role and responsibilities at Leadership Los Gatos, highlighting the Board, Commission, and Committee Commissioner recruitment process.</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Clerk Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenues</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	450	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 283,271	\$ 286,260	\$ 317,056	\$ 397,425	\$ 335,277	\$ 413,136
<i>Operating Expenditures</i>	14,225	18,127	24,843	22,005	21,759	25,855
<i>Grants</i>	-	-	-	-	-	-
<i>Pass Through Accounts</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	18,416	18,589	7,877	19,518	19,386	20,202
<b>TOTAL EXPENDITURES</b>	<b>\$ 315,912</b>	<b>\$ 322,976</b>	<b>\$ 349,776</b>	<b>\$ 438,948</b>	<b>\$ 376,422</b>	<b>\$ 459,193</b>



**ADMINISTRATIVE SERVICES**  
**Clerk Administration**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable and collaborate government	<b>Records Retention</b>
	Continue to implement the Town's Retention Policy, including procedures and schedules.
	<b>Public Engagement</b>
	Celebrate Municipal Clerks Week in May by inviting the public into the Clerk's office for tours and to increase the public's awareness of Municipal Clerks and the vital services they provide for local government and the community.
	Continue to participate in Town events and other opportunities to increase the public's awareness of the vital role of the Clerk Department.
	Continue to participate in Leadership Los Gatos, highlighting the Board, Commission, and Committee Commissioner recruitment process, how to communicate with Council Members, and participate in public meetings.
	<b>Elections</b>
	Administer the Town role for the November 2020 election, including candidate orientation and other tasks.
<b>Quality Public Infrastructure</b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<b>Public Document Accessibility</b>
	Makes various public documents available to the public through the Town's website. All resolutions and ordinances have been added to the repository and the Department is now adding historical minutes so that the public can access documents directly through the Town's website.
	Continue to utilize NetFile to facilitate e-filing for the required Fair Political Practices Commission (FPPC) Form 700 and Campaign Statements. The system allows the public to access the documents directly through the Town website.



**ADMINISTRATIVE SERVICES**  
**Clerk Administration**

**KEY PROGRAM SERVICES**

- Prepares and distributes all Town Council and Council Committee agenda packets.
- Provides public notice of Town Council, Commission, Committee, and Board meetings.
- Coordinates recruitment and appointment process for Town Boards, Commissions, and Committees.
- Accepts and files appropriate documents associated with municipal elections.
- Acts as Filing Official for the Town's Conflict of Interest Code (Form 700) and campaign statements in conformance with the requirements of the Fair Political Practices Commission.
- Preserves and maintains the Town records and legislative history.
- Responds to Public Records Act requests.
- Processes and monitors all Town contracts.

**CLERK ADMINISTRATION STAFFING**

**Full Time Equivalents (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Clerk Administrator	1.00	1.00	1.00	-	-
Town Clerk	-	-	-	1.00	1.00
Deputy Town Clerk	-	-	-	0.63	0.88
Administrative Assistant	-	-	-	0.88	0.63
Office Assistant*	1.25	1.38	1.50	-	-
<b>Total Clerk Admin FTEs</b>	<b>2.25</b>	<b>2.38</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>

*\*Personnel previously budgeted in Administrative Services Department Internal Service Funds are budgeted in the General Fund beginning in FY 2018/19.*

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff</b>					
Intern 1	-	-	-	375	375
<b>Total Annual Hours</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>375</b>	<b>375</b>



## ADMINISTRATIVE SERVICES

### Clerk Administration

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Provide efficient and effective indexing of key documents to ensure adequate tracking of and accessibility to the Town's legislative history.</i>					
a. Percentage of resolutions, agreements, and ordinances indexed within five business days:	99%	99%	99%	99%	99%
b. Percentage of Town Council Minutes prepared within five business days:	99%	99%	99%	99%	99%
2. <i>Oversee the Town Council Agenda process to ensure comprehensive information and analysis is provided to the Town Council in a timely manner.</i>					
a. Percentage of Town Council reports available 120 hours prior to Town Council meetings:*(Prior to FY 2015/16, reports were available 96 hours prior to Town Council meetings)	100%	100%	100%	100%	100%
3. <i>Oversee the Public Records Act requests in a timely and effective manner.</i>					
a. Percentage of Public Records requests received by the Town Clerk's Office that are completed within 10 days.**	95%	95%	95%	95%	95%
4. <i>Percentage of vacancies filled on an annual basis to maximize community participation within the Town's advisory bodies.</i>	95%	95%	95%	95%	95%

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Number of Legislative Records indexed:</i>					
a. Number of resolutions indexed:	70	68	57	60	65
b. Number of agreements indexed:	240	262	242	250	260
c. Number of documents recorded:	52	65	53	50	50
d. Number of ordinances indexed:	5	17	10	30	20
2. <i>Number of commission and board applications and appointments processed:</i>	96	74	73	70	75
3. <i>Number of commission and board seats available:****</i>	87	91	78	78	78
4. <i>Number of Legal Notices published within established timelines:</i>	110	145	159	200	200
5. <i>Number of Fair Political Practices Commission (FPPC) Form 700:</i>	190	164	142	150	150
6. <i>Number of bids processed and project files monitored for final action:</i>	19	7	38	30	20
7. <i>Number of required insurance certificates verified:</i>	381	368	316	320	320
8. <i>Number of Town Council agenda reports processed:*</i>	315	378	213	225	225
9. <i>Number of Public Records Act requests processed:***</i>	135	139	133	140	150

\* This measure moved from Town Manager Office during FY 2015/16.

\*\* New measure effective FY 2014/15.

\*\*\* This measure moved from Town Attorney Office during FY 2015/16.

\*\*\*\*This measure used to read "Number of advisory board seats available". Changed to "commission and board" to align better with the related measure #2.



# **Administrative Services**

## **INFORMATION TECHNOLOGY STAFFING PROGRAM 2502**

### **PROGRAM PURPOSE**

Information Technology (IT) staffing program reflects all salaries and benefits related to IT staffing.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. IT is providing increasingly critical services and support as Town Departments offer online options to supplement in-person service delivery.



**ADMINISTRATIVE SERVICES**  
**Information Technology Staffing**

**ACCOMPLISHMENTS**

Core Goals	Accomplishments
<p><b><i>Good Governance</i></b>            Ensure responsive, accountable, and collaborative government</p>	<p>Completed new, improved, and upgraded systems, including the following:</p> <ul style="list-style-type: none"> <li>• COVID19 remote staffing systems support</li> <li>• Network redesign planning</li> <li>• Wireless network system replacement</li> <li>• Disaster recovery plan inventory</li> <li>• Online mapping upgrades</li> <li>• Security best practices improvements</li> <li>• Electronic form and workflow improvements</li> <li>• PC, laptop, and server replacements</li> <li>• Accela development application system upgrade</li> <li>• Laserfiche document management system upgrade</li> <li>• Internet security upgrades</li> <li>• Internet access provider reliability and performance upgrade</li> <li>• Server operating systems and management systems upgrades</li> <li>• System redundancy during PSPS and other power outage events</li> </ul>



**ADMINISTRATIVE SERVICES**  
**Information Technology Staffing**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenues</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	169,300	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 169,300</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits*</i>	\$ -	\$ 33	\$ 540,044	\$ 576,534	\$ 530,172	\$ 622,280
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Grants</i>	-	-	-	-	-	-
<i>Pass Through Accounts</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	1,660	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 33</b>	<b>\$ 540,044</b>	<b>\$ 578,194</b>	<b>\$ 530,172</b>	<b>\$ 622,280</b>

\* Personnel previously budgeted in Information Technology Internal Service Fund are budgeted in the Information Technology Staffing Program beginning in FY 2018/19.



**ADMINISTRATIVE SERVICES**  
**Information Technology Staffing**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Community Character</i></b> Preserve and enhance the appearance, character, and environment quality of the community	<b><i>Development of IT Master Plan Projects</i></b> Continue to implement selected projects in the current IT master plan to enhance productivity, including e-government improvements.
<b><i>Good Governance</i></b> Ensure responsive, accountable, and collaborative government	<b><i>Equipment Replacement</i></b> Replace certain firewalls, switches, routers, servers, computers, notebooks, and monitors, as part of the replacement program.
<b><i>Fiscal Stability</i></b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	<b><i>Electronic Document Management System</i></b> Expand electronic document management in Finance, Human Resources, Parks and Public Works, and other Departments to increase efficiency of record retrieval.  <b><i>Update IT Master Plan</i></b> Complete an updated Master Plan to guide the Town's strategic investments in technology to improve Town service delivery, transparency, efficiency, and government access.
<b><i>Quality Public Infrastructure</i></b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<b><i>Disaster Recovery</i></b> Expand cloud backup of servers to aid in disaster recovery. Improve internet connection reliability and redundancy.  <b><i>Network Redesign</i></b> Replace network components and redesign for added redundancy, performance, and next generation security.
<b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment	<b><i>Online Services Improvements</i></b> Support Town Departments with exploring and implementing the transition of services to online formats, when appropriate and consistent with the Council's Strategic Priorities, in order to improve access and efficiency for the public.



**ADMINISTRATIVE SERVICES**  
**Information Technology Staffing**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Public Safety</b> Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness	<b>Police Support Technology</b> Assist with maintenance of Police IT systems and upgrades.

**KEY PROGRAM SERVICES**

- Performs maintenance and upgrades of administrative network system (servers, PCs, notebooks, printers, hardware, and software).
- Makes Town-wide IT replacement program purchases.
- Provides customer technical support.
- Completes research and planning for new technology solutions.

**INFORMATION TECHNOLOGY STAFFING**

**Full Time Equivalent (FTE)**

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>Town Staff</b>					
IT Manager*	-	-	1.00	1.00	1.00
Network Administrator*	-	-	1.00	-	-
IT Systems Administrator	-	-	-	1.00	1.00
IT Analyst	-	-	1.00	-	-
IT Technician*	-	-	1.00	1.00	1.00
<b>Total IT FTEs</b>	-	-	<b>4.00</b>	<b>3.00</b>	<b>3.00</b>

*\*Personnel previously budgeted in Information Technology Internal Service fund are budgeted in the Information Technology Staffing General Fund program beginning in FY 2018/19.*



**ADMINISTRATIVE SERVICES**  
**Information Technology Staffing**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Support the delivery of services to all the Town's customers through the use of SMART technology (Sensible, Multi-modal, Accessible, Responsive, and Time phased technology).</i>					
a. Percentage of time service requests are resolved within established guidelines:	87%	85%	80%	96%	98%
b. Percentage of network availability during normal business hours:	99%	99%	99%	99%	99%
c. Percentage of customers rating support as "good" or "excellent" based on timeliness:	98%	97%	98%	96%	98%
d. Percentage of customers rating support as "good" or "excellent" based on quality of service:	96%	96%	97%	96%	98%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of PCs/Notebooks maintained:	238	238	275	277	281
2. Number of network servers maintained:	73	77	78	80	82
3. Number of network printers maintained:	33	33	45	45	45
4. Number of service requests received:	3,040	4,020	3,080	3,000	3,000



# **Administrative Services**

## **NON-DEPARTMENTAL PROGRAM PROGRAM 1201**

### **PROGRAM PURPOSE**

Appropriated funds are provided in the Non-Departmental Program to account for a variety of Town services and activities not specifically attributable to individual Departments. Tax revenues, license and permit fees, and intergovernmental revenues are generated as a result of overall government operations. Non-Departmental employee and retiree expenditures, Town-wide organizational costs, Town memberships, and joint-agency service agreements benefiting the entire Town are also contained in the Non-Departmental Program.

### **BUDGET OVERVIEW**

The majority of revenues which support Town wide services are accounted for in this program. For FY 2020/21, revenues captured in Non-Departmental reflect changes in Property Tax, Transient Occupancy Tax, Franchise Fees Licenses and Permits, and Charges for Services due to the forecasted economic impact of the COVID-19 pandemic and the mandated Public Health Orders. These revenue modifications are informed by the Town's sales tax consultant, MuniServices, the County Tax Assessor, communications with Los Gatos hoteliers, and other sources. These estimates are conservative, assuming a COVID-19 impact scenario.

The Town of Los Gatos provides a defined benefit pension plan for all full-time employees and some part time benefitted employees as part of their total compensation package. Defined benefit plans provide a fixed, pre-established benefit payment for employees in retirement based on a formula which takes into account an employee's year of service and highest average annual salary. The defined benefit pension has been a standard part of compensation in governmental organizations and in Los Gatos is in lieu of participating in Social Security, except for the required Medicare rate of 1.45% of all wages.



## **ADMINISTRATIVE SERVICES**

### **Non-Departmental**

The Town's pension plans are administered by the Board of Administration of the California Public Employees' Retirement System (CalPERS). The Board of Administration is responsible for the management and control of CalPERS. In addition, the Board has exclusive control of the administration and investment of funds.

The Town's pension plans over the past several decades, like all other CalPERS participants, have experience unfavorable investment returns, changes in actuarial assumptions, and unfavorable demographic shifts which have outweighed any positive plan experiences, resulting in increasing employer contributions. The CalPERS rates for FY 2020/21 are either 63.67% or 15.94% for public safety employees, depending on date of entrance into CalPERS, and 34.23% for miscellaneous employees.

The Town also provides a healthcare benefit for all eligible employees. The healthcare plan pays all, or a portion of, health insurance premiums for qualified retirees and their survivors and dependents. The Town's healthcare plan is an Internal Revenue Code Section 115 Trust which is administered by the Town Pension and OPEB Trusts Oversight Committee.

Photocopy and printer equipment, postage, and bulk mail expenditures are now centrally funded through the Non-Departmental Program, and subsequently charged back to the appropriate Department for services and materials utilized on a monthly basis. The Town maintains approximately 45 printers and copiers. The lease and maintenance service includes toner and repairs for all copiers and printers and the Non-Departmental Program pays for copy paper for use on the printers and copiers.

The Non-Departmental Program includes the following:

- \$4,622,500 payment toward unfunded pension liability.
- \$1,268,000 for the cost of covering the Town's portion of retiree medical insurance premiums. The Town has paid for this expenditure since the Town became a member of the CalPERS medical plan as it is part of the CalPERS agreement.
- \$1,232,025 for the lease payment on the Town's Library building as pledged under the 2010 Certificates of Participation. This payment is offset by a reimbursement from the Successor Agency to the Los Gatos Redevelopment Agency, with a result of no net impact on the Town's General Fund budget.
- \$676,479 for the lease payment on the Town's Corporation Yard property as pledged under the 2002 Certificates of Participation. This payment is offset by a reimbursement from the Successor Agency to the Los Gatos Redevelopment Agency, with a result of no net impact on the Town's General Fund budget.



## **ADMINISTRATIVE SERVICES**

### **Non-Departmental**

- \$591,000 for the actuarially-required contribution for post-retirement benefit and pension obligations. The Governmental Accounting Standards Board Statement No. 45 (GASB 45) requires that the Town accrue an annual expenditure on its financial statements for the cost of providing post-retirement health care costs.
- \$240,000 for animal control services provided by the City of San Jose. The Town entered into a 20-year agreement with the City of San Jose effective July 1, 2004.
- \$185,000 for Santa Clara County Election services, including for town Council seats and the two citizen initiatives. The cost of the initiatives are \$108,000.
- \$139,900 for Santa Clara County's Tax Administration fee for collecting and processing of the Town's assorted tax receipts.
- \$100,000 for the Town Manager's Contingency and Productivity Funds to address unforeseen situations or opportunities that may arise during the fiscal year.
- \$70,000 for special studies as needed.
- \$60,000 for the Los Gatos Chamber of Commerce contract to provide support for the Chamber's information center and co-facilitation of the Leadership Los Gatos program.
- \$55,000 for the KCAT for public meetings' broadcasting and video streaming services.
- \$20,000 for a Town Council Contingency Fund for the Council to address unique issues that may arise during the fiscal year.
- \$15,000 for employee health and wellness program.
- \$15,000 for employee commuter benefits program.
- \$10,000 for organizational development and training to address needs of the Town organization when opportunities arise.

The Non-Departmental program budget also reflects a transfer of \$3.4 million from the General Fund Capital and Special Projects Reserve to the General Fund Appropriated Reserves (GFAR) to support the Capital Improvement Program (CIP). The transfer supports capital projects as outlined in the proposed Capital Improvement Program.



# ADMINISTRATIVE SERVICES

## Non-Departmental

### SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Property Tax	\$ 11,518,257	\$ 12,510,822	\$ 13,636,099	\$ 14,174,700	\$ 13,860,986	\$ 14,678,319
VLF Backfill Property Tax	3,237,955	3,447,584	3,685,247	3,795,800	3,895,800	3,973,720
Sales & Use Tax	9,171,373	7,592,206	8,158,152	8,001,917	8,104,256	7,987,247
Franchise Fees	2,366,908	2,474,814	2,475,916	2,458,520	2,458,520	2,532,289
Other Taxes	-	-	-	-	-	-
Transient Occupancy Tax	2,322,910	2,628,927	2,692,043	2,848,730	1,874,052	2,287,671
Licenses & Permits	3,655	-	8,100	-	-	-
Intergovernmental Revenues	20,169	24,237	24,950	9,350	9,350	9,350
Lease Payments	1,923,303	1,914,739	1,909,073	1,905,024	1,905,024	1,908,494
Charges for Services	138,454	110,785	123,562	134,452	115,250	138,952
Fines & Forfeitures	-	-	-	-	-	-
Interest	-	-	-	-	-	-
Other Sources	1,978,162	514,713	3,997,192	160,036	1,364,473	160,036
<b>TOTAL REVENUES</b>	<b>\$ 32,681,146</b>	<b>\$ 31,218,827</b>	<b>\$ 36,710,334</b>	<b>\$ 33,488,529</b>	<b>\$ 33,587,711</b>	<b>\$ 33,676,078</b>
<b>TRANSFERS IN</b>						
Transfer from Blackwell Dst	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460	\$ 460
Transfer from Kennedy Meadow Dst	1,510	1,510	1,510	1,510	1,510	1,510
Transfer from Gemini Court Dst	610	610	610	610	610	610
Transfer from Santa Rosa Dst	660	660	660	660	660	660
Transfer from Vasona Heights Dst	1,430	1,430	1,430	1,430	1,430	1,430
Transfer from Hillbrook Dst	250	250	250	250	250	250
Transfer from Capital Project Funds	102,000	102,000	102,000	102,000	102,000	102,000
Transfer from Traffic Mitigations	3,097	10,000	-	10,000	10,000	10,000
Transfer from Gas Tax	106,000	106,000	106,000	106,000	106,000	106,000
Transfer from Equipment Maintenance	-	-	774,991	-	-	-
Transfer from Stores	-	-	265,384	-	-	-
Transfer from SA	-	6,300	-	-	-	-
<b>TOTAL TRANSFERS IN</b>	<b>\$ 216,017</b>	<b>\$ 229,220</b>	<b>\$ 1,253,295</b>	<b>\$ 222,920</b>	<b>\$ 222,920</b>	<b>\$ 222,920</b>
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>\$ 32,897,163</b>	<b>\$ 31,448,047</b>	<b>\$ 37,963,629</b>	<b>\$ 33,711,449</b>	<b>\$ 33,810,631</b>	<b>\$ 33,898,998</b>
<b>EXPENDITURES</b>						
Salaries and Benefits	\$ 497,408	\$ 402,057	\$ 125,416	\$ 50,000	\$ 3,572	\$ -
Operating Expenditures	4,381,239	4,643,978	6,661,978	3,762,500	3,489,687	7,723,168
Charges for Services	5,493	-	-	755	755	5,500
Debt Service	1,923,303	1,914,739	1,909,073	1,905,024	1,905,024	1,908,494
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,869,047</b>	<b>\$ 7,024,195</b>	<b>\$ 8,784,833</b>	<b>\$ 5,778,279</b>	<b>\$ 5,479,038</b>	<b>\$ 9,712,162</b>
<b>TRANSFERS OUT</b>						
Transfers to GFAR	\$ 7,298,187	\$ 2,638,224	\$ 2,335,220	\$ 6,681,884	\$ 6,982,591	\$ 3,401,479
Transfers to Pollution Prevention	-	-	-	10,000	10,000	-
Transfer to Equipment Replacement	-	300,000	450,000	-	-	-
Transfer to Facilities	-	300,000	-	-	-	-
Transfer to Workers' Comp	-	-	-	1,061,256	1,232,654	-
Transfer to IT fund	-	5,371	-	-	-	-
<b>TOTAL TRANSFERS OUT</b>	<b>\$ 7,298,187</b>	<b>\$ 3,243,595</b>	<b>\$ 2,785,220</b>	<b>\$ 7,753,140</b>	<b>\$ 8,225,245</b>	<b>\$ 3,401,479</b>
<b>TOTAL EXPEND'S &amp; TRANSFERS</b>	<b>\$ 14,167,234</b>	<b>\$ 10,267,790</b>	<b>\$ 11,570,053</b>	<b>\$ 13,531,419</b>	<b>\$ 13,704,283</b>	<b>\$ 13,113,641</b>



**ADMINISTRATIVE SERVICES**  
**Non-Departmental**

**NON-DEPARTMENTAL STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Community Outreach Coordinator	1.00	-	-	-	-
<b>Total Non-Departmental FTEs</b>	<b>1.00</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>







# **Administrative Services**

## **INFORMATION TECHNOLOGY FUND FUND 621**

### **FUND PURPOSE**

Information Technology Services (IT) supports the delivery of services to all the Town's employees and customers through the use of SMART technology (Sensible, Multi-modal, Accessible, Responsive, and Time-phased Technology). Key services include the maintenance, replacement, and upgrade of existing technology and the support for new information technology initiatives.

In meeting the Town organization's information technology needs, the IT Program strives to achieve the following goals:

- Enhance and improve customer service
- Maintain and enhance a sound, secure, and reliable IT infrastructure
- Use information technology to provide seamless and more efficient services
- Operate as a team to achieve information technology goals

### **BUDGET OVERVIEW**

The FY 2020/21 budget for IT recognizes the continued need to identify and invest in information technology opportunities. Continued investment is a cost-effective approach to maintain or potentially improve service delivery levels in a fiscally prudent manner. In addition, IT has assisted behind-the-scenes in implementing new software to improve the processing of contracts, records retention, and related back office work. These efforts result in increased costs of licensing fees and other support.

The IT Program receives revenues through charges to General Fund and Special Revenue Departmental programs based on service and equipment replacement costs. Service rates are adjusted to build fund balance capacity for future technology projects.



**ADMINISTRATIVE SERVICES**  
**Information Technology Fund**

IT program expenses are budgeted to increase for FY 2020/21 due to the scheduled replacements.

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	2,888,452	2,251,332	2,156,438	2,513,097	2,513,097	2,531,053
Total Beginning Fund Balance	2,888,452	2,251,332	2,156,438	2,513,097	2,513,097	2,531,053
Revenues						
<i>Service Charge</i>	981,378	1,016,399	295,330	769,223	766,534	827,219
<i>Other Revenues</i>	128,984	156,056	928,411	90,000	113,652	90,000
Total Revenues	<u>1,110,362</u>	<u>1,172,455</u>	<u>1,223,741</u>	<u>859,223</u>	<u>880,186</u>	<u>917,219</u>
<b>TRANSFERS IN</b>						
<i>From General Fund</i>	-	5,371	-	-	-	-
<b>TOTAL TRANSFERS IN</b>	<u>-</u>	<u>5,371</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<u>1,110,362</u>	<u>1,177,826</u>	<u>1,223,741</u>	<u>859,223</u>	<u>880,186</u>	<u>917,219</u>
<b>TOTAL SOURCE OF FUNDS</b>	<u>\$ 3,998,814</u>	<u>\$ 3,423,787</u>	<u>\$ 3,380,179</u>	<u>\$ 3,372,320</u>	<u>\$ 3,393,283</u>	<u>\$ 3,448,272</u>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits*</i>	\$ 1,195,735	\$ 581,371	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	551,694	685,978	567,082	955,575	862,230	1,020,075
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	53	-	-	-	-	-
Total Expenditures	<u>1,747,482</u>	<u>1,267,349</u>	<u>567,082</u>	<u>955,575</u>	<u>862,230</u>	<u>1,020,075</u>
Transfers Out						
<i>Transfer to General</i>	-	-	-	-	-	37,800
<i>Transfer to Equipment Replacement</i>	-	-	-	-	-	-
<i>Transfer to GFAR</i>	-	-	300,000	-	-	-
Total Transfers Out	<u>-</u>	<u>-</u>	<u>300,000</u>	<u>-</u>	<u>-</u>	<u>37,800</u>
Total Expenditures & Transfers Out	<u>1,747,482</u>	<u>1,267,349</u>	<u>867,082</u>	<u>955,575</u>	<u>862,230</u>	<u>\$ 1,057,875</u>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	2,251,332	2,156,438	2,513,097	2,416,745	2,531,053	2,390,397
Total Ending Fund Balance	<u>2,251,332</u>	<u>2,156,438</u>	<u>2,513,097</u>	<u>2,416,745</u>	<u>2,531,053</u>	<u>2,390,397</u>
<b>TOTAL USE OF FUNDS</b>	<u>\$ 3,998,814</u>	<u>\$ 3,423,787</u>	<u>\$ 3,080,179</u>	<u>\$ 3,372,320</u>	<u>\$ 3,393,283</u>	<u>\$ 3,410,472</u>

\* Personnel are budgeted in the Information Technology Staffing Program beginning in FY 2018/19.



**ADMINISTRATIVE SERVICES**  
**Information Technology Fund**

**INFORMATION TECHNOLOGY FUND STAFFING**

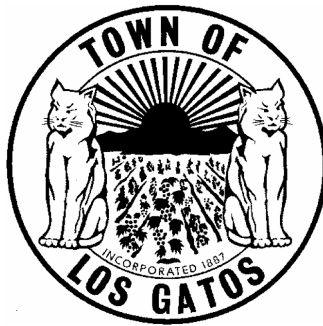
**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
IT Manager*	1.00	1.00	-	-	-
Network Administrator*	1.00	1.00	-	-	-
IT Technician*	1.00	1.00	-	-	-
Communications Coordinator	-	-	-	-	-
Office Assistant*	0.13	0.13	-	-	-
<b>Total IT FTEs</b>	<b>3.13</b>	<b>3.13</b>	-	-	-

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
IT Technician temp/hourly	720	720	-	-	-
<b>Total Annual Hours</b>	<b>720</b>	<b>720</b>	-	-	-

*\*Personnel previously budgeted in Information Technology Internal Service fund are budgeted in the Information Technology Staffing General Fund program beginning in FY 2018/19.*







# **Administrative Services**

## **WORKERS' COMPENSATION FUND FUND 612**

### **FUND PURPOSE**

The Town's Workers' Compensation Program provides for anticipated liabilities for worker compensation benefits. The Town self-insures for benefits provided to Town employees and volunteers for work-related injuries up to \$250,000, and has excess insurance coverage for claims up to \$25 million. The Town belongs to the Local Agency Workers' Compensation Excess (LAWCX) Joint Powers Authority for the purpose of pooling for this excess insurance. A third party administrator, LWP Claims Solutions, coordinates the Town's day-to-day workers' compensation claims administration.

### **BUDGET OVERVIEW**

Revenues to fund this program are derived as a percentage of salary each payroll period. Each Department pays a portion of the program's cost based on gross wages and level of risk for the various job classifications within the Department. The annual appropriation to this fund represents the self-insurance premiums paid by the operating Departments. Service rates are established which maintain fund balance capacity at approximately two and one-half times the annual operating expenditures. Any excess funds are returned through reduced rates and fund balance transfers as needed.

Program costs covered in the internal rates include administration fees, claim settlement costs, attorney fees (outside counsel), medical expenses, payment for temporary and permanent disability, safety program administration and training, and excess insurance premiums. The budget for workers' compensation is based on actual payroll in the same manner as prior years. In Fiscal Year 2015/16 staff increased rates by 1.5% to begin restoring fund balance which has significantly declined in the last few years due to several on the job-related injuries.



**ADMINISTRATIVE SERVICES**  
**Workers' Compensation Fund**

Staff is not anticipating to further increase the rate this Fiscal Year.

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	1,213,324	902,308	620,726	843,079	843,079	1,244,531
Total Beginning Fund Balance	1,213,324	902,308	620,726	843,079	843,079	1,244,531
Revenues						
<i>Service Charge</i>	868,527	884,190	875,419	1,026,229	894,339	1,000,906
<i>Interest</i>	8	5	8	-	-	-
<i>Other Revenues</i>	157,820	250,945	617,554	-	288,304	185,000
Total Revenues	1,026,355	1,135,140	1,492,981	1,026,229	1,182,643	1,185,906
<b>TRANSFERS IN</b>						
<i>From General Fund</i>	-	-	-	1,061,256	1,232,654	-
<b>TOTAL TRANSFERS IN</b>	-	-	-	<b>1,061,256</b>	<b>1,232,654</b>	-
<b>TOTAL REVENUES &amp; TRANSFERS</b>	<b>1,026,355</b>	<b>1,135,140</b>	<b>1,492,981</b>	<b>2,087,485</b>	<b>2,415,297</b>	<b>\$ 1,185,906</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 2,239,679</b>	<b>\$ 2,037,448</b>	<b>\$ 2,113,707</b>	<b>\$ 2,930,564</b>	<b>\$ 3,258,376</b>	<b>\$ 2,430,437</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits*</i>	\$ 278,539	\$ 137,014	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	1,058,832	1,279,708	1,270,628	1,657,210	2,013,845	1,775,300
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	1,337,371	1,416,722	1,270,628	1,657,210	2,013,845	1,775,300
Transfers Out						
<i>Transfer to Grant Funds</i>	-	-	-	-	-	-
<i>Transfer to General Fund</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	1,337,371	1,416,722	1,270,628	1,657,210	2,013,845	1,775,300
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	902,308	620,726	843,079	1,273,354	1,244,531	655,137
Total Ending Fund Balance	902,308	620,726	843,079	1,273,354	1,244,531	655,137
<b>TOTAL USE OF FUNDS</b>	<b>\$ 2,239,679</b>	<b>\$ 2,037,448</b>	<b>\$ 2,113,707</b>	<b>\$ 2,930,564</b>	<b>\$ 3,258,376</b>	<b>\$ 2,430,437</b>

\* Personnel are budgeted in the Human Resources Program beginning in FY 2018/19.



**ADMINISTRATIVE SERVICES**  
**Workers' Compensation Fund**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b>Good Governance</b> Ensure responsive, accountable, and collaborative government	<b>Accident Reviews</b>
	Coordinate with the Safety Committee to assist in accident review and help develop action plans to prevent future injuries on an on-going basis and reduce or eliminate exposure.
	<b>Cal-OSHA Safety Compliance Programs</b>
	Monitor work activities to identify and ensure compliance with safety programs that are mandated by Cal OSHA and oversee the setting of priorities and training as required.

**KEY PROGRAM SERVICES**

- Coordinates the Town's Workers' Compensation Program with a contract administration firm.
- Administers and/or coordinates work safety programs.
- Promotes safe work practices and employee wellness.
- Provides timely reporting of employee injury reports.
- Provides information to employees regarding workers' compensation reporting.
- Minimizes the Town's exposure to losses as a result of employee accidents or illnesses.

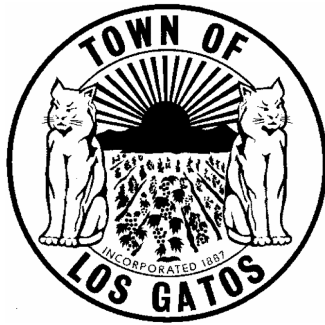
**WORKERS' COMPENSATION FUND STAFFING**

**Full Time Equivalent (FTE)**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b>Town Staff</b>					
Human Resources Director*	0.25	0.25	-	-	-
Town Attorney*	0.05	0.05	-	-	-
Payroll Technician*	0.05	0.05	-	-	-
Administrative Analyst*	0.20	0.20	-	-	-
<b>Total Workers Compensation FTEs</b>	<b>0.55</b>	<b>0.55</b>	<b>-</b>	<b>-</b>	<b>-</b>

\*Personnel previously budgeted in Administrative Services Department Internal Service funds are budgeted in the General Fund beginning in FY 2018/19.







# **Administrative Services**

## **OFFICE STORES FUND FUND 622**

### **FUND PURPOSE**

The Town closed the Office Stores Fund at the end of FY 2018/19. Residual fund balance was added to the General Fund Assigned Reserve. Town Council programmed the residual balance toward the Downtown Revitalization capital project.



**ADMINISTRATIVE SERVICES**  
**Office Stores Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	183,127	200,437	227,791	-	-	-
Total Beginning Fund Balance	183,127	200,437	227,791	-	-	-
Revenues						
<i>Service Charge</i>	125,377	122,247	124,574	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	5,143	5,539	17,364	-	-	-
Total Revenues	130,520	127,786	141,938	-	-	-
Transfers In						
<i>Equipment Replacement Fund</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	130,520	127,786	141,938	-	-	-
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 313,647</b>	<b>\$ 328,223</b>	<b>\$ 369,729</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	113,210	100,432	104,345	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	113,210	100,432	104,345	-	-	-
Transfers Out						
<i>Transfer to General Fund</i>	-	-	265,384	-	-	-
Total Transfers Out	-	-	265,384	-	-	-
Total Expenditures & Transfers Out	113,210	100,432	369,729	-	-	-
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	200,437	227,791	-	-	-	-
Total Ending Fund Balance	200,437	227,791	-	-	-	-
<b>TOTAL USE OF FUNDS</b>	<b>\$ 313,647</b>	<b>\$ 328,223</b>	<b>\$ 104,345</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





## ***Community Development***



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# Community Development Department

## DEPARTMENT PURPOSE

The Community Development Department works with elected and appointed officials, other Departments, and the community to guide the physical growth, development, and preservation of the Town. It accomplishes this by providing current and advanced planning, affordable housing, code compliance, building plan check, building inspection, and other land use services. The community assists the Department's efforts through participation on the Planning Commission, Historic Preservation Committee, Conceptual Development Advisory Committee, Building Board of Appeals, General Plan Committee, and related subcommittees, all of which are supported by Department staff. The Department also manages the Town's Affordable Housing Program and supports the Town's Economic Vitality Program.

## BUDGET OVERVIEW

The Community Development Department will continue to work on a large number of advanced planning efforts and development review applications in FY 2020/21. The complexity and scope of these projects are significant and require that the Town Council set priorities annually through review of the Council's Strategic Priorities as new issues arise. The Department also supports the Council Policy Committee as it reviews and considers updates to the Town's land use policies in 2020 and 2021.

In keeping with the Town's financial policies, the Department's development related services are supported by fees based on the costs of providing the services. On a regular basis, the Town analyzes the actual costs associated with development services to ensure that development fees achieve the goal of recovering the costs to provide the services. Anticipated revenues resulting from the adopted fee schedule are reflected in the budget. The anticipated revenues are expected to stay consistent with the previous year and are expected to provide full cost recovery for building inspection, plan check services, and planning services. Limited funding is provided through the General Fund and General Plan Fund to cover the costs associated with special advanced planning projects that are unrelated to the development services provided by the Department. Established fee rates include Department-wide development support services. Consequently, actual cost recovery is to be viewed from a Department perspective, not on a program-by-program basis.



## COMMUNITY DEVELOPMENT DEPARTMENT

For FY 2020/21, total Department budgeted revenues are projected to trend slightly lower due to an expected slight reduction in permit activity. The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. Budgeted salary and benefit expenditures include an additional .125 increase for the part-time Associate Planner and an additional 260-hour increase for the part time Code Compliance Officer position being continued for another year in FY 2020/21 with one-time funding.

The Community Development Department budget consists of the following programs: Administration, Development Review, Advanced Planning, Building and Inspection Services, Code Compliance, Below Market Price (BMP) Housing Program, and Pass-Through accounts.



COMMUNITY DEVELOPMENT DEPARTMENT

ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b>Community Character</b> Preserve and enhance the appearance, character, and environmental quality of the community</p>	<ul style="list-style-type: none"> <li>• Evaluated all Building and Planning applications to ensure compliance with adopted policy documents, Town Code, and Building Code.</li> <li>• Completed environmental review for applicable projects.</li> <li>• Participated in the West Valley Clean Water Program.</li> <li>• Continued the general plan update process.</li> <li>• Town Council has adopted, town code amendments for: <ul style="list-style-type: none"> <li>○ Hillside Fencing;</li> <li>○ Parking lot, valet parking, parking assessment district, demolition regulations;</li> <li>○ Land use appeals process;</li> <li>○ Land use and economic vitality streamlining;</li> <li>○ ADUS; and</li> <li>○ Family daycare homes.</li> </ul> </li> <li>• By the end of FY 2020/21, the Town Council is expected to have considered amendments for: <ul style="list-style-type: none"> <li>○ Used car sales; and</li> <li>○ BMPs.</li> </ul> </li> </ul>
<p><b>Good Governance</b> Ensure responsive, accountable, and collaborative government</p>	<ul style="list-style-type: none"> <li>• Continued to review land use policies with the Council Policy Committee.</li> <li>• Completed Building and Planning application reviews within published timelines.</li> <li>• Scheduled building inspections within one business day to meet construction timelines.</li> <li>• Contacted reporting parties for Code Compliance cases within published timelines.</li> <li>• Updated Building and Planning information forms and handouts.</li> <li>• Review of North 40 Phase 1 building permits.</li> </ul>



## COMMUNITY DEVELOPMENT DEPARTMENT

### DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>REVENUES</b>						
<i>Licenses and Permits</i>	\$ 2,261,235	\$ 2,050,622	\$ 2,108,593	\$ 2,475,000	\$ 2,265,834	\$ 2,216,000
<i>Intergovernmental Revenue</i>	-	-	36,225	95,200	15,000	67,500
<i>Service Charge</i>	1,537,668	1,403,967	1,979,479	2,393,343	1,675,929	1,990,285
<i>Fines &amp; Forfeitures</i>	5,225	4,800	60,158	4,000	15,200	5,000
<i>Other Revenues</i>	(468)	375,656	19,155	-	960	10,000
<b>TOTAL REVENUES</b>	<b>\$ 3,803,660</b>	<b>\$ 3,835,045</b>	<b>\$ 4,203,610</b>	<b>\$ 4,967,543</b>	<b>\$ 3,972,923</b>	<b>\$ 4,288,785</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 2,567,589	\$ 2,846,578	\$ 3,144,895	\$ 3,679,531	\$ 3,228,387	\$ 3,816,141
<i>Operating Expenditures</i>	961,441	1,054,874	1,272,394	1,910,621	1,164,364	1,526,894
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	264,901	290,711	160,206	169,948	168,873	173,995
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,793,931</b>	<b>\$ 4,192,163</b>	<b>\$ 4,577,495</b>	<b>\$ 5,760,100</b>	<b>\$ 4,561,624</b>	<b>\$ 5,517,030</b>

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>PROGRAM</b>						
<i>Administration</i>	\$ 221,508	\$ 222,614	\$ 210,791	\$ 303,002	\$ 253,803	\$ 330,196
<i>Development Review</i>	1,135,513	1,258,291	1,329,381	1,528,945	1,323,785	1,580,428
<i>Advanced Planning</i>	314,024	336,023	766,110	1,463,555	616,070	1,091,310
<i>Inspection Services</i>	1,132,888	1,290,433	1,316,494	1,473,613	1,325,123	1,493,076
<i>Code Compliance</i>	206,572	209,720	255,324	275,442	246,975	299,679
<i>BMP Housing Program</i>	195,991	190,833	144,713	183,043	197,468	189,841
<i>Pass Thru Accounts</i>	587,435	684,249	554,682	532,500	598,400	532,500
<b>TOTAL EXPENDITURES</b>	<b>\$ 3,793,931</b>	<b>\$ 4,192,163</b>	<b>\$ 4,577,495</b>	<b>\$ 5,760,100</b>	<b>\$ 4,561,624</b>	<b>\$ 5,517,030</b>



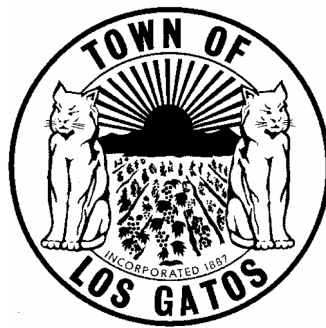
**COMMUNITY DEVELOPMENT DEPARTMENT**

**COMMUNITY DEVELOPMENT DEPARTMENT STAFFING**

**Full Time Equivalent (FTE)**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b>Town Staff</b>					
Community Development Dir.	1.00	1.00	1.00	1.00	1.00
Planning Manager	1.00	1.00	1.00	1.00	1.00
Chief Building Official	1.00	1.00	1.00	1.00	1.00
Economic Vitality Manager	-	0.45	0.45	0.45	0.45
Economic Vitality Coordinator	0.38	-	-	-	-
Administrative Analyst	0.99	1.00	1.00	1.00	1.00
Executive Assistant	1.00	1.00	1.00	1.00	1.00
Administrative Assistant	1.00	1.00	1.00	1.00	1.00
Senior Planner	2.00	2.00	2.00	2.00	2.00
Associate Planner	2.63	2.63	2.63	2.63	2.75
Assistant Planner	1.00	1.00	1.00	1.00	1.00
Planning Technician	1.00	1.00	1.00	1.00	1.00
Senior Building Inspector	-	-	1.00	1.00	1.00
Building Inspector	4.00	4.00	3.00	3.00	3.00
Permit Technician	2.00	2.00	2.00	2.00	2.00
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00
<b>Total Community Development FTEs</b>	<b>19.99</b>	<b>20.08</b>	<b>20.08</b>	<b>20.08</b>	<b>20.20</b>
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b>Successor Agency to the Los Gatos RDA</b>					
Administrative Analyst	0.01	-	-	-	-
<b>Total SA FTEs</b>	<b>0.01</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total Community Dev. FTEs</b>	<b>20.00</b>	<b>20.08</b>	<b>20.08</b>	<b>20.08</b>	<b>20.20</b>
	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b>Temporary Staff Hours</b>					
Associate Planner Temp/Hrly	915	915	915	915	915
Community Service Officer Temp/Hrly	390	390	780	780	780
<b>Total Annual Hours</b>	<b>1,305</b>	<b>1,305</b>	<b>1,695</b>	<b>1,695</b>	<b>1,695</b>







# **Community Development Department**

## **ADMINISTRATION PROGRAM 3101**

### **PROGRAM PURPOSE**

The Administration Program supports the delivery of all Community Development Department services. Staff assigned to this program work with other agencies, Boards, Commissions, and Committees to represent the Town's interests. Staff serves on the Valley Transportation Authority (VTA) Land Use and Transportation Integration Working Group, and the Santa Clara County Planning Officials organization. Administrative support is provided to the Planning Commission, including the preparation of agenda packets for 22 scheduled Planning Commission meetings per year. Management of Department operations is a component of this program, including personnel and budget administration.

### **BUDGET OVERVIEW**

The Administration Program continues to keep the Community Development Department focused on management of the Department, including budget preparation and monitoring. The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Adopted</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	7,500	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 7,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 180,770	\$ 182,152	\$ 184,080	\$ 232,029	\$ 176,892	\$ 255,068
<i>Operating Expenditures</i>	9,708	9,936	3,225	6,650	12,756	6,650
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	31,030	30,526	23,486	64,323	64,155	68,478
<b>TOTAL EXPENDITURES</b>	<b>\$ 221,508</b>	<b>\$ 222,614</b>	<b>\$ 210,791</b>	<b>\$ 303,002</b>	<b>\$ 253,803</b>	<b>\$ 330,196</b>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Administration**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Good Governance</i></b> Ensure responsive, accountable, and collaborative government	<b><i>Staff Training</i></b> Continue to build the capacity of Community Development staff to carry out broad job responsibilities by conducting in-house training, participating in select outside training, and supporting continuing education.
	<b><i>Planning Commission Training</i></b> Continue training opportunities for the Planning Commission, emphasizing the role of the Commission, communication with applicants, how a quasi-judicial body performs its duties, Brown Act, California Environmental Quality Act, and various aspects of Town regulations and procedures.
<b><i>Community Character</i></b> Preserve and enhance the appearance, character, and environmental quality of the community	<b><i>General Plan Update</i></b> Continue the General Plan Update process.
	<b><i>Short Term Rental</i></b> Assist with implementation of the new Short Term Rental ordinance.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Administration**

**KEY PROGRAM SERVICES**

- Set and monitor goals for the Department and staff.
- Manage departmental operations, including preparing and managing the departmental budget.
- Provide support for Town Council and Planning Commission meetings.
- Provide support on Town projects and initiatives including planning and building issues.
- Oversee General Plan implementation.
- Oversee Housing Element implementation.
- Oversee Sustainability Plan implementation.
- Provide oversight for the General Plan Update and Environmental Impact Report (EIR) implementation process.
- Develop and mentor Department staff.
- Manage the annual Department work plan.

**ADMINISTRATION PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Community Development Dir.	0.30	0.30	0.25	0.25	0.25
Planning Manager	0.10	0.10	0.10	0.10	0.10
Administrative Analyst	0.29	0.30	0.30	0.30	0.30
Executive Assistant	0.10	0.25	0.30	0.30	0.30
Administrative Assistant	0.05	0.05	0.15	0.15	0.15
<b>Total Administration FTEs</b>	<b>0.84</b>	<b>1.00</b>	<b>1.10</b>	<b>1.10</b>	<b>1.10</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Associate Planner Temp/Hrly	915	915	915	915	915
<b>Total Annual Hours</b>	<b>915</b>	<b>915</b>	<b>915</b>	<b>915</b>	<b>915</b>



# Community Development Department

## DEVELOPMENT REVIEW PROGRAM 3201

### PROGRAM PURPOSE

The Development Review Program evaluates planning applications for the proposed development of land and structures consistent with Town Codes, plans, and policies. This is accomplished through meeting with and advising project applicants and other stakeholders, and analyzing and processing all development applications including environmental review, plan check, and inspection. The process involves an assessment of a planning application's consistency and compliance with the General Plan, Hillside Specific Plan, Town Code, and other applicable Town regulations.

### BUDGET OVERVIEW

As noted in the departmental budget overview, Development Review-related fees reflect the approved fee schedule. These fees continue to help support the operating expenditures, thereby ensuring on-going cost recovery.

For FY 2020/21, budgeted revenues are projected to trend slightly lower due to an expected slight reduction in permit activity.

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Development Review**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 515,744	\$ 556,435	\$ 507,080	\$ 450,000	\$ 425,504	\$ 400,000
<i>Service Charges</i>	177,506	151,079	174,812	157,500	149,623	142,000
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 693,250</b>	<b>\$ 707,514</b>	<b>\$ 681,892</b>	<b>\$ 607,500</b>	<b>\$ 575,127</b>	<b>\$ 542,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 965,736	\$ 1,115,972	\$ 1,235,711	\$ 1,418,982	\$ 1,227,106	\$ 1,476,188
<i>Operating Expenditures</i>	110,526	76,549	69,782	81,600	68,710	74,450
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	59,251	65,770	23,888	28,363	27,969	29,790
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,135,513</b>	<b>\$ 1,258,291</b>	<b>\$ 1,329,381</b>	<b>\$ 1,528,945</b>	<b>\$ 1,323,785</b>	<b>\$ 1,580,428</b>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Development Review**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable, and collaborative government	<b><i>Development Team Continuous Improvement</i></b> The Development Team (Community Development, Parks and Public Works, and Police Departments, and County Fire) will continue to focus on evaluating processes, procedures, and systems; defining roles and responsibilities; building capacity; and obtaining input and feedback from customers to continue to improve the development review process.
	<b><i>Process Improvements</i></b> Continue to enhance the development review process by: <ul style="list-style-type: none"> <li>• Coordinating Arborist/Architect/Landscape Water and Conservation consultants' peer review processes;</li> <li>• Revising/updating development application forms and website information;</li> <li>• Implementing Town Code amendments to improve the development process; and</li> <li>• Providing timely planning application review and customer service to all participants in the planning process.</li> </ul>
<b>Community Character</b> Preserve and enhance the appearance, character, and environmental quality of the community	<b><i>Major Development Applications Pending</i></b> Includes the following known property: <ul style="list-style-type: none"> <li>• 110 Wood Road Planned Development (may be approved FY 20-21)</li> </ul>
<b>Fiscal Stability</b> Maintain ongoing fiscal stability to provide cost effective core services that meet the needs of the community	<b><i>Cost Recovery</i></b> <ul style="list-style-type: none"> <li>• Ensure ongoing cost recovery.</li> </ul>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Development Review**

**KEY PROGRAM SERVICES**

**Overall Services**

- Set and monitor goals for the Department and staff.
- Develop and mentor Department staff.
- Manage the annual Department work plan.

**Commission/Committee Support**

- Provide support for the following Commissions and Committees: Planning Commission; Development Review Committee; Historic Preservation Committee; Conceptual Development Advisory Committee; General Plan Committee; and various subcommittees.

**Application Review**

- Analyze and process applications, including: General Plan amendments; Town Code amendments; Rezoning and Planned Developments; Architecture and Site; Variances, Conditional Use Permits; Minor Residential Development; Subdivisions; Agricultural Preserve Contracts; Home Occupation Permits; Certificates of Use and Occupancy; Sign and Banner Permits; Accessory Dwelling Units; Mobile Home Park Conversions; and Environmental Review.

**Major Projects**

- Implement North 40 Phase 1.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Development Review**

**DEVELOPMENT REVIEW PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Community Development Dir.	0.30	0.30	0.30	0.30	0.30
Planning Manager	0.60	0.60	0.55	0.55	0.55
Chief Building Official	0.10	0.10	0.10	0.10	0.10
Economic Vitality Manager	-	0.45	0.45	0.45	0.45
Economic Vitality Coordinator	0.38	-	-	-	-
Administrative Analyst	0.35	0.35	0.35	0.15	0.15
Executive Assistant	0.65	0.65	0.65	0.65	0.65
Administrative Assistant	0.70	0.70	0.70	0.70	0.70
Senior Planner	1.70	1.40	1.30	1.30	1.30
Senior Building Inspector	-	-	0.10	0.10	0.10
Associate Planner	2.03	1.93	1.93	1.93	2.05
Assistant Planner	0.80	0.80	0.80	0.80	0.80
Planning Technician	1.00	0.90	0.90	0.90	0.90
Permit Technician	0.10	0.10	0.10	0.10	0.10
<b>Total Development Review FTEs</b>	<b>8.70</b>	<b>8.28</b>	<b>8.23</b>	<b>8.03</b>	<b>8.15</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
Performance Objectives and Measures	Actual	Actual	Actual	Estimated	Planned
1. Facilitate the development of land and structures consistent with Town codes, plans and policies.	100%	100%	100%	100%	100%
2. Analyze and process development applications efficiently and effectively.					
a. Percentage of applications continued by Planning Commission:	43%	15%	15%	7%	10%
b. Percentage of Planning Commission decisions upheld by Town Council:	50%	70%	50%	100%	75%

	2016/17	2017/18	2018/19	2019/20	2020/21
Activity and Workload Highlights	Actual	Actual	Actual	Estimated	Planned
1. Number of applications processed:	380	494	388	340	375
2. Number of Planning Commission Meetings:	25	19	19	11	15
3. Number of Public Notices:	10,026	9571	13,833	5,268	11,000
4. Number of referrals to consulting architect:	17	25	18	14	20







# **Community Development Department**

## **ADVANCED PLANNING PROGRAM 3202**

### **PROGRAM PURPOSE**

The Advanced Planning Program guides the physical development of the community consistent with the General Plan, Hillside Specific Plan, Town Codes, and other policy documents, which are kept relevant and current through approved amendments. Staff updates official Town maps to ensure they are clear and accurate. Staff undertakes special projects and studies to meet the evolving needs of the community and provides staff support for the General Plan Committee and any Council-appointed subcommittees.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

Budgeted expenditures for FY 2020/21 will decrease to stay within the multi-year contract obligation associated with the General Plan update. The General Plan update will be funded through General Plan Fees already collected.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Advanced Planning**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	-	36,225	95,200	15,000	67,500
<i>Service Charges</i>	149,224	142,006	533,809	1,035,000	224,532	649,444
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 149,224</b>	<b>\$ 142,006</b>	<b>\$ 570,034</b>	<b>\$ 1,130,200</b>	<b>\$ 239,532</b>	<b>\$ 716,944</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 257,885	\$ 272,773	\$ 346,413	\$ 400,124	\$ 363,606	\$ 426,823
<i>Operating Expenditures</i>	40,161	46,379	413,201	1,057,690	246,785	658,513
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	15,978	16,871	6,496	5,741	5,679	5,974
<b>TOTAL EXPENDITURES</b>	<b>\$ 314,024</b>	<b>\$ 336,023</b>	<b>\$ 766,110</b>	<b>\$ 1,463,555</b>	<b>\$ 616,070</b>	<b>\$ 1,091,310</b>

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Community Character</i></b> Preserve and enhance the appearance, character, and environmental quality of the community	<b><i>General Plan and Housing Element Action Items</i></b> <ul style="list-style-type: none"> <li>• Prepare amendments to Town Code and guidelines, and other action items to implement the adopted General Plan, Housing Element, Sustainability Plan, recent State laws, and Town Council strategies priorities, including streamlining Land Use processes.</li> <li>• Continue the General Plan update process.</li> <li>• Update the Below Market Price (BMP) Program Guidelines.</li> <li>• Complete Census 2020 activities.</li> <li>• Develop objective standards, including planning grants application.</li> </ul>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Advanced Planning**

**KEY PROGRAM SERVICES**

- Prepare plans, amendments, administrative policies, ordinances, and maps.
- Implement the General Plan and Housing Element.
- Review land use policies and recommend modifications to the Planning Commission and Town Council.
- Set and monitor goals for the Department and staff.
- Develop and mentor Department staff.
- Manage the annual Department work plan.

**ADVANCED PLANNING PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Community Development Dir.	0.35	0.35	0.40	0.40	0.40
Planning Manager	0.30	0.20	0.25	0.25	0.25
Executive Assistant	0.05	0.05	0.05	0.05	0.05
Administrative Assistant	0.20	0.10	0.10	0.10	0.10
Senior Planner	0.20	0.40	0.50	0.50	0.50
Associate Planner	0.25	0.40	0.40	0.40	0.40
Assistant Planner	0.20	0.10	0.10	0.10	0.10
<b>Total Advanced Planning FTEs</b>	<b>1.55</b>	<b>1.60</b>	<b>1.80</b>	<b>1.80</b>	<b>1.80</b>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Advanced Planning**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Guide the physical development of the community consistent with the General Plan, Hillside Specific Plan, and Town Codes.</i>					
a. Percentage of General Plan implementation measures completed within cycle time:	100%	100%	100%	100%	100%
2. <i>Meet the evolving needs of the community and provide staff support to advisory committees.</i>					
a. Percentage of special studies adopted:	100%	100%	100%	100%	100%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of special studies completed:	1	4	10	10	5
2. Number of Planning Commission directives received:	0	0	0	0	0
3. Number of General Plan implementation measures completed:	0	1	1	1	3
4. Number of General Plan amendments requested:	2	2	1	1	1



# **Community Development Department**

## **BUILDING & INSPECTION SERVICES PROGRAM 3301**

### **PROGRAM PURPOSE**

The Building and Inspection Services Program helps to ensure safe, healthy, and attractive property improvements by facilitating the issuance of permits and compliance with codes, policies, guidelines, and standards. Staff assigned to this program: provide information concerning building regulations; maintain the computerized permit tracking and plan check systems; inspect commercial and residential buildings under construction; provide plan check review for compliance with the California Building Codes, disabled access regulations, and other state and local ordinances; and coordinate the duties of the Plan Check Consultants, which provides complex structural and engineering plan check services.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. Total Department budgeted revenues are projected to trend slightly lower due to an expected slight reduction in permit activity.

The Building Inspectors continue to handle the storm water management inspections during construction for all building permits with the potential to generate non-point source storm water runoff as part of the National Pollutant Discharge Elimination System (NPDES) Program (PPW conducts post-construction monitoring). The San Francisco Regional Water Quality Control Board issued an updated NPDES permit for the municipalities in Santa Clara County in 2015. The NPDES permit implements significant new requirements on development projects that could impact Town staffing resources. Staff will continue to monitor the new permit requirements and evaluate the potential to recover additional costs imposed by the NPDES permit during FY 2020/21.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Building & Inspection Services**

The Building Division also assists with code compliance violations that are related to construction and sub-standard housing. Contract Plan Check consultants continue to provide plan check services on a cost-recovery basis.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 1,745,491	\$ 1,494,187	\$ 1,601,513	\$ 2,025,000	\$ 1,840,330	\$ 1,816,000
<i>Service Charges</i>	427,562	608,880	571,244	485,000	506,672	476,500
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	(468)	2,576	11,655	-	960	10,000
<b>TOTAL REVENUES</b>	<b>\$ 2,172,585</b>	<b>\$ 2,105,643</b>	<b>\$ 2,184,412</b>	<b>\$ 2,510,000</b>	<b>\$ 2,347,962</b>	<b>\$ 2,302,500</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 901,600	\$ 1,022,585	\$ 1,072,534	\$ 1,282,398	\$ 1,143,991	\$ 1,281,011
<i>Operating Expenditures</i>	88,088	105,641	143,516	124,306	114,588	147,081
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	143,200	162,207	100,444	66,909	66,544	64,984
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,132,888</b>	<b>\$ 1,290,433</b>	<b>\$ 1,316,494</b>	<b>\$ 1,473,613</b>	<b>\$ 1,325,123</b>	<b>\$ 1,493,076</b>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Building & Inspection Services**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Community Character</b>                      Preserve and enhance the appearance, character, and environmental quality of the community</p>	<p style="text-align: center;"><b><i>Public Information on Building Codes</i></b></p> <p>Continue to provide updated forms and information through the Town's website as well as assisting customers with online permitting, processing, and information. Staff will continue to correct and clarify the Town's official street address file.</p>
	<p style="text-align: center;"><b><i>Inspection Services on Larger Projects</i></b></p> <p>Continue several significant projects into FY 2020/21 including: several new large custom homes and tenant improvements. Continue to provide next day inspection services even with the increased inspection workload as the Town has done in years past.</p>
	<p style="text-align: center;"><b><i>Major Building Projects Pending</i></b></p> <p>Pending projects include the following:</p> <ul style="list-style-type: none"> <li>• 400 Carlton</li> <li>• North 40 Phase 1</li> <li>• 405 Alberto Way</li> <li>• 400-420 Blossom Hill Road</li> <li>• 258 Union Avenue</li> </ul>
<p><b>Good Governance</b>                      Ensure responsive, accountable, and collaborative government</p>	<p style="text-align: center;"><b><i>Improvements to Plan Checking Services</i></b></p> <p>To improve the efficiency of the plan check process, the Building Division will coordinate with the Santa Clara County Fire Department and the Planning Division to expedite commercial tenant improvements and continue to increase the number of internal plan checks by Building Inspection staff.</p>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Building & Inspection Services**

**KEY PROGRAM SERVICES**

**Overall Services**

- Set and monitor goals for the Department and staff.
- Develop and mentor Department staff.
- Manage the annual Department work plan.

**Inspection Services**

- Perform on-site field inspections for all buildings and structures under construction.
- Investigate Housing Code violations.
- Assist contractors, architects, engineers, and the general public with construction questions.

**Building Counter Services**

- Coordinate building permit applications with other departments and agencies.
- Review workers' compensation requirements and contractors' licenses.
- Maintain the computerized permit tracking and plan check systems including data entry for permit activity.
- Produce and distribute statistical reports regarding building and related permit activity.
- Distribute and track plans to reviewing Town Departments and outside agencies.
- Calculate and collect fees.

**Plan Check Services**

- Perform complex building, structural, and life safety plan review of commercial, industrial, and residential buildings per the California Building Codes, state regulations, and local ordinances.
- Coordinate building information and activity with other departments and agencies.
- Provide building code information to customers.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Building & Inspection Services**

**BUILDING & INSPECTION SERVICES PROGRAM STAFFING**

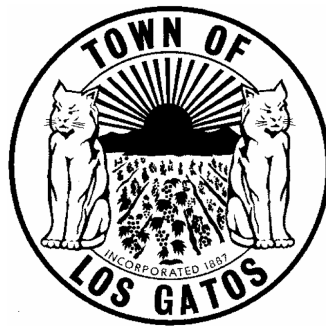
**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Chief Building Official	0.75	0.75	0.75	0.75	0.75
Administrative Analyst	0.15	0.15	0.15	0.30	0.30
Administrative Assistant	0.05	0.05	0.05	0.05	0.05
Senior Planner	0.10	0.20	0.20	0.20	0.20
Associate Planner	0.15	0.30	0.30	0.30	0.30
Assistant Planner	-	0.10	0.10	0.10	0.10
Senior Building Inspector	-	-	0.75	0.75	0.75
Building Inspector	4.00	4.00	3.00	3.00	3.00
Permit Technician	1.90	1.90	1.90	1.90	1.90
Planning Technician	-	0.10	0.10	0.10	0.10
<b>Total Building and Inspection FTEs</b>	<b>7.10</b>	<b>7.55</b>	<b>7.30</b>	<b>7.45</b>	<b>7.45</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Performance Objectives and Measures</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Planned</b>
1. <i>Ensure safe, healthy, and attractive property improvements.</i>					
a. Percentage of inspections delivered within cycle times:	100%	100%	100%	100%	100%
b. Percentage of plan checks completed within cycle times:	95%	98%	95%	95%	100%

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Activity and Workload Highlights</b>	<b>Actual</b>	<b>Actual</b>	<b>Actual</b>	<b>Estimated</b>	<b>Planned</b>
1. Number of inspections conducted:	14,294	14,849	15,938	15,800	16,000
2. Number of building plan checks completed:	797	676	727	750	700
3. Number of Building Division permit applications received:	1,559	1,648	1,560	1,900	1,600
4. Number of Building Division permits issued:	1,465	1,488	1,517	1,700	1,500







# **Community Development Department**

## **CODE COMPLIANCE PROGRAM PROGRAM 3401**

### **PROGRAM PURPOSE**

The Code Compliance Program ensures property is used in a manner that is safe, healthy, and consistent with the community's character as conveyed by the Town's zoning regulations and approvals. Program staff identifies, investigates, and abates zoning violations, non-conforming uses, and other Town Code violations. Enforcement services are primarily in response to community concerns and are designed to achieve timely compliance through proactive efforts and the on-going education of the public to increase awareness of the Town's zoning and sign regulations. Violations that affect life, health, and safety are given the highest priority.

### **BUDGET OVERVIEW**

The Code Compliance Program budget includes revenue from the Administrative Citation Program established in FY 2003/04. With the added incentive to avoid fines, this program reduces the number of times Code Compliance staff must revisit an outstanding violation, thereby abating violations more effectively. The fines also reduce the financial burden on the General Fund by placing a portion of the cost of abating violations on the violator. Staff has found that most violators choose to comply within the established time frame rather than pay a fine.

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

The FY 2020/21 budget includes the part-time Code Compliance Officer position which will be continued for one more year in FY 2020/21 with one-time funding.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Code Compliance Program**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	-	-	220	300	-	-
<i>Fines &amp; Forfeitures</i>	5,225	4,800	60,158	4,000	15,200	5,000
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 5,225</b>	<b>\$ 4,800</b>	<b>\$ 60,378</b>	<b>\$ 4,300</b>	<b>\$ 15,200</b>	<b>\$ 5,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 189,419	\$ 195,322	\$ 236,011	\$ 263,839	\$ 240,590	\$ 288,132
<i>Operating Expenditures</i>	4,507	1,380	13,844	7,225	2,075	7,050
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	12,646	13,018	5,469	4,378	4,310	4,497
<b>TOTAL EXPENDITURES</b>	<b>\$ 206,572</b>	<b>\$ 209,720</b>	<b>\$ 255,324</b>	<b>\$ 275,442</b>	<b>\$ 246,975</b>	<b>\$ 299,679</b>

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable, and collaborative government	Process Improvements
	<ul style="list-style-type: none"> <li>Continue to work with the Police and Parks and Public Works Departments, and the Town Attorney on code compliance issues and the Administrative Citation Program.</li> <li>Administer fair and unbiased enforcement to correct violations of municipal, property maintenance, and building codes.</li> <li>Proactively and reactively enforce the most called upon violations (i.e. gas leaf blowers and working without a permit).</li> <li>Help maintain the Town's standards for health, safety, and quality of life.</li> </ul>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Code Compliance Program**

**KEY PROGRAM SERVICES**

- Resolves complex Town Code and zoning violations.
- Enforces various Town Codes, while focusing on obtaining voluntary compliance from the public.
- Educates residents, businesses, and property owners about Town regulations.
- Conducts inspections and investigations of structures and residences regarding public health-related issues.
- Prioritizes health and safety violations and public nuisances over other code violations.

**CODE COMPLIANCE PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Town Staff</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Chief Building Official	0.15	0.15	0.15	0.15	0.15
Executive Assistant	0.05	0.05	-	-	-
Senior Building Inspector	-	-	0.15	0.15	0.15
Code Compliance Officer	1.00	1.00	1.00	1.00	1.00
<b>Total Code Compliance FTEs</b>	<b>1.20</b>	<b>1.20</b>	<b>1.30</b>	<b>1.30</b>	<b>1.30</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
<b>Temporary Staff Hours</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Community Service Officer Temp/Hrly	390	390	780	780	1,040
<b>Total Annual Hours</b>	<b>390</b>	<b>390</b>	<b>780</b>	<b>780</b>	<b>1,040</b>



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Code Compliance Program**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Respond to complaining party within 48 hours:*	99%	99%	99%	99%	99%
2. <i>Ensure properties in Los Gatos are used safely and are consistent with the Town's zoning regulations.*</i>					
a. Percentage of complaints abated within cycle times:	90%	90%	95%	95%	95%
3. <i>Achieve timely compliance.*</i>					
a. Percentage of complaints resulting in court hearings:	1%	0%	1%	0%	0%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of complaints reported:	382	459	595	550	590
2. Number of complaints abated:	323	421	591	545	585
3. Total number of Administrative Citations:	68	65	67	65	65

*\*Measure discontinued as of FY 2019/20*



# **Community Development Department**

## **BMP HOUSING PROGRAM PROGRAM 3501**

### **PROGRAM PURPOSE**

The purpose of the Below Market Price (BMP) Housing Program is to provide for adequate housing for Los Gatos residents, regardless of age, income, race, or ethnic background. As required by the State, the Town plans and facilitates the construction of housing adequate for future populations consistent with environmental limitations and in a proper relationship to community facilities, open space, transportation, and small town character.

### **BUDGET OVERVIEW**

All expenditures in this program are funded by non-General Fund revenues. BMP activities are funded through BMP In-Lieu Fees, paid by developers for new housing.

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

The majority of expenditures in this program are related to a service contract with Hello Housing, which administers several components of the BMP Housing Program.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**BMP Housing Program**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	195,941	(182,247)	144,712	183,043	196,702	189,841
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	373,080	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 195,941</b>	<b>\$ 190,833</b>	<b>\$ 144,712</b>	<b>\$ 183,043</b>	<b>\$ 196,702</b>	<b>\$ 189,841</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 72,179	\$ 57,774	\$ 70,146	\$ 82,159	\$ 76,202	\$ 88,919
<i>Operating Expenditures</i>	121,016	130,740	74,144	100,650	121,050	100,650
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	2,796	2,319	423	234	216	272
<b>TOTAL EXPENDITURES</b>	<b>\$ 195,991</b>	<b>\$ 190,833</b>	<b>\$ 144,713</b>	<b>\$ 183,043</b>	<b>\$ 197,468</b>	<b>\$ 189,841</b>

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Community Character</b> Preserve and enhance the appearance, character, and environmental quality of the community	<p><b><i>Below Market Price Housing (BMP) Program</i></b></p> <p>The BMP Program makes homes available for purchase or rent at below market prices to low and median income families. Eligibility for the BMP program is based on federal household income guidelines.</p>

**KEY PROGRAM SERVICES**

- Administer the BMP Housing Program.
- Monitor the BMP ordinance and guidelines to determine and recommend potential improvements to enhance the effectiveness of the program.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**BMP Housing Program**

**BMP HOUSING PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Community Development Dir.	0.05	0.05	0.05	0.05	0.05
Planning Manager	-	0.10	0.10	0.10	0.10
Administrative Analyst	0.20	0.20	0.20	0.25	0.25
Executive Assistant	0.15	-	-	-	-
Administrative Assistant	-	0.10	-	-	-
Associate Planner	0.20	-	-	-	-
<b>Total BMP Housing FTEs</b>	<b>0.60</b>	<b>0.45</b>	<b>0.35</b>	<b>0.40</b>	<b>0.40</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Actual	Actual	Actual	Estimated	Planned
<b>Activity and Workload Highlights</b>					
1. Number of owner-occupied housing units registered in the Below Market Price Housing Program:	50	54	55	55	55
2. Number of rental housing units registered in the Below Market Price Housing Program:	119	119	119	119	122







# **Community Development Department**

## **PASS-THROUGH ACCOUNTS PROGRAM 3999**

### **PROGRAM PURPOSE**

This pass-through accounting structure separates Community Development program activities from the funding mechanism set up for external consultant services utilized to assist applicants in the planning, development, and building processes. Most pass-through activity is generated by development projects. Depending on the development project, an applicant may be required to deposit funds for architectural review services, arborist review services, environmental review services, and/or plan checking services with the Town. The Town provides these various services for an applicant's project and the consultants are subsequently paid out of the applicant's account. Any remaining balances are returned to the applicants. Pass-through funding is also utilized for the Town's General Plan funding. General Plan Fees are collected for development projects and held in a deposit account until recognized as General Plan expenses as they are incurred during the year.

### **BUDGET OVERVIEW**

There is no net budgetary impact for this program, as revenues will equal expenditures. The revenues and expenditures reflect estimates based on prior year trends. At fiscal year end, actuals may differ substantially from original budgeted numbers as the quantity and size of development projects within the community in any given year is not known or determinable in advance. This budget reflects a reasonable estimate only.



**COMMUNITY DEVELOPMENT DEPARTMENT**  
**Pass-Through Accounts**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	587,435	684,249	554,682	532,500	598,400	532,500
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 587,435</b>	<b>\$ 684,249</b>	<b>\$ 554,682</b>	<b>\$ 532,500</b>	<b>\$ 598,400</b>	<b>\$ 532,500</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	587,435	684,249	554,682	532,500	598,400	532,500
<i>Grants</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 587,435</b>	<b>\$ 684,249</b>	<b>\$ 554,682</b>	<b>\$ 532,500</b>	<b>\$ 598,400</b>	<b>\$ 532,500</b>





## ***Police Department***



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# Police Department

## DEPARTMENT PURPOSE

The Los Gatos-Monte Sereno Police Department provides Police services to the Town of Los Gatos and contractually to the City of Monte Sereno. The Department is committed to ensuring public safety with integrity, compassion, and professionalism, by providing exceptional law enforcement services, building community partnerships, and engaging the community in problem solving.

The core services provided by the Police Department include: responding to emergency and non-emergency calls for service; suppression of criminal activity; investigating and prosecuting of crimes; recruiting, hiring and training high quality personnel; conducting community outreach to prevent crime; facilitating traffic and pedestrian safety; and maintaining records, property and evidence.

The Police Department continues to build upon a strong police-community partnership through innovative Department and community programs including: School Resource Officer funding partnership; Digital Media Safety/Cyberbullying education; Safe Routes to School; Youth Commission; homeless and senior outreach; behavioral health response; and traffic management. Volunteer programs such as Reserve Police Officers, Community Emergency Response Team (CERT), Volunteers in Policing (VIP), Disaster Aid Response Team (DART), the Police Chaplaincy program, intern opportunities, Parking Citation Hearing Officers, Victim Services Unit (VSU), and the Police Explorer program extend these partnerships to the community. For the past 14 years, volunteers have personally welcomed new homeowners to the Town through the Department's New Resident Outreach Program, documented and removed graffiti, and conducted numerous vacation checks.

All Police Department personnel are committed to an organizational strategy of collaboration and problem-solving with the goal of creating a safe environment for all community members while providing an extraordinary level of customer service.



## **☞ POLICE DEPARTMENT ☜**

### **BUDGET OVERVIEW**

This budget overview discusses the Police Department's focus for FY 2020/21 as well as its revenue and expenditure outlook. The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

The Police Department is committed to ongoing structural evaluation and budgetary efficiency by regularly assessing service levels and the complex demands of ensuring public safety. The proposed budget includes 60 full time equivalent (FTE) employees comprised of 39 Sworn Officers and 21 Civilian Personnel.

The Police Department and the Town of Los Gatos have enjoyed a very good relationship with the City of Monte Sereno. Both communities have similar residential demographics and the Police Department has provided quality and responsive services with a long history of neighborhood interaction, which has resulted in a strong bond between both communities. Revenues generated as a result of the police services contract with the City of Monte Sereno are the largest revenue source in the Police Department budget.

Since FY 2009/10, funding for the School Resource Officer (SRO) position has been offset by an agreement with the high school and elementary school districts with each sharing cost aggregated to one-half the Officer's salary and benefits. Given the positive and collaborative working relationship between the Town and the elementary and high school districts, the current contract runs through June 30, 2021.

#### **Department Reclassification**

To best meet the needs of the Department in FY 2020/21 and align responsibilities with minimal budgetary impact, two non-sworn reclassifications were completed.

The 1.0 FTE Administrative Technician assigned to Personnel and Community Services program is now reclassified as a 1.0 FTE Administrative Analyst. This flexibly staffed series allows reclassification to reflect the responsibilities of the position which require a journey-level analysis, independent judgment, and formulation of important recommendations.

The 1.0 FTE Parking Control Officer assigned to the Parking Management Program is now reclassified to a 1.0 Senior Parking Control Officer. The Parking Control Officer position has remained flexible to fulfill the needs of the Parking Management Program while maintaining its core function.



## ☞ POLICE DEPARTMENT ☜

### **Staff Resource Modifications**

Temporary staff funding is proposed in the FY 2020/21 budget for technology and communication support and for overseeing the Parking Management Program. These temporary hours are from one-time funding.

- Additional temporary staffing hours (340 hrs.) are proposed for a Project Manager to assist with critical operational technology needs and the regional radio project including interoperability upgrades. This is a 50% reduction from the hours requested for this position in FY 2019/20.
- Additional temporary staffing hours (1000 hrs.) are proposed to add the job classification of Parking Program Manager. This position will assist in the review and implementation of the recommendations derived from the Comprehensive Parking Study.

The Police Department budget consists of the following programs: Police Administration, Records and Communications, Personnel and Community Services, Patrol, Traffic, Investigations and Parking Management. Pass-Through accounts and Police operating grants are also reflected in the Police Department.



## POLICE DEPARTMENT

### ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b>Community Character</b></p> <p>Preserve and enhance the appearance character and environment quality of the community</p>	<ul style="list-style-type: none"> <li>As the liaison to the Los Gatos Youth Commission, the Police Department continued to facilitate their progressive work on the Green Friendly Business program, Inter-generational events with seniors in our community, and organize and participate in community events with developmentally challenged youth.</li> <li>The Police Department reviewed and assessed the Department Website and made significant changes and improvements to overall organization, content updates, emergency preparedness, and employment opportunities.</li> </ul>
<p><b>Good Governance</b></p> <p>Ensure responsive, accountable, and collaborative government</p>	<ul style="list-style-type: none"> <li>The Police Department maintained an ongoing commitment to recruit and hire qualified candidates for staff vacancies. This fiscal year, four new Officers and four professional staff members were hired to fill existing vacancies.</li> <li>The Department's Policy Manual working group continued its review of the Policy Manual. During the review, legal updates were implemented to reflect the most current statutes and operating procedures were revised as necessary.</li> <li>Personnel and Community Services staff researched, complied, and completed the comprehensive Police Department Training Plan. Assembly of the final draft is currently in process and the expected completion is June 2020.</li> <li>The Department Leadership team (Chief, Captains, and Sergeants) attended a two-day Strategic Retreat. The focus of the retreat was team-building and an opportunity to reassess and refine the strategic direction and vision of the organization.</li> <li>During FY 19/20 the Police Department received California Commission on Peace Officer Standards and Training (POST) grant funding for training focused on Use of Force, Defensive Tactics, and De-Escalation. These funds were used in the development and deployment of a successful 8-hour course that was provided to all sworn staff as well as the purchase of necessary training equipment.</li> </ul>



## POLICE DEPARTMENT

### ACCOMPLISHMENTS

Core Goals	Accomplishments
<p style="text-align: center;"><b><i>Good Governance</i></b> Ensure responsive, accountable, and collaborative government</p>	<ul style="list-style-type: none"> <li>• During FY 2019/20 the Police Department utilized technology as a force-multiplier by allocating mobile cellular devices for all officers to enhance service delivery and streamline field operations support.</li> <li>• In conjunction with the Human Resources Department, Police Department staff completed Cal-OSHA mandated “Bloodborne Pathogens Awareness and Exposures,” and “Air Purifying Respirator” fit testing and certification.</li> <li>• The Major Traffic Collision Investigation Team completed individual training in conjunction with the Santa Clara County Crime Laboratory to enhance their existing skill sets; the team deployed the Topcon Robotics Total Station in the field to assist with the reconstruction of major traffic collisions.</li> <li>• The Department purchased, installed and implemented a replacement Automated License Plate Reader (ALPR), to assist parking enforcement efforts.</li> <li>• During FY 2019/20 Los Gatos-Monte Sereno Police Department’s award-winning volunteer program, Victim Services Unit, reorganized and recruited new volunteers to better address the needs of community members and their families who are faced with the trauma and distress of violent crime or other catastrophic events.</li> </ul>
<p style="text-align: center;"><b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational and individual enrichment</p>	<ul style="list-style-type: none"> <li>• Phase one of the Silicon Valley Regional Communications System has been fully integrated with other appropriate Town Departments. This system provides fully interoperable communications capabilities throughout the region, a critical asset in the event of a major incident or disaster.</li> <li>• In FY 2019/20, the Department hosted 11 Neighborhood Watch meetings and collaborated with the Los Gatos Chamber of Commerce to host the annual merchant meeting.</li> <li>• The Department enhanced its social media communications to advance community policing objectives.</li> </ul>



## POLICE DEPARTMENT

### ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b>Public Safety</b></p> <p>Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness</p>	<ul style="list-style-type: none"> <li>• In FY 2019/20 the Police Department continued to collaborate with the Safe Routes to School Partnership, Traffic Safe Communities Network, and Parks and Public Works Department to promote pedestrian and bicycle safety programs. In addition, the Police Department participated in Bicycle Rodeos where Officers collaborated with Safe Routes Committee liaisons to provide educational training to students on bicycle and pedestrian safety.</li> <li>• During FY 2019/20, Department staff in collaboration with a communications sub-committee for the Community Emergency Response Team (CERT) identified, purchased, programmed, and installed equipment in the Neighborhood Incident Command Posts (NICPs). Training was provided by CERT members and written guidelines were provided to the leads.</li> <li>• The annual Los Gatos-Monte Sereno CERT program drill was held in Fall 2019 and brought together almost 100 CERT trained members from the community to train and carry out a scenario involving a wildfire that threatened the community. The drill allowed for volunteers to practice and utilize the new communications equipment and identify additional training and infrastructure needs.</li> <li>• The Department implemented a collateral duty Bloodhound Trailing Team Program. Bloodhound trailing is a specialized skill set that will assist Patrol Officers in situations where it is necessary to find a missing person, suspect, or item of evidence.</li> <li>• Officers with specialized training in active intruder and safety planning worked with several faith-based organizations in Town to develop updated site safety plans and host safety training for staff.</li> <li>• In FY 19/20 a Detective was assigned to the Rapid Enforcement Allied Computer Team (REACT). This High-Tech crime task force is focused on complex investigations of organized criminals involved in cyber-crime, identity theft, trademark violations, and money/crypto currency laundering.</li> <li>• In collaboration with the Santa Clara County Auto Burglary Task Force, Detectives participated in several County-wide operations to suppress and investigate auto burglaries.</li> </ul>



# POLICE DEPARTMENT

## DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses and Permits</i>	\$ 87,427	\$ 78,027	\$ 91,799	\$ 87,920	\$ 96,895	\$ 87,735
<i>Intergovernmental Revenues</i>	817,331	886,555	826,643	835,391	786,845	854,335
<i>Service Charge</i>	1,049,384	1,099,057	1,137,911	1,182,264	1,179,669	1,233,898
<i>Fines &amp; Forfeitures</i>	862,076	656,216	433,447	468,950	346,729	426,950
<i>Other Revenues</i>	64,356	49,455	66,646	86,887	59,400	78,515
<b>TOTAL REVENUES</b>	<b>\$ 2,880,574</b>	<b>\$ 2,769,310</b>	<b>\$ 2,556,446</b>	<b>\$ 2,661,412</b>	<b>\$ 2,469,538</b>	<b>\$ 2,681,433</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 10,518,132	\$ 11,445,906	\$ 12,587,676	\$ 14,377,080	\$ 13,363,811	\$ 14,878,295
<i>Operating Expenditures</i>	1,008,652	1,025,236	1,157,191	1,445,810	1,305,441	1,512,867
<i>Grants</i>	5,897	11,587	25,025	20,000	20,000	20,000
<i>Fixed Assets</i>	-	-	3,545	-	-	-
<i>Internal Service Charges</i>	1,718,609	1,940,825	1,175,517	1,097,894	1,053,983	1,176,663
<b>TOTAL EXPENDITURES</b>	<b>\$ 13,251,290</b>	<b>\$ 14,423,554</b>	<b>\$14,948,954</b>	<b>\$ 16,940,784</b>	<b>\$ 15,743,235</b>	<b>\$ 17,587,825</b>
<b>Transfers Out</b>						
<i>Transfers Out to Equipment Replacement</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Total Transfers Out</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL EXPENDITURES &amp; TRANSFERS OUT</b>	<b>\$ 13,251,290</b>	<b>\$ 14,423,554</b>	<b>\$14,948,954</b>	<b>\$ 16,940,784</b>	<b>\$ 15,743,235</b>	<b>\$ 17,587,825</b>

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>PROGRAM</b>						
<i>Administration</i>	\$ 861,561	\$ 1,026,502	\$ 1,223,444	\$ 1,299,427	\$ 1,240,091	\$ 1,378,275
<i>Records &amp; Communications</i>	1,949,183	2,072,274	2,221,494	2,363,660	2,163,767	2,483,105
<i>Patrol</i>	5,827,002	6,575,258	7,112,700	7,512,107	7,314,696	7,925,958
<i>Traffic</i>	932,169	992,689	1,011,364	1,084,957	833,509	1,066,473
<i>Investigations</i>	2,342,031	2,282,295	2,219,461	2,844,068	2,661,856	2,877,009
<i>Personnel &amp; Community Services</i>	596,274	773,826	562,528	1,037,275	856,443	1,023,462
<i>Parking</i>	700,325	683,817	565,896	671,384	620,474	754,733
<i>Operating Grants</i>	14,567	11,451	27,547	95,791	46,027	54,695
<i>Pass -Through Accounts</i>	28,178	5,442	4,520	32,115	6,372	24,115
<b>TOTAL EXPENDITURES</b>	<b>\$ 13,251,290</b>	<b>\$ 14,423,554</b>	<b>\$14,948,954</b>	<b>\$ 16,940,784</b>	<b>\$ 15,743,235</b>	<b>\$ 17,587,825</b>



# **POLICE DEPARTMENT**

## **DEPARTMENT STAFFING**

### ***Full Time Equivalents (FTE)***

<b><i>General Fund</i></b>	<b>2016/17 Funded</b>	<b>2017/18 Funded</b>	<b>2018/19 Funded</b>	<b>2019/20 Funded</b>	<b>2020/21 Proposed</b>
Chief of Police	1.00	1.00	1.00	1.00	1.00
Police Captain	1.00	1.00	2.00	2.00	2.00
Police Lieutenant	2.00	2.00	-	-	-
Police Sergeant	6.00	6.00	7.00	7.00	7.00
Police Corporal	4.00	4.00	4.00	4.00	4.00
Police Officer	25.00	25.00	25.00	25.00	25.00
Community Services Officer	2.00	1.00	1.00	1.00	1.00
Police Records Manager	1.00	1.00	1.00	-	-
Police Records & Com Manager	-	-	-	1.00	1.00
Senior Administrative Analyst	-	-	1.00	1.00	1.00
Administrative Analyst	1.00	1.00	-	-	1.00
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00
Communication Dispatcher Lead	1.00	1.00	1.00	1.00	1.00
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00
Senior Parking Control Officer	-	-	-	-	1.00
Parking Control Officer	2.00	2.00	2.00	2.00	1.00
Police Records Specialist	4.00	4.00	4.00	4.00	4.00
Community Outreach Coordinator	-	1.00	1.00	1.00	1.00
Human Resources Specialist	-	1.00	1.00	-	-
Administrative Technician	-	-	-	1.00	-
IT Systems Administrator	-	-	-	1.00	1.00
<b>Total General Fund FTEs</b>	<b>58.00</b>	<b>59.00</b>	<b>59.00</b>	<b>60.00</b>	<b>60.00</b>

### ***Temporary Staff Hours***

Community Service Officer Intern	1,725	1,040	1,720	1,720	2,080
Community Service Officer	390	390	-	-	-
Police Officer	300	300	300	300	300
IT Technician	-	685	685	-	-
Parking Control Manager	-	-	-	-	1,000
Parking Control Officer	357	357	-	-	300
Police Records Specialist	320	1,360	-	-	330
Communications Dispatcher	330	330	330	330	-
CSO-Investigation Evidence	-	1,040	-	-	-
Project Manager	-	-	-	685	340
<b>Total Annual Hours</b>	<b>3,422</b>	<b>5,502</b>	<b>3,035</b>	<b>3,035</b>	<b>4,350</b>



# Police Department

## **POLICE ADMINISTRATION PROGRAM 4101**

### **PROGRAM PURPOSE**

The Police Administration Program is responsible for the organization and management of the Department. This Program oversees all the Department's programs and is responsible for developing and providing oversight for the Department's total budget, hiring and promotion of sworn and professional staff, career development, succession planning, and review and implementation of policies and procedures. The Administration Program supports responsive, effective, and efficient Police services and a strong Police/community partnership.

Departmental operations are consistent with Town policies, core values, and community safety needs. Police Administration staff emphasize transparency, police legitimacy, responsive crime suppression and prevention programs, directed traffic enforcement to promote safe and orderly traffic flow on Town streets, and emergency preparedness. The Police Administration Program continually collaborates with other Town Departments to increase effectiveness and enhance quality of life for the citizens of Los Gatos. This program also provides the primary support for the Town's Youth Commission activities.

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.



**POLICE DEPARTMENT**  
**Police Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 698	\$ 2,489	\$ 3,575	\$ 3,735	\$ 740	\$ 3,735
<i>Intergovernmental Revenue</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Grants</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	6,080	11,721	26,472	20,000	20,000	20,000
<b>TOTAL REVENUES</b>	<b>\$ 6,778</b>	<b>\$ 14,210</b>	<b>\$ 30,047</b>	<b>\$ 23,735</b>	<b>\$ 20,740</b>	<b>\$ 23,735</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 684,660	\$ 847,743	\$ 1,073,869	\$ 1,058,719	\$ 1,000,700	\$ 1,126,644
<i>Operating Expenditures</i>	20,611	13,447	20,564	27,214	27,058	28,214
<i>Grants</i>	5,897	11,587	25,025	20,000	20,000	20,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	150,393	153,725	103,986	193,494	192,333	203,417
<b>TOTAL EXPENDITURES</b>	<b>\$ 861,561</b>	<b>\$ 1,026,502</b>	<b>\$ 1,223,444</b>	<b>\$ 1,299,427</b>	<b>\$ 1,240,091</b>	<b>\$ 1,378,275</b>
<b>TRANSFERS OUT</b>						
<i>Transfer to Equipment Replacement</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL TRANSFERS OUT</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>TOTAL EXPENDITURES &amp; TRANSFERS OUT</b>	<b>861,561</b>	<b>1,026,502</b>	<b>1,223,444</b>	<b>1,299,427</b>	<b>1,240,091</b>	<b>\$ 1,378,275</b>



**PD POLICE DEPARTMENT PD**  
**Police Administration**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable, and collaborative governance	<b><i>Organizational Structure and Development</i></b>
	The Department will continue to analyze the primary job responsibilities of various positions / assignments to identify areas of operational effectiveness. In addition, career development and succession planning will be conducted through skill development and essential training opportunities.
	<b><i>Budget Oversight and Equipment Grant Opportunities</i></b>
	During FY 2020/21, the Police Administration will continue to track and monitor program budgets including overtime, salaries and benefits, and operational capabilities to ensure the Department remains fiscally responsible. The Department continues to seek grant opportunities in an effort to maximize potential revenue sources and procure operational equipment replacement needs.
	<b><i>Recruitment and Retention</i></b>
	The Police Administration will continue to work collaboratively with the Human Resources Department to identify innovative staff recruitment and retention strategies. In FY 2020/21, staff will provide ongoing recruitment testing processes, and participate in job fairs, recruitment opportunities at colleges and police academies.
	<b><i>Legislative Updates and Policy Revisions</i></b>
	The Police Administration will continue to monitor federal, state, and local legislative updates and identify the operational impacts to the Department. Legislative revisions and new legislation are the catalyst for amendments to Department policy, operational procedures, and mandated reporting requirements. In FY 2020/21, staff will continue to monitor and forecast the impacts of legislative mandates, while revising and developing model policies and Department procedures.
	<b><i>Staff Health and Wellness</i></b>
	The Department will continue to partner with the Compassion Institute to provide trainings on various platforms to assist in the mental and physical wellness of staff.



**PD POLICE DEPARTMENT PD**  
**Police Administration**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment	<b><i>Youth Commission</i></b> The Los Gatos Youth Commission's goal of sharing a voice of the youth in the Los Gatos community continues in FY 2020/21. As the liaison to the Los Gatos Youth Commission, the Police Department will continue to guide the Commission in their development and promotion of initiated projects in FY 2020/21. The potential projects provide information and community outreach to various residents, youth, and businesses of the Town.

**KEY PROGRAM SERVICES**

- Administers Department operations.
- Provides policy and operational guidance for staff.
- Develops and monitors the Department's annual operating budget.
- Provides departmental financial/budget statistical analysis.
- Manage and oversee Police service contractual obligations with the City of Monte Sereno.
- Develops succession planning goals and opportunities for staff.
- Oversees Police Department's media and mass notification communications.
- Provides project management for special projects.
- Manages division programs and personnel.



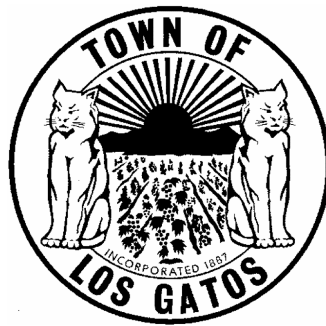
**☞ POLICE DEPARTMENT ☜**  
**Police Administration**

**POLICE ADMINISTRATION PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Chief of Police	1.00	1.00	1.00	1.00	1.00
Police Captain	1.00	1.00	1.00	1.00	1.00
Administrative Analyst	1.00	1.00	-	-	-
Senior Administrative Analyst	-	-	1.00	1.00	1.00
Executive Assistant to Chief	1.00	1.00	1.00	1.00	1.00
<b>Total Administration FTEs</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>	<b>4.00</b>







# **Police Department**

## **RECORDS AND COMMUNICATIONS PROGRAM 4201**

### **PROGRAM PURPOSE**

The Records and Communications Program is staffed by civilian personnel and is comprised of both Police Records and the Communication Center (Dispatch).

The Los Gatos-Monte Sereno Police Department Records Division's professional staff perform numerous support functions in addition to serving as the repository for all Police records. This Division is responsible for accurate data entry and maintenance of reported Police activity in all systems including in-house records management systems as well as county, state, and federal database systems. Records Division staff process criminal and traffic warrants, handle custodial and non-custodial bookings, and prepare criminal case filings to be forwarded to the District Attorney's Office for prosecution within mandated time restrictions. As the primary point of contact for the public at Police Headquarters, Records personnel fulfill report requests, provide LiveScan fingerprinting services, and handle a wide number of other administrative duties in support of the Police Department.

The Records Division is supervised by a Records and Communications Manager who serves as the Custodian of Records and is responsible for the collection, classification, monitoring and reporting of all Departmental criminal and statistical data. Additionally, the Records and Communications Manager receives, conducts research, and responds to requests filed under the California Public Records Act. This position manages special projects and database administration, in addition to completing internal and external audits.

The Communication Center is staffed twenty-four hours a day, seven days a week. The Dispatchers handle the prompt and effective coordination of emergency and non-emergency response by receiving emergency and non-emergency calls, assigning resources, monitoring call and personnel status, and providing support to law enforcement personnel. The



**☞ POLICE DEPARTMENT ☜**  
**Records and Communications**

Communication Center also supports the sworn personnel by retrieving information for Officers, fulfilling requests for dispatch recordings, completing data entry, and releasing property when the Records Division is not open.

**BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

Additional temporary staffing hours (340 hrs.) are proposed for a Project Manager to assist with critical operational technology needs and the regional radio project including interoperability upgrades. These temporary hours are from one-time funding.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	-	-	-	-	-
<i>Service Charges</i>	8,737	7,001	8,256	7,100	6,000	6,000
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	143	2,529	3,653	3,372	-	-
<b>TOTAL REVENUES</b>	<b>\$ 8,880</b>	<b>\$ 9,530</b>	<b>\$ 11,909</b>	<b>\$ 10,472</b>	<b>\$ 6,000</b>	<b>\$ 6,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 1,570,839	\$ 1,714,157	\$ 1,799,295	\$ 1,984,296	\$ 1,778,243	\$ 2,087,585
<i>Operating Expenditures</i>	195,513	224,859	238,264	283,883	291,201	286,957
<i>Fixed Assets</i>	-	-	545	-	-	-
<i>Internal Service Charges</i>	182,831	133,258	183,390	95,481	94,323	108,563
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,949,183</b>	<b>\$ 2,072,274</b>	<b>\$ 2,221,494</b>	<b>\$ 2,363,660</b>	<b>\$ 2,163,767</b>	<b>\$ 2,483,105</b>



**POLICE DEPARTMENT**  
**Records and Communications**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b>            Ensure responsive, accountable, and collaborative government</p>	<p><b><i>Building Trust through Communication and Transparency</i></b>            At the end of FY 2019/20, the Police Department will launch innovative technology that increases communications with the community. Once a call is routed through the Communications Center, the caller will receive text notifications with their incident number, additional information (customized by the nature of the call), and the disposition. Upon assignment of an investigator, victims will receive additional notifications from the Detective Bureau to obtain feedback on staff performance.</p>
<p><b>Public Safety</b>            Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<p><b><i>S.N.A.P. Program</i></b>            In FY 2020/21, Communications Dispatchers will be implementing the Special Needs Alert Program, a voluntary program in which residents can sign up to alert first responders of potential communication difficulties, behavioral health concerns, or other vulnerabilities at a specific address.</p> <p><b><i>CAD/RMS</i></b>            During FY 2020/21, the Police Department will finalize the new Computer Aided Dispatch and Records Management System (CAD/RMS). The solution positions the Police Department to be prepared to comply with upcoming mandates (NIBRS and AB953) to collect and report mandated information.</p> <p><b><i>Survivability Study</i></b>            During FY2020/21, staff will complete an internal survivability study recommended by the Association of Public Safety Communications Officials (APCO) and the National Emergency Number Association (NENA) to objectively assess our Communications Center’s capabilities against models representing the best level of preparedness, survivability, and sustainability amidst a wide range of natural and manmade events.</p>



**☞ POLICE DEPARTMENT ☛**  
**Records and Communications**

**KEY PROGRAM SERVICES**

**Records**

- Responds to customer inquiries.
- Processes Police reports and citations.
- Processes criminal and traffic warrants.
- Provides fingerprint services to residents.
- Completes required statistical reporting to state and federal government.
- Processes subpoena and Public Records Requests.
- Distributes statistical information to Patrol and Investigations as needed.

**Communications**

- Responds to 911 calls and other emergency/non-emergency calls.
- Provides dispatch service to patrol.
- Dispatches emergency personnel.
- Handles customer inquiries.
- Maintains audio recordings of radio and phone traffic; provides copies for court and Department use.



**☞ POLICE DEPARTMENT ☜**  
**Records and Communications**

**RECORDS & COMMUNICATION PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Police Lieutenant	0.30	0.30	-	-	-
Police Sergeant	-	-	0.30	-	-
Police Records Manager	1.00	1.00	1.00	-	-
Police Records & Com Manager	-	-	-	1.00	1.00
Communications Dispatcher Lead	1.00	1.00	1.00	1.00	1.00
Communications Dispatcher	7.00	7.00	7.00	7.00	7.00
Police Records Specialist	3.00	3.00	3.00	3.00	3.00
<b>Total Records &amp; Comm. FTEs</b>	<b>12.30</b>	<b>12.30</b>	<b>12.30</b>	<b>12.00</b>	<b>12.00</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Temporary Staff Hours</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
IT Technician	685	685	685	-	-
Project Manager	-	-	-	685	340
Police Records Specialist	320	1,360	-	-	330
Communications Dispatcher	330	330	330	330	-
<b>Total Annual Hours</b>	<b>1,335</b>	<b>2,375</b>	<b>1,015</b>	<b>1,015</b>	<b>670</b>



**POLICE DEPARTMENT**  
**Records and Communications**

<b>Performance Objectives and Measures</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Provide efficient delivery of department statistics by the 15th of every month.</i>						
a. Statistics completed on or before the 15th day of the month or nearest working date:	100%	100%	100%	100%	100%	100%

<b>Activity and Workload Highlights</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Total number of CAD events created:**	55,994	56,501	55,283	55,829	47,177	55,902
2. Total landline and wireless calls received by dispatch (does not include 911 calls):	48,404	46,630	44,436	41,130	39,850	45,150
3. Number of 911 calls received:	10,181	10,489	10,301	10,224	10,195	10,299
4. Number of stored and/or impounded vehicles processed:	148	194	202	220	203	191
5. Number of police reports processed:	4,177	4,140	4,231	4,303	3,604	4,213
6. Number of public contacts at Records:***	4,042	4,126	3,000	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
7. Number of citations processed:	6,338	4,856	4,419	3,765	2,928	4,845

\*\* A computer-aided dispatch (CAD) event documents all Police-related activity by sworn and civilian personnel.

\*\*\* Measure discontinued effective FY 19/20



# **Police Department**

## **PERSONNEL AND COMMUNITY SERVICES PROGRAM 4202**

### **PROGRAM PURPOSE**

The Personnel and Community Services (PCS) Program provides an essential level of support to the Police Department by overseeing the Department's adherence to state and federal mandates and community values for a transparent law enforcement agency. The PCS Program supports the personnel growth and recruitment of the Police Department through hiring of new personnel, continued education, in-service training, and professional growth of personnel as required by the California Peace Officer Standards and Training. This Program identifies succession planning; promotes organizational development; maintains personnel adherence to professional standards; and administers crime prevention activities and community event programs. Staff in the PCS program also manages and provides oversight to the numerous volunteer programs that support various functions of the Department. This program facilitates the administrative management of the tow truck permit program, residential parking, commercial alarm permits, and Alcohol Beverage Control licensing permits.

Working in conjunction with the Town Manager's Office and the Santa Clara County Fire Department, the Police Department participates in emergency management and preparedness. Staff in this program work in collaboration with state and regional emergency management entities, such as Santa Clara County Office of Emergency Management, in preparation and planning for the possibility of earthquakes, fires, floods, and other natural and man-made disasters.



**☞ POLICE DEPARTMENT ☞**  
**Personnel and Community Services**

**BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.

The 1.0 FTE Administrative Technician assigned to Personnel and Community Services program is now reclassified as a 1.0 FTE Administrative Analyst. This flexibly staffed series allows reclassification to reflect the responsibilities of the position which require a journey-level analysis, independent judgment, and formulation of important recommendations.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	376,720	429,342	376,852	434,600	378,224	389,640
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	1,000	1,500	-	1,000	1,000	1,000
<b>TOTAL REVENUES</b>	<b>\$ 377,720</b>	<b>\$ 430,842</b>	<b>\$ 376,852</b>	<b>\$ 435,600</b>	<b>\$ 379,224</b>	<b>\$ 390,640</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 337,873	\$ 501,437	\$ 313,133	\$ 898,531	\$ 720,147	\$ 878,303
<i>Operating Expenditures</i>	14,865	17,288	184,594	27,464	26,758	30,264
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	243,536	255,101	64,801	111,280	109,538	114,895
<b>TOTAL EXPENDITURES</b>	<b>\$ 596,274</b>	<b>\$ 773,826</b>	<b>\$ 562,528</b>	<b>\$ 1,037,275</b>	<b>\$ 856,443</b>	<b>\$ 1,023,462</b>



**☞ POLICE DEPARTMENT ☞**  
**Personnel and Community Services**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Civic Enrichment</b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment	<b>Community Engagement</b>
	<p>The Social Media team continues to advance and develop new ideas to provide a professional online presence on a variety of popular digital platforms in an additional effort to engage and educate the community on local public safety. Social media and the Department website can be utilized to keep the community informed, build positive relationships, and establish another opportunity for policy transparency. The website and social media platforms can also be used to conduct rapid outreach to a large portion of the community with a consistent message that can be accessed remotely on multiple devices.</p>
	<b>Neighborhood Watch Programs</b>
	<p>During FY 2020/21, the Police Department will continue to expand the Neighborhood Watch program, targeting crime prevention, awareness, and education. This community outreach program provides citizens with current crime trends, enhances communications, promotes crime preventative measures, and builds community resilience and neighborhood relationships. The Neighborhood Watch Program focuses on crime prevention strategies and collaboration between neighbors and the Police Department.</p>
	<b>Volunteer Programs</b>
	<p>Personnel and Community Services screens and provides direction to several volunteer personnel that fulfill roles in Volunteer in Policing (VIP), the Victim Services Unit (VSU), and college interns. There will be continued focus in FY 2020/21 on enhancing these volunteer programs.</p>
	<b>Citizens Police Academy</b>
	<p>During FY 2020/21 the Los Gatos-Monte Sereno Police Department expects to offer its first Citizens Police Academy to the residents of the Town of Los Gatos and the City of Monte Sereno. A major goal of the Citizens Police Academy is to increase understanding between our citizens and the Police Department, and to enhance the Department's strong relationships with the community.</p>



**☞ POLICE DEPARTMENT ☞**  
**Personnel and Community Services**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b><i>Public Safety</i></b>            Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<p style="text-align: center;"><b><i>Community Emergency Response Team (CERT)</i></b></p>
	<p>Community Emergency Response Team (CERT) leads have identified areas of priorities to strengthen the community resilience and preparation of the NICPs, recruiting additional CERT members, and skills to train on. Additionally, a continuing goal is education and recruitment of additional CERT members along with partnership between CERT and the Neighborhood Watch participants in the event of an emergency.</p>
	<p style="text-align: center;"><b><i>Emergency Operations Plan</i></b></p>
	<p>The Police Department continues to coordinate and collaborate with the Town Manager's Office and Santa Clara County Fire Department to define roles and responsibilities within emergency management, volunteer coordination, and planning. In FY 2020/21 an emphasis will be placed on emergency management and preparedness to ensure critical planning and community training for wildland fire evacuation, earthquake preparedness, flood evacuation, and other critical disaster planning. The Department will continue to update, test, and maintain emergency notification and communication systems.</p>



**☞ POLICE DEPARTMENT ☜**  
**Personnel and Community Services**

**KEY PROGRAM SERVICES**

- Manages personnel hiring.
- Manages community outreach through social media and community databases.
- Manages the Department training program.
- Coordinates the Department's community outreach, crime prevention, and neighborhood organization efforts.
- Manages the Department's volunteer program.
- Collaborates emergency management response, training of personnel, and maintenance of the Emergency Operations Center (EOC).
- Develops, coordinates, and manages the Community Emergency Response Team (CERT) and the Disaster Aide Response Team (DART).

**PERSONNEL & COMMUNITY SERVICE PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Town Staff</i></b>					
Police Lieutenant	0.70	0.70	-	-	-
Police Sergeant	-	-	0.70	1.00	1.00
Community Services Officer	1.00	-	-	-	-
Community Outreach Coordinator	-	1.00	1.00	1.00	1.00
IT Systems Administrator	-	-	-	1.00	1.00
Administrative Analyst	-	-	-	-	1.00
Human Resources Specialist	-	1.00	1.00	-	-
Administrative Technician	-	-	-	1.00	-
<b>Total Personnel &amp; CS FTEs</b>	<b>1.70</b>	<b>2.70</b>	<b>2.70</b>	<b>4.00</b>	<b>4.00</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Temporary Staff Hours</i></b>					
Police Officer	300	300	300	300	300
<b>Total Annual Hours</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>	<b>300</b>



**POLICE DEPARTMENT**  
**Personnel and Community Services**

Performance Objectives and Measures	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Enhance the breadth of public safety services provided through the effective use of volunteers.						
a. Percentage of Volunteers in Policing (VIP) reporting satisfaction with their assignments:**	100%	100%	100%	100%	Measure Discontinued	Measure Discontinued
2. Prepare resident volunteers to assist in an emergency.						
a. Percentage of CERT participants better prepared to assist in an emergency:**	100%	100%	100%	100%	Measure Discontinued	Measure Discontinued
3. Create a spirit of cooperation between the Town organization and the community.**						
a. Percentage of Town volunteers who find their participation in Town volunteer activities to be a positive experience:*	100%	100%	100%	Measure Discontinued	Measure Discontinued	Measure Discontinued
4. Preparing resident volunteers to assist in an emergency.***						
a. Number of Town sponsored trainings offered for emergency preparedness volunteers:	Data not available	Data not available	Data not available	Data not available	Data not available	10

Activity and Workload Highlights	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Average hours of training for per sworn officer:	115	118	63	88	100	100
2. Hours of essential training provided to each person in a specialized assignment (Detective Bureau, Traffic, etc.):	52	60	52	40	40	50
3. Average hours of training for non-sworn personnel:	30	38	16	18	20	25
4. Total number of hours volunteered Town-wide (not including VIP):	37,840	25,239	21,151	20,115	25,504	26,086
5. Total value of volunteer hours (not including VIP):	\$851,400	\$567,877	\$475,897	\$452,588	\$573,840	\$586,935
6. Number of hours of volunteer (VIP) service:	1,894	1,414	1,570	1,657	1,534	1,633
7. Dollar value of total annual volunteer (VIP) hours of service:	\$39,774	\$29,687	\$35,325	\$37,283	\$34,515	\$36,743
8. Number of CERT personnel trained this year:	36	31	36	38	40	35
9. Total number of active trained CERT personnel:	441	466	168	206	240	275

\* Measure discontinued effective FY 18/19

\*\*Measure discontinued effective FY 19/20

\*\*\*New measure effective FY 20/21

Note: New CERT measures are under development.



# **Police Department**

## **PATROL PROGRAM 4301**

### **PROGRAM PURPOSE**

The Patrol Program has the responsibility of providing responsive police services to the community of Los Gatos twenty-four hours a day, seven days a week. The Patrol Program deploys twenty-seven uniformed Police officers across four shifts in a continuous effort to keep the Town safe. Officers provide both proactive and reactive service to residents, respond to emergency and non-emergency calls, engage in directed and self-initiated enforcement actions, and utilize problem solving techniques designed to increase community safety.

Within the Patrol function, Officers with specialized training are deployed as Field Training Officers (FTO), Crisis Intervention/Mental Health Officers (CIT), Homeless Liaison Officers, K-9 Officer, and Bicycle Officers. Collateral specialized teams provide support to the Patrol Program, including the Crisis Response Unit (CRU), Hostage Negotiation Team (HNT), Traffic Collision Investigation/Crime Scene Team, Peer Support Team, Firearms/Range Team, Defensive Tactics Team, and the Bicycle Team.

The Reserve Police Officer Program is a subdivision of the Patrol Program and consists of voluntary part-time, sworn volunteers who are trained to assist in regular patrol activities. Reserve officers serve as secondary officers in a patrol capacity or are assigned specific duty functions during special events. Reserve officers are certified and maintain standards as required by California Peace Officers Standards and Training. During FY 19/20, Reserve Officers were utilized to supplement patrol staffing vacancies, perform directed patrol in crime targeted areas, assist with traffic control, work special events, and assist with administrative and criminal pre-booking procedures.



**☞ POLICE DEPARTMENT ☞**  
**Patrol Program**

**BUDGET OVERVIEW**

The Police Department and the Town of Los Gatos enjoy a collaborative relationship with the City of Monte Sereno. In FY 2015/16, the Town entered into a restructured, ten-year agreement effective July 1, 2015 to provide Law Enforcement Services to the City of Monte Sereno through June 30, 2025. This contractual agreement allows for consideration of ongoing updates in law enforcement practices and more closely reflects the workload and modernized service delivery models for both the Town and the City of Monte Sereno. The annual contract rate based on the Average Annual Consumer Price Index for benefits increases the FY 2020/21 City of Monte Sereno Police Services contract to \$920,157.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 28,461	\$ 24,352	\$ 26,180	\$ 39,500	\$ 41,000	\$ 39,500
<i>Intergovernmental Revenue</i>	14,266	7,481	-	-	5,140	5,000
<i>Service Charges</i>	813,401	858,046	885,033	909,633	910,659	953,547
<i>Fines &amp; Forfeitures</i>	46,302	29,372	15,352	12,750	14,565	12,750
<i>Other Revenues</i>	3,321	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 905,751</b>	<b>\$ 919,251</b>	<b>\$ 926,565</b>	<b>\$ 961,883</b>	<b>\$ 971,364</b>	<b>\$ 1,010,797</b>
Transfers In						
<i>Transfer from GFAR</i>	\$ -	\$ -	\$ -	\$ -	\$ 54,750	\$ 78,298
Total Transfers In	-	-	-	-	54,750	78,298
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 905,751</b>	<b>\$ 919,251</b>	<b>\$ 926,565</b>	<b>\$ 961,883</b>	<b>\$ 1,026,114</b>	<b>\$ 1,089,095</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 5,042,450	\$ 5,513,485	\$ 6,430,360	\$ 6,754,569	\$ 6,595,127	\$ 7,044,444
<i>Operating Expenditures</i>	130,631	201,330	185,987	309,009	295,904	391,707
<i>Fixed Assets</i>	-	-	3,000	-	-	-
<i>Internal Service Charges</i>	653,921	860,443	493,353	448,529	423,665	489,807
<b>TOTAL EXPENDITURES</b>	<b>\$ 5,827,002</b>	<b>\$ 6,575,258</b>	<b>\$ 7,112,700</b>	<b>\$ 7,512,107</b>	<b>\$ 7,314,696</b>	<b>\$ 7,925,958</b>



**☞ POLICE DEPARTMENT ☜**  
**Patrol Program**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b>            Ensure responsive, accountable, and collaborative government</p>	<p style="text-align: center;"><b><i>Report Writing and CAD Systems Integration</i></b></p> <p>The Patrol Program will continue to work with other Police programs to evaluate the implementation of program functions into the Computer Aided Dispatch and Records Management System (CAD/RMS). They will gauge methods to increase report writing efficiency, adhere to operational procedures, policies, and maintain integration with other databases and systems.</p> <p style="text-align: center;"><b><i>County Behavioral Health Services</i></b></p> <p>Officers will continue to collaborate with Santa Clara County Behavioral Health Services in utilizing the Mobile Crisis Response Team and other programs to assist individuals in a mental health crisis, provide additional resources, and follow up as needed.</p>
<p><b>Public Safety</b>            Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<p style="text-align: center;"><b><i>Patrol Staffing and Beat Configurations</i></b></p> <p>The Patrol Division will continue to identify best practices for patrol deployment staffing models in consideration of the recent annexation of additional territory and major Town development projects. In addition, staffing levels of each patrol team will continue to be evaluated based on call volume, effective service delivery methods, and anticipated staffing vacancies.</p> <p style="text-align: center;"><b><i>Community Safety Training</i></b></p> <p>The Police Department will continue to work collaboratively with various community groups (public and private) to provide guidance and education related to emergency action plans for local schools, businesses, and faith-based organizations in the event of a violent intruder or mass casualty event.</p>
<p><b>Community Character</b>            Preserve and enhance the appearance, character, and environment quality of the community</p>	<p style="text-align: center;"><b><i>Homeless Outreach &amp; Service Programs</i></b></p> <p>The Homeless Encampment Resource Officer (HERO) is a collateral assignment, with specific focus on homeless outreach, accountability, and services. Officers in this assignment will continue to work with homeless individuals and facilitate access to regional service programs, coordinate necessary encampment cleanups through inter-agency coordination, and promote overall health and safety.</p>



**☞ POLICE DEPARTMENT ☜**  
**Patrol Program**

**KEY PROGRAM SERVICES**

- Responds to emergency and non-emergency calls for service.
- Performs directed patrol and self-initiated activity during non-committed time.
- Investigates crimes and traffic accidents.
- Utilizes innovative crime suppression techniques and directed patrol plans to reduce crime.
- Supports the Department's traffic enforcement control program, including issuance of traffic and parking citations.
- Builds relationships within the community to enhance public safety and increase community policing.
- Oversees the training and deployment of collateral and specialty teams such as, Crisis Response Unit (CRU), Hostage Negotiations Team, Bicycle Team, Field Training Officer Program, Major Incident/Traffic Reconstruction Team, K9-Team, Homeless Liaison Team, Firearms Team, and Defensive Tactics Team.
- Oversees the deployment of volunteer teams, such as Reserve Police Officers and the Police Explorer Post.

**PATROL PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Town Staff</i></b>					
Police Captain	-	-	0.50	0.50	0.50
Police Lieutenant	0.50	0.50	-	-	-
Police Sergeant	4.00	4.00	4.00	4.00	4.00
Police Corporal	4.00	4.00	4.00	4.00	4.00
Police Officer	17.00	17.00	17.00	17.00	17.00
<b>Total Patrol Program FTEs</b>	<b>25.50</b>	<b>25.50</b>	<b>25.50</b>	<b>25.50</b>	<b>25.50</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Temporary Staff Hours</i></b>					
Community Service Officer Intern	1,040	1,040	1,720	1,720	2,080
Community Service Officer	390	390	-	-	-
<b>Total Annual Hours</b>	<b>1,430</b>	<b>1,430</b>	<b>1,720</b>	<b>1,720</b>	<b>2,080</b>



**POLICE DEPARTMENT**  
**Patrol Program**

Performance Objectives and Measures	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Provide safe environment through timely response and police assistance.						
a. Average response time - Priority I calls:	4:27	4:08	4:29	3:35	3:54	5:00
b. Average response time - Priority II calls:	6:49	5:34	6:21	6:41	6:40	10:00
c. Average response time - Priority III calls:	9:19	6:34	9:55	11:39	10:38	15:00

Activity and Workload Highlights	2015/16 Actual	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of Priority I incidents (immediate emergency with threat of life and public safety hazard):*	314	380	289	253	293	278
2. Number of Priority II incidents(urgent emergency that requires immediate response):*	13,859	13,065	14,691	14,176	13,961	13948
3. Number of Priority III incidents (non-emergency):*	14,782	15,335	14,840	14,747	14,897	14926
4. Number of Priority IV incidents (other):*	15,485	17,392	15,245	15,474	15,768	15899
5. Total number of Incidents:*	44,440	46,211	45,065	44,650	44,961	45092
6. Hours of Volunteer Reserve Officer hours used:	784	571	769	606	723	683
7. Dollar value of total Reserve Officer hours used:	\$40,485	\$29,486	\$39,736	\$30,906	\$36,569	\$35,153
8. Hours of Disaster Aid Response Team service used:	947	765	792	835	995	915
9. Dollar value of total Disaster Aid Response Team service used:	\$29,085	\$26,775	\$24,323	\$38,610	\$48,930	\$33,545
10. Number of hours patrolling Monte Sereno: (Per agreement - 4160 hrs. patrol + 416 traffic/annually)	4,576	4,576	4,537	4,562	4,563	4576
11. Total number of arrests by Los Gatos/ Monte Sereno Police Department:	953	1,040	1,100	1,140	1,063	1058
12. Total number of reports written by Community Service Officer intern:**	131	138	175	172	20	154

\*FY 2014/15 incident types were recategorized and consolidated to most accurately reflect previously established priority definitions (I, II, III).  
Prior year calculations were based upon 9 Priority Types. FY 2014/15 and proceeding will be reflective of 4 Priority Types as defined above.

\*\* New measure effective FY 2015/16.







# Police Department

## **TRAFFIC PROGRAM 4302**

### **PROGRAM PURPOSE**

The Traffic Program focuses on the education, encouragement, and enforcement of the California Vehicle Code to enhance the safety of roadways for all motorists, bicyclists, and pedestrians. The Program collaborates with Parks and Public Works and utilizes national and regional traffic safety programs to manage and coordinate community education activities designed to address traffic complaints; increase motorist, bicyclist and pedestrian safety; and reduce property damage, injury and fatal traffic collisions. The Traffic Program works in conjunction with the Complete Streets and Transportation Commission, Traffic Safe Communities Network, and Monte Sereno Better Streets Commission to promote the continued success of programs such as Safe Routes to School. The Traffic Program also manages and coordinates special events that may impact the flow of traffic upon the roadway or create hazards.

Officers assigned to the Traffic Program are responsible for utilizing the California Vehicle Code to educate, encourage, and enforce safe behaviors of motorists, bicyclists, and pedestrians on public roadways. Officers are also responsible for the investigation and documentation of traffic collisions.

Traffic Officers strive to reduce property damage, injury, and death related to traffic collisions. For more than a decade, the Traffic Program has managed the School Crossing Guard program in partnership with the Los Gatos Union School District and the Union School District to provide contractual crossing guard services. The current contract renewal is anticipated in FY 2020/2021.



**☞ POLICE DEPARTMENT ☜**  
**Traffic**

**BUDGET OVERVIEW**

The Traffic Program is staffed with a 0.70 FTE Police Sergeant and 2.0 FTE sworn officers.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Actuals</b>	<b>Actuals</b>	<b>Actuals</b>	<b>Adopted</b>	<b>Estimated</b>	<b>Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 14,588	\$ 12,131	\$ 12,734	\$ 8,185	\$ 12,195	\$ 8,000
<i>Intergovernmental Revenue</i>	361,175	399,153	448,482	305,000	317,454	305,000
<i>Service Charges</i>	107,702	107,702	115,250	123,318	123,318	131,907
<i>Fines &amp; Forfeitures</i>	14,737	16,910	17,849	20,200	20,200	20,200
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 498,202</b>	<b>\$ 535,896</b>	<b>\$ 594,315</b>	<b>\$ 456,703</b>	<b>\$ 473,167</b>	<b>\$ 465,107</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 665,351	\$ 707,350	\$ 773,754	\$ 835,537	\$ 602,396	\$ 805,649
<i>Operating Expenditures</i>	137,398	137,948	147,065	184,746	174,018	195,527
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	129,420	147,391	90,545	64,674	57,095	65,297
<b>TOTAL EXPENDITURES</b>	<b>\$ 932,169</b>	<b>\$ 992,689</b>	<b>\$ 1,011,364</b>	<b>\$ 1,084,957</b>	<b>\$ 833,509</b>	<b>\$ 1,066,473</b>



**☞ POLICE DEPARTMENT ☜**  
**Traffic**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b><i>Good Governance</i></b>            Ensure responsive, accountable, and collaborative government</p>	<p><b><i>Major Traffic Collision Investigation Training and Equipment</i></b>            In FY 2020/21, the Traffic Division will enhance their expertise by completing training in vehicle collision reconstruction, investigation, and other specialized training. The Traffic Division will work collaboratively with the Major Collision Investigation Team to conduct a joint training on the Topcon Robotics Total Station.</p> <p><b><i>Electronic Handheld Traffic Citation System</i></b>            In FY 2020/21, the Traffic Division will continue to explore integration and implementation for electronic handheld traffic citation, which is compatible with the new Computer Aided Dispatch and Records Management System (CAD/RMS).</p>
<p><b><i>Public Safety</i></b>            Ensure public safety through proactive community policing, effective emergency response, and</p>	<p><b><i>Reduction in Traffic Collisions</i></b>            During FY 2020/21, the Traffic Division will work in collaboration with the Operations Bureau and the Town Engineering Division to analyze hazardous traffic collision data to prioritize locations throughout Town requiring focused enforcement.</p> <p><b><i>Safe Routes Promoting the Five “E’s”</i></b>            In FY 2020/21, the Department will continue to participate in Safe Routes to School, Traffic Safe Communities Network, and Complete Streets and Transportation Commission programs and projects. These projects will include the identification of alternate transportation methods, management of traffic flow, and promotion of vehicle, bicycle and pedestrian safety.</p>



**☞ POLICE DEPARTMENT ☛**  
**Traffic**

**KEY PROGRAM SERVICES**

- Responds to and investigates traffic accidents.
- Educates the public on traffic safety.
- Provides traffic enforcement.
- Participates in community traffic safety committees and programs.
- Collaborates with the Traffic and Parking Commission.
- Reviews traffic safety plans for special events.
- Participates in regional efforts to maintain traffic safety.

**TRAFFIC PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Police Sergeant	0.70	0.70	0.70	0.70	0.70
Police Officer	2.00	2.00	2.00	2.00	2.00
<b>Total Traffic Program FTEs</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>	<b>2.70</b>



**☞ POLICE DEPARTMENT ☜**  
**Traffic**

<b>Performance Objectives and Measures</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Reduction of DUI-involved collisions through specialized enforcement and educational programs.</i>						
a. Percentage of reported traffic collisions involving drugs or alcohol:	5.70%	6.73%	4.60%	10.60%	11.00%	7.00%
2. <i>Through directed enforcement, the program seeks to minimize the loss of life and reduce personal injuries due to traffic collisions.</i>						
a. Traffic Index:	23	28	24.1	18.8	12.1	30
<i>The Traffic Index is a national standard developed by the Federal Office of Traffic Safety (OTS). The index number is determined by dividing the number of hazardous citations issued by the total number of fatal and injury collisions. An index of 25 - 35 is generally viewed as desirable. A substantially higher number would indicate that officers are writing an excessive number of citations that are not related to the causes of traffic collisions. A substantially lower number indicates that inadequate staffing or attention is directed at the traffic collision problem in a jurisdiction.</i>						

<b>Activity and Workload Highlights</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Total number of traffic citations issued (excludes courtesy citations):	2,585	2,839	2,537	2,087	1,381	2,512
2. Number of hazardous citations:	1,945	1,929	2,145	1,616	1,058	1,909
3. Number of courtesy citations issued:	2,808	2,399	1,882	1,677	1,891	1,600
4. Number of DUI arrests:	50	60	55	68	70	58
5. Number of traffic collision reports:	366	282	304	288	265	291
6. Number of injury collisions:	83	69	89	86	88	82

*\*Traffic collision report increase due to reports being written for non-injury collisions in lieu of information exchange between parties.*







# **Police Department**

## **INVESTIGATIONS PROGRAM 4303**

### **PROGRAM PURPOSE**

The Investigations Program conducts both self-initiated and follow-up investigations related to crime, coordinates the prosecution of crimes through the criminal justice system, and performs special operations and enforcement.

Detectives assigned to this Program conduct comprehensive investigations. This includes the identification of crime trends and patterns, apprehension of criminal suspects, evidence collection, interagency collaboration, and victim outreach. In addition, the Investigations Program maintains and enforces the required registration and monitoring of sex offenders, narcotics offenders, and arson offenders.

One Officer in this Program is assigned as the School Resource Officer (SRO). The SRO is responsible for assisting in investigating crimes involving juveniles as victims or offenders, managing youth-related problems and trends, and being a liaison to local schools. The SRO works collaboratively with school staff, administration, and students in both the Los Gatos-Saratoga Union High School District and Los Gatos Union School District to promote school campus and community safety and to be a presence on campus. Since FY 2009/10, funding for the SRO position has been offset by an agreement with the high school and elementary school districts, with each sharing costs for nearly one-half the Officer's salary and benefits. The SRO contract runs through June 30, 2021 and is expected to be renegotiated to continue this service.

In addition, an Officer from this Program is assigned to Regional Enforcement Allied Computer Enforcement (REACT) Task Force. REACT is a diversified partnership of local, state, and federal agencies formed in cooperation with private industry to combat the escalating problem of high technology crime and the threat it poses to the public, nonprofit, and private sectors.



**☞ POLICE DEPARTMENT ☛**  
**Investigations**

**BUDGET OVERVIEW**

The Investigations Program is comprised of 1.0 FTE Police Sergeant, six 1.0 FTE sworn Officers, 1.0 FTE Community Service Officer and 1.0 FTE Police Records Specialist.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 889	\$ 1,313	\$ 187	\$ 500	\$ 1,960	\$ 500
<i>Intergovernmental Revenue</i>	50,000	-	-	-	40,000	100,000
<i>Service Charges</i>	114,506	124,045	125,426	139,213	139,213	142,444
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	2,685	5,139	7,316	1,000	1,000	1,000
<b>TOTAL REVENUES</b>	<b>\$ 168,080</b>	<b>\$ 130,497</b>	<b>\$ 132,929</b>	<b>\$ 140,713</b>	<b>\$ 182,173</b>	<b>\$ 243,944</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 1,934,392	\$ 1,858,971	\$ 1,916,088	\$ 2,501,656	\$ 2,360,723	\$ 2,520,829
<i>Operating Expenditures</i>	130,531	130,616	126,134	203,760	169,743	208,660
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	277,108	292,708	177,239	138,652	131,390	147,520
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,342,031</b>	<b>\$ 2,282,295</b>	<b>\$ 2,219,461</b>	<b>\$ 2,844,068</b>	<b>\$ 2,661,856</b>	<b>\$ 2,877,009</b>



**POLICE DEPARTMENT**  
**Investigations**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Good Governance</b> Ensure responsive, accountable, and collaborative government</p>	<p><b><i>School Resource Officer Safety Diversion Programs</i></b> During FY 2020/21, the School Resource Officer (SRO) will continue collaborative efforts with the Los Gatos-Saratoga Union High School District, Los Gatos Union School District, and Los Gatos Home and School Club to provide the educational component to the vaping diversion programs as an alternative for youth offenders.</p> <p><b><i>Inter-Agency Digital Evidence Discovery Systems</i></b> During FY 2020/21, the Department will identify a digital evidence storage system which will integrate with the Santa Clara County District Attorney's Office evidence discovery process and procedures. This will reduce staff time spent on duplicating video evidence for discovery requests, while maintaining secured file access.</p> <p><b><i>Evidence Management and Off-site Storage Facility Project</i></b> During FY 2020/21, Police Department staff will collaborate with Parks and Public Works staff in the capital improvement project related to the reconfiguration and build out of the Town Corporation Yard outbuilding used as additional Police evidence and property storage.</p>
<p><b>Civic Enrichment</b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment</p>	<p><b><i>Volunteer Student Intern Program</i></b> The Police Department will develop a volunteer student intern program, geared toward college students who are interested in developing their knowledge and understanding of the law enforcement profession. Student interns will assist Police Department staff in various administrative duties in several of the Police Divisions.</p> <p><b><i>Citizen On-Line Reporting System Integration</i></b> During FY 2020/21, the Police Department will explore the integration of Cop Logic Reporting software with the Computer Aided Dispatch (CAD/RMS) system as an on-line crime reporting system. The Department will focus on an online crime reporting system which enhances the user's accessibility and experience, but also allows for investigative oversight and management by the Investigations Division.</p>



**☞ POLICE DEPARTMENT ☞**  
Investigations

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p style="text-align: center;"><b><i>Public Safety</i></b></p> <p>Ensure public safety through proactive community policing, effective emergency response, and community-wide emergency preparedness</p>	<p style="text-align: center;"><b><i>Behavioral Intervention Team (BIT) Program</i></b></p> <p>During FY 2020/21, the Police Department, Los Gatos High School (LGHS), and Los Gatos-Saratoga Union High School District will continue to collaborate in the development of a Behavioral Intervention Team at LGHS. The multi-disciplinary BIT team meets regularly to identify at-risk behaviors of students and develops early-staged intervention and counseling programs to maintain a safe learning environment.</p> <p style="text-align: center;"><b><i>Anti-Theft Bait Technology</i></b></p> <p>The Investigations Division strives to reduce thefts and property crimes through the deployment of “bait” technology systems, targeting package theft and bicycle theft offenders. In the upcoming year, crime analytics will be utilized to identify package theft and bicycle crime trends to provide opportunities for successful deployment.</p>
<p style="text-align: center;"><b><i>Community Character</i></b></p> <p>Preserve and enhance the appearance, character, and environment quality of the community</p>	<p style="text-align: center;"><b><i>Community Threat Assessment</i></b></p> <p>During FY 2020/21, Detectives will work with individual residents and business owners to conduct property threat assessments and placement of surveillance cameras to promote crime deterrence. The Police Department maintains a voluntary database in which residents and businesses can register having a surveillance system via “On Watch” and investigators may then contact the owner to obtain footage if suspect information was possibly captured on the camera.</p>



**☞ POLICE DEPARTMENT ☜**  
**Investigations**

**KEY PROGRAM SERVICES**

- Investigates and solves crimes.
- Directs and coordinates the prosecution of offenders.
- Provides services to victims.
- Assists in management of property and evidence.
- Monitors and registers narcotics, sex, and arson offenders.
- Provides administrative, strategic, and tactical crime analysis.
- Oversees School Resource Officer program and involvement in the schools.

**INVESTIGATIONS PROGRAM STAFFING**

***Full Time Equivalents (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Police Captain	-	-	0.50	0.50	0.50
Police Lieutenant	0.50	0.50	-	-	-
Poice Sergeant	1.00	1.00	1.00	1.00	1.00
Police Officer *	6.00	6.00	6.00	6.00	6.00
Community Services Officer	1.00	1.00	1.00	1.00	1.00
Police Records Specialist	1.00	1.00	1.00	1.00	1.00
<b>Total Investigation FTEs</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>	<b>9.50</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Temporary Staff Hours</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
CSO-Investigation Evidence	-	1,040	-	-	-
<b>Total Annual Hours</b>	<b>-</b>	<b>1,040</b>	<b>-</b>	<b>-</b>	<b>-</b>

\* Includes one officer in the Regional Enforcement Allied Computer Team (REACT).



**POLICE DEPARTMENT**  
**Investigations**

<b>Performance Objectives and Measures</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>To provide thorough and objective analysis of crime to achieve resolution of criminal matters.</i>						
a. Number of Part I and Part II crimes cleared:	674	696	625	663	661	664
2. <i>To divert local youth from the criminal justice system.</i>						
a. Percentage of youthful offenders diverted from the criminal justice system:	28%	24%	16%	7%	6%	5%
3. <i>To obtain criminal complaints against violators.</i>						
a. Percentage of criminal complaints issued by District Attorney with charges filed:*	76%	79%	58%	154%	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
b. Percentage of criminal complaints denied by District Attorney:*	23%	17%	24%	17%	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>

<b>Activity and Workload Highlights</b>	<b>2015/16 Actual</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of cases investigated:	1,888	1,417	1,401	1,482	1,401	1,518
2. Number of criminal complaints requested for review at District Attorney's Office:	683	809	840	746	769	769
3. Annual number of public school visits by the School Resource Officer:	292	357	361	376	281	333

*\*Measure discontinued effective FY 19/20*



# Police Department

## **PARKING MANAGEMENT PROGRAM 4304**

### **PROGRAM PURPOSE**

The Parking Management Program coordinates, manages, and enforces vehicular parking on roadways and highways and in municipal lots. The Parking Management Program uses the California Vehicle Code and Town Municipal Code to enforce residential/employee/commercial zone permit-only parking, time-restricted parking, disabled parking, and loading zones. The enforcement of parking violations assists traffic flow and increases parking space availability. This Program works in conjunction with the Patrol Division on vehicle tows, traffic control, special events, and the deployment and management of the mobile speed radar trailers. In addition, the Program manages the issuance of residential and business preferential parking permits, as well as the Abandoned Vehicle Abatement Service Authority (AVASA) program in Town to ensure roadways and highways are free of abandoned vehicles.

The Parking Management Program collaborates with the Town's Parks and Public Works Department and the Community Development Department to address permit parking, special event parking, municipal lot parking management, and parking issues around schools. Parking Control Officers utilize automated parking enforcement technology to assist in the efficiency and accuracy of parking violation documentation and issuance of citations. They support Patrol Officers with traffic control during high impact roadway events and assist with crossing guard duties as necessary. This Program will begin to implement the recommendations from the Comprehensive Parking Study.



**☞ POLICE DEPARTMENT ☞**  
**Parking Management**

**BUDGET OVERVIEW**

The Parking Management Program is budgeted for 0.30 FTE Police Sergeant and 2.0 FTE Parking Control Officers. The Sergeant oversees and manages the deployment and allocation of Parking Control resources. The Sergeant works collaboratively with the Town's Parks and Public Works Department, the Community Development Department, and the Complete Streets and Transportation Commission to coordinate the monitoring and enforcement of parking related concerns on Town streets and municipal lots.

The 1.0 FTE Parking Control Officer assigned to the Parking Management Program is now reclassified to a 1.0 Senior Parking Control Officer. The Parking Control Officer position has remained flexible to fulfill the needs of the Parking Program while maintaining its core function.

Additional temporary staffing hours (1000 hrs.) are proposed to add the job classification of Parking Program Manager. This position will assist in the review and implementation of recommendations contained in the Comprehensive Parking Study.



**☞ POLICE DEPARTMENT ☜**  
**Parking Management**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ 42,791	\$ 37,742	\$ 49,123	\$ 36,000	\$ 41,000	\$ 36,000
<i>Intergovernmental Revenue</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	801,037	609,934	400,246	436,000	311,964	394,000
<i>Other Revenues</i>	28,566	28,566	29,205	32,400	32,400	32,400
<b>TOTAL REVENUES</b>	<b>\$ 872,394</b>	<b>\$ 676,242</b>	<b>\$ 478,574</b>	<b>\$ 504,400</b>	<b>\$ 385,364</b>	<b>\$ 462,400</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 282,567	\$ 302,763	\$ 281,177	\$ 343,772	\$ 306,475	\$ 414,841
<i>Operating Expenditures</i>	336,358	282,855	222,516	281,828	268,360	292,728
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	81,400	98,199	62,203	45,784	45,639	47,164
<b>TOTAL EXPENDITURES</b>	<b>\$ 700,325</b>	<b>\$ 683,817</b>	<b>\$ 565,896</b>	<b>\$ 671,384</b>	<b>\$ 620,474</b>	<b>\$ 754,733</b>



**☞ POLICE DEPARTMENT ☜**  
**Parking Management**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable, and collaborative government	<b><i>Parking Management Program</i></b>
	During FY 2020/21, the Parking Management Program will explore the potential for notification, implementation, and research for virtual parking permits.
	<b><i>Comprehensive Parking Study Implementation</i></b>
	During FY 2020/21, the Parking Management Program will oversee the implementation of some of the Comprehensive Parking Study recommendations.
	<b><i>Ensure Responsive Accountable and Collaborative Government</i></b>
	In FY 2020/21, the Parking Management Program will continue to evaluate Automated License Plate Reader (ALPR) technology, obtain parking metrics and citation data to determine the appropriate deployment of the ALPR and Parking personnel to maximize efficiencies.

**KEY PROGRAM SERVICES**

- Proactively collaborates with Park and Public Works Department in the management of the Town's available parking inventory.
- Monitors and enforces parking and abandoned vehicle laws.
- Communicates with and educates residents, businesses, and visitors on parking issues and regulations.
- Coordinates the Holiday Parking program and special event parking control.
- Manages and oversees the parking citation appeal process.
- Coordinates efforts with the Complete Streets and Transportation Commission and Parks and Public Works Department.



**☞ POLICE DEPARTMENT ☞**  
**Parking Management**

**PARKING MANAGEMENT FUND STAFFING**

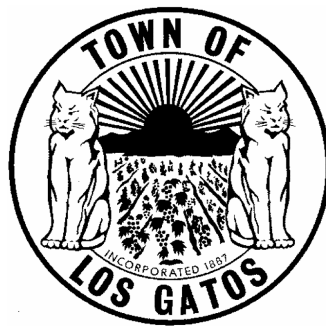
**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Police Sergeant	0.30	0.30	0.30	0.30	0.30
Senior Parking Control Officer	-	-	-	-	1.00
Parking Control Officer	2.00	2.00	2.00	2.00	1.00
<b>Total Parking Mgmt. FTEs</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>	<b>2.30</b>
	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Parking Control Manager	-	-	-	-	1,000
Parking Control Officer	357	357	-	-	300
<b>Total Annual Hours</b>	<b>357</b>	<b>357</b>	<b>-</b>	<b>-</b>	<b>1,300</b>

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Performance Objectives and Measures	Actual	Actual	Actual	Actual	Estimated	Planned
1. Promote pedestrian and vehicular safety while providing improved traffic flow and increased parking availability on residential streets.						
a. Percentage of parking citations paid with initial notices:	88%	89%	89%	93%	90%	90%
2. Enforce timed limit, residential and employee zoned permit parking.						
a. During enforcement hours respond to community reported parking problems within 20 minutes:	Yes	Yes	Yes	Yes	Yes	Yes

	2015/16	2016/17	2017/18	2018/19	2019/20	2020/21
Activity and Workload Highlights	Actual	Actual	Actual	Actual	Estimated	Planned
1. Number of parking citations issued:	15,667	14,652	11,784	6,817	6,900	12,230
2. Number of residential and employee parking permits issued:	1,371	1,369	1,372	1,519	1,350	1,407
3. Number of vehicles marked for 72-hour parking:	449	606	653	410	211	225
4. Number of abandoned vehicles removed from public streets:	23	20	43	24	17	20
5. Revenue received on parking permits issued:	\$41,129	\$39,422	\$37,742	\$49,123	\$40,000	\$41,854
6. Revenue received on parking citations issued:	\$755,240	\$581,479	\$591,414	\$400,154	\$225,000	\$300,000







# **Police Department**

## **PASS-THROUGH ACCOUNTS PROGRAM 4999**

### **PROGRAM PURPOSE**

Revenues and expenditures which are collected for, and remitted to, external agencies are considered “pass-through” appropriations in the Town’s budget. Accounting for these activities in a separate accounting structure allows the true cost of operations to remain intact within a program, eliminating unrelated funding fluctuations from year to year.

### **BUDGET OVERVIEW**

There is no budgetary impact to this program as revenues equal expenditures. The revenues and expenditures reflect a reasonable estimate based on prior year trends or Department information; however, actuals may differ substantially from original budgeted numbers at fiscal year-end.

FY 2020/21 revenues and expenditures reflect a pass-through of Community Emergency Response Team (CERT) funds. As this program includes no staff activity, it does not have Key Projects or Performance Measures.



**☞ POLICE DEPARTMENT ☜**  
**Pass-Through Accounts**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	-	-	-	-	-
<i>Service Charges</i>	5,012	2,263	3,946	3,000	479	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	22,561	-	-	29,115	5,000	24,115
<b>TOTAL REVENUES</b>	<b>\$ 27,573</b>	<b>\$ 2,263</b>	<b>\$ 3,946</b>	<b>\$ 32,115</b>	<b>\$ 5,479</b>	<b>\$ 24,115</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	28,178	5,442	4,520	32,115	6,372	24,115
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 28,178</b>	<b>\$ 5,442</b>	<b>\$ 4,520</b>	<b>\$ 32,115</b>	<b>\$ 6,372</b>	<b>\$ 24,115</b>



# **Police Department**

## **OPERATING GRANTS 4803-4812**

### **PROGRAM PURPOSE**

This fund accounts for revenues and expenditures attributed to grants for operating budget projects that fall outside of the Capital Improvement Program (CIP) Grant Projects. The Town's CIP project guidelines state a CIP project must have a value of \$25,000 or more with a minimum useful life of 5 years at a fixed location.

Grant revenues and expenditures are structured to net out to zero. If overages or non-reimbursable expenses occur for grant activities, the additional charges are absorbed within the Department's operating budget. Some grants require a Town matching or other contribution as part of the award, which is reflected either as funding transferred into the grant, or expenditures reallocated to the appropriate program budget.

### **BUDGET OVERVIEW**

In FY 2019/20 the Police Department was awarded the Bulletproof Vest Partnership (BVP) grant, created by the Bulletproof Vest Partnership Grant Act of 1998 it is a unique U.S. Department of Justice initiative designed to provide a critical resource to state and local law enforcement. The BVP Grant will continue into FY 2020/21.

In FY 2018/19 the Police Department was awarded a grant for the Innovations Grant Program (IGP) from Peace Officer Standards and Training (POST). This Grant will continue into FY 2020/21. The focus of this POST grant is on fostering innovations in training and procedures for law enforcement officers, with the goal of reducing the number of officer-involved shootings statewide.



**POLICE DEPARTMENT**  
**Operating Grants**

**PEACE OFFICER STANDARDS AND TRAINING (POST) GRANT**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	-	-	77,698	28,003	49,695
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 77,698</b>	<b>\$ 28,003</b>	<b>\$ 49,695</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	143	77,698	28,003	49,695
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 143</b>	<b>\$ 77,698</b>	<b>\$ 28,003</b>	<b>\$ 49,695</b>

**BSCC COMMUNITY GRANT**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	-	49,706	-	13,024	13,024	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ 49,706</b>	<b>\$ -</b>	<b>\$ 13,024</b>	<b>\$ 13,024</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	10,578	26,095	13,024	13,024	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ 10,578</b>	<b>\$ 26,095</b>	<b>\$ 13,024</b>	<b>\$ 13,024</b>	<b>\$ -</b>



**POLICE DEPARTMENT**  
**Operating Grants**

**BVP GRANT**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	4,076	873	1,309	5,069	5,000	5,000
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 4,076</b>	<b>\$ 873</b>	<b>\$ 1,309</b>	<b>\$ 5,069</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	4,076	873	1,309	5,069	5,000	5,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 4,076</b>	<b>\$ 873</b>	<b>\$ 1,309</b>	<b>\$ 5,069</b>	<b>\$ 5,000</b>	<b>\$ 5,000</b>

**HOMELAND SECURITY GRANT**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	10,491	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 10,491</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	10,491	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 10,491</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>



**POLICE DEPARTMENT**  
**Operating Grants**

**OFFICE OF TRAFFIC STUDY GRANT**

SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Licenses &amp; Permits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Intergovernmental Revenue</i>	603	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 603</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>





## ***Parks & Public Works***



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# Parks & Public Works Department

## DEPARTMENT PURPOSE

The Parks and Public Works Department (PPW) constructs and maintains the Town's public parks, facilities, roadways, rights-of-way, and other infrastructure. Six organizational units (the Administration, Park Services, Engineering Development Services, Engineering Program Services, Streets and Signals, and Environmental Services Program) work in coordination to achieve the Department's overarching goal of ensuring the Town's facilities are safe, functional, and attractive. Additional departmental services that support these objectives include the Facilities Maintenance, Vehicle Maintenance, and Non-Point Source Program. PPW is also responsible for several Landscape and Lighting Districts. In addition to providing ongoing maintenance activities, the Parks and Public Works Department staff provides information and outreach to Town residents, businesses, and the public concerning the Department's programs, activities, and projects.

## BUDGET OVERVIEW

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates. The operating expenditures have been augmented by an increase of \$50,000 for increased water costs, \$40,500 for one-time consultant services in engineering, \$25,000 for traffic signal maintenance, and a one-time allocation of \$150,000 for street tree maintenance, of which \$50,000 is from the Town's dedicated tree fund.

During this fiscal year, the Department will advance or complete many priorities. Some projects include: Wildfire Mitigation, the Vehicle Miles Travelled Policy, the Traffic Signal Modernization, and the Highway 17 Interchange and Capacity Improvements project. Additionally, staff will work to recommend, design, and deliver projects from the Town's approved Bicycle and Pedestrian Master Plan and Traffic Around Schools Plan and advance the newly branded Connect Los Gatos Transportation Program and Community Engagement Plan. Staff will continue to apply for grants to supplement Town funding and advance the Town's capital project plans.



## PARKS & PUBLIC WORKS DEPARTMENT

The Engineering Development program will continue to work on several key private projects in Los Gatos including: the North Forty project, the Greenridge Terrace project, the mixed use project on Union Avenue, the elderly care facility on Blossom Hill Road, and the elderly care facility on Wood Road. Staff will continue to provide technical support and work collaboratively with residents and private developers through the development process for new planning applications to ensure compliance with Town regulations.

The School Bus Pilot Program, aimed at reducing traffic congestion around schools, will continue into the next fiscal year. Through the course of the year, staff will continue to analyze and adjust the program to maximize subscribers and ridership. In addition, staff will bring to Council potential options to transition the program to a different model.

The Town continues to add recycling receptacles downtown and in parks through the Recycling Expansion Program. In FY 2020/21, staff will add receptacles to multiple parks throughout the Town. This program was created to comply with AB 939 and AB 341 to reduce litter throughout the community and assist with reaching the Statewide diversion goal.

The Town's Outside the Box Program is designed to enhance the character of the community by adding artwork to utility boxes that are often targeted by graffiti vandals. Selected artwork harbors environmental sustainability messages that include: alternative transportation, clean energy, clean creeks, community sustainability, and healthy lifestyles. In FY 2019/20 five utility boxes are being added which bring the total to 26, and another four are planned in FY 2020/21. Staff will explore future sites as an ongoing project has been added to the Capital Improvement Program.

The Streets and Signals Program includes a one-time budget increase for additional tree pruning and trimming Town-wide. The additional funds will put the Town on a 15-year trimming cycle (the industry standard is seven years).

The Department will continue work on several other areas, including facilities projects and vegetation management. In addition to these, staff will continue to support the new West Valley Clean Water Program JPA to manage the West Valley cities' Non-Point Source Programs.



## ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b><i>Community Character</i></b>            Preserve and enhance the appearance character and environment quality of the community</p>	<ul style="list-style-type: none"> <li>• Staff has been working actively on Phase 1 of the North 40 development project to review plans and documents, hold meetings with the development team, and coordinate with both the developer and their consultants. This collaborative effort led to the issuance of encroachment permits for the project's frontage improvements within Lark Avenue and Los Gatos Boulevard, and the grading permit for on-site work. In the current fiscal year alone, staff and our consultant have collaborated in the review of over 20 submittals of plans, held over 25 meetings and conference calls with the developer and their consultants, and coordinated in regard to numerous agreements, exhibits, maps and other project-related details and documents.</li> <li>• Added six new recycling receptacles on Santa Cruz Avenue and Main street, three to Blossom Hill Park, and one to Belgatos Park with the purpose of diverting items that would otherwise end up in landfill, discouraging litter, and helping keep our local creeks clean and pollution free.</li> <li>• Provided sound mitigation at the Library by installing a glass wall and entry door into the Teen Room.</li> <li>• Implemented median island landscape and irrigation restoration at locations along Los Gatos Blvd.</li> <li>• Completed a pilot program one-way street conversion on North Santa Cruz Avenue, that provided numerous learning opportunities for a future downtown streetscape project.</li> <li>• Supported the Downtown Parklet program enhancing the usability of Downtown space and outdoor environment</li> </ul>



**ACCOMPLISHMENTS**

Core Goals	Accomplishments
<p><b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government</p>	<ul style="list-style-type: none"> <li>• Removed dead trees and brush along Shannon Road protruding into the roadway on the narrow stretches near Santa Rosa Drive.</li> <li>• Implemented landscape and irrigation restoration in the Vasona Oaks Landscape and Lighting District area along the pedestrian pathway leading into the development.</li> <li>• Completed the last phase of the Almond Grove Street Rehabilitation project.</li> <li>• Continued to advance traffic calming projects and neighborhood discussions on College Avenue and Tait Avenue.</li> <li>• Sought grants for vegetation management to ensure the Town's open spaces and rights of way remain safe from fire risk.</li> <li>• Successfully competed in regional programs to secure grants for the East Main Street Raised Crosswalk/Speed Table project for \$86,200 and the Winchester Boulevard Class IV bike lane project for \$293,000.</li> <li>• Received a Caltrans Grant of \$72,000 to prepare a Local Roadway Safety Plan.</li> </ul>
<p><b><i>Quality Public Infrastructure</i></b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<ul style="list-style-type: none"> <li>• Continued the School Bus Pilot service in school year 2019/20 with two routes. Staff continues to monitor and report on subscription, ridership and funding performance metrics. Secured regional funding of \$174,000 to be used in two year of service.</li> <li>• Utilized a one-time increase in funding for tree maintenance to ensure public trees remain safe.</li> <li>• Completed the Annual Street Repair &amp; Resurfacing project and installed new bike lanes with green bike lane markings and/or sharrows on Blossom Hill Road and National Avenue. Continued to develop design work on the Los Gatos Creek Trail Connector project.</li> <li>• Completion of the Town's first street maintenance project using a cold-in-place recycling method that allows for grinding and reusing the existing asphalt pavement, thereby lowering project costs and providing environmental benefits.</li> <li>• Completion of asphalt paving on Blossom Hill Road and National Avenue using rubber asphalt concrete that utilized recycle rubber vehicle tires providing a quieter road surface and environmental benefits.</li> </ul>



## ACCOMPLISHMENTS

Core Goals	Accomplishments
<p><b><i>Quality Public Infrastructure</i></b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<ul style="list-style-type: none"> <li>• Completion of a Townwide Energy Efficiency Upgrade project using an On-Bill Financing loan through a PG&amp;E grant to reduce facility energy costs through HVAC, building envelope, and LED lighting upgrades.</li> <li>• Installed the Town's first multi-use bike path and protected bike lane on Blossom Hill Road.</li> <li>• Completed the design and successful bidding of the Highway 9/Massol Avenue Rectangular Rapidly Flashing Beacon project.</li> <li>• Begun the conceptual engineering work on several projects: Bicycle and Pedestrian Overcrossing over Highway 17, Winchester Complete Streets, Shannon Road Multi-Use Path, and Kennedy Road Sidewalk.</li> <li>• Continued to develop the Los Gatos Smart Signals Project and completed several technical reports, which supported a comprehensive 5-step procurement process in compliance with the federal project delivery requirements. Completion of the first two vendor contracts.</li> </ul>
<p><b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment</p>	<ul style="list-style-type: none"> <li>• Created the new Complete Streets and Transportation Commission by merging the Transportation and Parking Commission and the Bicycle and Pedestrian Advisory Commission, bringing to one table discussions on all modes of transportation.</li> <li>• Launched Connect Los Gatos, a community engagement initiative promoting a program of bicycle and pedestrian projects.</li> <li>• In partnership with the Silicon Valley Bicycle Coalition, co-sponsored an infrastructure bike ride on November 22, 2019 to showcase the accomplishments in building bicycle and pedestrian infrastructure in Los Gatos, and plans for additional improvements.</li> <li>• Facilitated and tracked 265 volunteer hours over various efforts including, but not limited to, Adopt-A-Highway, creek trail cleanups, and park stewardship.</li> </ul>



## PARKS & PUBLIC WORKS DEPARTMENT

### DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>REVENUES</b>						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	689,850	881,694	848,096	705,199	751,699	690,199
Intergovernmental	50,787	77,175	44,890	38,200	38,200	38,200
Service Charges	724,705	2,010,305	1,338,163	618,277	1,213,424	650,277
Fines & Forfeitures	13,702	-	6,390	-	-	-
Other Revenues	89,630	245,283	197,668	39,553	49,859	89,393
<b>TOTAL REVENUES</b>	<b>\$ 1,568,674</b>	<b>\$ 3,214,457</b>	<b>\$ 2,435,207</b>	<b>\$ 1,401,229</b>	<b>\$ 2,053,182</b>	<b>\$ 1,468,069</b>
Transfers In						
Transfer from GFAR	97,808	315,616	325,616	315,616	315,616	315,616
Total Transfers In	<b>97,808</b>	<b>315,616</b>	<b>325,616</b>	<b>315,616</b>	<b>315,616</b>	<b>315,616</b>
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 1,666,482</b>	<b>\$ 3,530,073</b>	<b>\$ 2,760,823</b>	<b>\$ 1,716,845</b>	<b>\$ 2,368,798</b>	<b>\$ 1,783,685</b>
<b>EXPENDITURES</b>						
Salaries and Benefits*	\$ 4,153,295	\$ 4,374,286	\$ 5,213,258	\$ 5,928,839	\$ 5,796,039	\$ 5,839,323
Operating Expenditures	1,618,222	1,609,441	1,503,069	1,699,030	1,765,228	1,871,051
Fixed Assets	79,790	305,028	598,932	140,000	140,000	140,000
Pass Thru Account	-	9,234	9,185	-	-	-
Internal Service Charges	746,437	801,537	645,188	302,199	282,689	301,671
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,597,744</b>	<b>\$ 7,099,526</b>	<b>\$ 7,969,632</b>	<b>\$ 8,070,068</b>	<b>\$ 7,983,956</b>	<b>\$ 8,152,045</b>

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>PROGRAM</b>						
Administration	\$ 340,123	\$ 562,340	\$ 570,096	\$ 594,434	\$ 606,451	\$ 615,919
Engineering Prog Svcs	1,157,205	1,168,666	1,215,300	1,244,432	1,440,652	1,301,155
Engineering Dev Svcs	699,677	721,593	742,264	795,332	735,900	788,192
Park Services	1,738,961	1,835,775	1,737,287	2,016,614	1,957,937	2,040,375
Environmental Services	299,259	342,130	337,937	398,228	332,270	370,876
Streets Signals & Sidewalks	2,173,657	2,087,096	2,220,248	2,212,674	2,289,997	2,276,016
Property Damage	109,072	76,898	56,226	25,000	19,500	25,000
Vehicle Maintenance Management	-	-	221,062	235,199	154,298	244,673
Facilities Maintenance Management	-	-	305,042	408,155	310,001	349,839
Pass Through	79,790	305,028	564,170	140,000	140,000	140,000
<b>TOTAL EXPENDITURES</b>	<b>\$ 6,597,744</b>	<b>\$ 7,099,526</b>	<b>\$ 7,969,632</b>	<b>\$ 8,070,068</b>	<b>\$ 7,987,006</b>	<b>\$ 8,152,045</b>

\* Personnel previously budgeted in various Internal Service Funds are budgeted in the Parks and Public Works Department General Fund Programs beginning in FY 2018/19.

The above totals reflect General Fund programs. Additional Parks and Public Works programs are reflected in separate Special Revenue and Internal Service Funds following the General Fund portion of this section. Staffing assignments to the Capital Program and Redevelopment Agency are reflected outside of the Department's budget.



# PARKS & PUBLIC WORKS DEPARTMENT

## DEPARTMENT STAFFING

### Full Time Equivalent (FTE)

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>General Fund</b>					
Parks & Public Works Director	1.00	1.00	1.00	1.00	1.00
Asst PPW Dir/Town Engineer	-	-	1.00	1.00	1.00
Town Engineer	1.00	1.00	-	-	-
Superintendent*	0.80	0.80	1.00	1.00	1.00
Facilities & Environmental Svcs Mgr	0.50	-	-	-	-
Parks & Public Works Operations Mgr*	-	1.50	2.00	2.00	2.00
Transportation & Mobility Mgr	-	1.00	1.00	1.00	1.00
Senior Civil Engineer	1.00	1.00	1.00	1.00	1.00
Senior Administrative Analyst	-	-	0.75	0.75	0.75
Administrative Analyst	0.75	0.75	-	-	-
Executive Assistant	2.00	2.00	1.00	1.00	1.00
Administrative Assistant*	1.80	1.80	2.50	2.50	2.75
Office Assistant*	0.30	0.30	-	-	-
Environmental Programs Specialist	-	-	1.00	1.00	1.00
Associate Engineer	2.00	2.00	2.00	2.00	2.00
Assistant Engineer	1.00	1.00	2.00	2.00	2.00
Construction Project Mgr	1.00	1.00	1.00	1.00	1.00
Senior Engineering Inspector	-	-	-	-	1.00
Engineering Technician	1.00	1.00	1.00	1.00	-
Senior Public Works Inspector	1.00	1.00	0.50	0.50	0.50
Public Works Inspector	0.50	0.50	-	-	-
Parks Service Officer	1.00	1.00	1.00	1.00	1.00
Town Arborist	1.00	1.00	1.00	1.00	1.00
Tree Trimmer/High Climber	1.00	1.00	1.00	1.00	-
Lead Parks & Maintenance Worker*	2.00	2.00	3.00	3.00	3.00
Parks & Maintenance Worker*	7.75	6.75	7.75	7.75	8.75
Equipment Mechanic*	-	-	1.00	1.00	1.00
<b>Total General Fund FTEs</b>	<b>28.40</b>	<b>29.40</b>	<b>33.50</b>	<b>33.50</b>	<b>33.75</b>
<b>Non-General Fund FTEs (in Parks &amp; Public Works Department programs unless otherwise noted)</b>					
<b>Non-Point Source</b>					
Parks & Maint Worker	0.25	0.25	0.25	0.25	0.25
Public Works Inspector	0.50	0.50	-	-	-
Senior Administrative Analyst	-	-	0.25	0.25	0.25
Senior Public Works Inspector	-	-	0.50	0.50	0.50
Administrative Analyst	0.25	0.25	-	-	-
<b>Total Non-Point Source FTEs</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
<b>Vehicle Maintenance</b>					
Superintendent*	0.20	0.20	-	-	-
Administrative Assistant*	0.20	0.20	-	-	-
Office Assistant*	0.20	0.20	-	-	-
Equipment Mechanic*	1.00	1.00	-	-	-
<b>Total Vehicle Maint. FTEs</b>	<b>1.60</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>-</b>



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☞**

**DEPARTMENT STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17 Funded</b>	<b>2017/18 Funded</b>	<b>2018/19 Funded</b>	<b>2019/20 Funded</b>	<b>2020/21 Proposed</b>
<b><i>Facilities Maintenance</i></b>					
Facilities & Environmental Svcs Mgr	0.50	-	-	-	-
Parks & Public Works Operations Mgr*	-	0.50	-	-	-
Lead Parks & Maintenance Worker*	1.00	1.00	-	-	-
Parks & Maintenance Worker*	1.00	1.00	-	-	-
<b>Total Facilities Maint. FTEs</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>-</b>	<b>-</b>
<b>Total PPW Department FTE's</b>	<b>33.50</b>	<b>34.50</b>	<b>34.50</b>	<b>34.50</b>	<b>34.75</b>
<b><i>Temporary Staff Hours</i></b>	<b>2016/17 Funded</b>	<b>2017/18 Funded</b>	<b>2018/19 Funded</b>	<b>2019/20 Funded</b>	<b>2020/21 Proposed</b>
Park Service Officer	1,000	-	-	-	-
Maintenance Worker	976	976	-	-	-
Maintenance Assistant	6,591	5,661	5,661	5,661	5,661
<b>Total Annual Hours</b>	<b>8,567</b>	<b>6,637</b>	<b>5,661</b>	<b>5,661</b>	<b>5,661</b>

*\*Personnel previously budgeted in Park and Public Works Department Internal Service Funds are budgeted in the General Fund beginning in FY 2018/19.*



# **Parks & Public Works Department**

## **PARKS & PUBLIC WORKS ADMINISTRATION PROGRAM 5101**

### **PROGRAM PURPOSE**

The Administration Program supports the delivery of services throughout the Department. Its primary responsibilities include managing and coordinating the efforts of the Department's programs; organizing meetings with residents, contractors, and other agencies; preparing and developing budget documents; administering the traffic calming program; processing and managing grants; and preparing reports to the Town Council, Commissions, and Town Manager.

### **BUDGET OVERVIEW**

Staff will continue to manage the complex federal and state grant fund documentation and reimbursement processes with an emphasis on pursuing new grant opportunities. Staff from this program also supports the administrative management and oversight of the Municipal Regional Storm Water Permit (MRP) along with assistance from Community Development Department staff. A portion of the Senior Administrative Analyst's position is funded through the Non-Point Source fund to offset personnel costs to this program's budget.

Program staff will continue to manage the online parks reservation system. Staff forecasts that 90% of the 478 expected reservations in the coming year will be made online. The system allows for more advanced program applications, such as report and data analysis tools, and gives customers an enhanced user interface when making online reservations. Demand for reserved space at Los Gatos parks remains high.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	7,140	(3,272)	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	91	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 7,231</b>	<b>\$ (3,272)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
 Transfers In						
<i>Transfer from GFAR</i>	\$ -	\$ 217,808	\$ 227,808	\$ 217,808	\$ 217,808	\$ 217,808
Total Transfers In	\$ -	\$ 217,808	\$ 227,808	\$ 217,808	\$ 217,808	\$ 217,808
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 7,231</b>	<b>\$ 214,536</b>	<b>\$ 227,808</b>	<b>\$ 217,808</b>	<b>\$ 217,808</b>	<b>\$ 217,808</b>
 <b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 243,492	\$ 464,283	\$ 485,473	\$ 524,093	\$ 533,425	\$ 544,403
<i>Operating Expenditures</i>	52,295	45,694	55,135	33,444	36,077	33,444
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	44,336	52,363	29,488	36,897	36,949	38,072
<b>TOTAL EXPENDITURES</b>	<b>\$ 340,123</b>	<b>\$ 562,340</b>	<b>\$ 570,096</b>	<b>\$ 594,434</b>	<b>\$ 606,451</b>	<b>\$ 615,919</b>



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Administration**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Community Character</i></b> Preserve and enhance the appearance character and environment quality of the community	<b><i>Park Reservation System Management</i></b> Continue to manage the online parks reservation system for resident and non-resident use of Town park facilities. Staff forecasts that 90% of the 478 expected reservations in the coming year will be made online via the parks reservation system.
	<b><i>Customer Service Efficiency</i></b> The Administration Program staff will focus on evaluating processes, procedures, and systems to obtain input and feedback from customers to continuously improve the delivery of service to both internal and external customers.

**KEY PROGRAM SERVICES**

- Provides walk-in and telephone customer service for departmental programs and services.
- Provides internal clerical and program support for departmental services.
- Oversees regulatory and project operations.
- Manages the Department's budget.
- Pursues grant funding to enable the Town to implement key projects.
- Prepares and tracks construction and maintenance contracts.
- Facilitates neighborhood meetings to discuss concerns related to traffic calming, street improvements, and other parks and public works-related issues.
- Provides staff support to the Transportation and Parking Commission, Bicycle and Pedestrian Advisory Commission, and Parks Commission; and assists in coordination of Commission-sponsored projects.
- Provides support for Town-wide Committees, such as Town-wide Health and Safety Committee, Beautification Committee, Town Outreach Team, Safe Routes to School, and Los Gatos Town Employees Foundation.
- Administers the processing of permits and Town park reservations.
- Oversees Department employee training and safety programs.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Administration**

**PPW ADMINISTRATION PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Parks & Public Works Director	0.40	0.40	0.40	0.40	0.40
Transporation & Mobility Manager	-	1.00	1.00	1.00	1.00
Senior Administrative Analyst	-	-	0.30	0.30	0.30
Administrative Analyst	0.30	0.30	-	-	-
Executive Assistant	0.25	0.25	0.25	0.25	0.25
Administrative Assistant	0.50	0.50	0.58	0.60	0.60
Office Assistant	0.30	0.30	-	-	-
<b>TOTAL PROGRAM FTE's</b>	<b>1.75</b>	<b>2.75</b>	<b>2.53</b>	<b>2.55</b>	<b>2.55</b>



# **Parks & Public Works Department**

## **ENGINEERING PROGRAM SERVICES PROGRAM 5201**

### **PROGRAM PURPOSE**

Engineering Program Services provides Town engineering services not related to private development. This includes the design, construction management, and administration of the Capital Improvement Program (CIP) to improve the Town's public infrastructure (such as streets, sidewalks, storm drains, parks, retaining walls, and traffic signals) with an emphasis on delivering capital projects within their planned schedules and approved budgets. Engineering operations effectively manage planning, design, and construction of Capital Improvement Projects; Town-wide and neighborhood traffic issues (such as the Town's traffic calming policy and cut-through traffic); engineering inspection services to ensure the Town's project contractors are meeting contract standards and requirements; development of Geographic Information System (GIS) data to manage Town infrastructure, right-of-way, and property boundary issues; and the administration of the asset management and workload tracking system.

### **BUDGET OVERVIEW**

Engineering Program Services provides non-fee-related engineering services and activities. Budgeted staffing supports engineering design, review, consultant management, construction oversight of the Town's CIP projects, and inspection activities to ensure the completion of construction projects as designed. The Engineering Program Services staff oversees grant fund applications and reimbursements, public information meetings and notifications, and traffic calming requests. Additionally, this program houses traffic engineering management for traffic control, signalization, daily operations, and inter-agency coordination of shared intersections and roadways.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Engineering Program Services**

For FY 2020/21, staff will manage the design and construction of several key projects: including the largest Annual Street Rehabilitation Project and the Annual Curb, Gutter, Sidewalk and ADA ramp Project constructed to date; the federally funded guardrail upgrade project; the Creek Trail and Parking Lot Seal Coat Project; and the Annual Retaining Walls Repair Project. Staff will work to recommend, design, and deliver projects from the Town's approved Bicycle and Pedestrian Master Plan and Traffic Around Schools Plan. Six of these high visibility projects are included in the Town's new Connect Los Gatos Program. This program provides branding for these key Town multi-modal projects allowing residents to better understand the projects as they move forward and increasing community outreach. Staff will work with the Metropolitan Transportation Commission on the partially grant funded Traffic Signal Modernization project and with PG&E on the Rule 20A project on Los Gatos Boulevard. This Program also helps with the preparation of grant applications.

To support the work in this program, the Department often relies on project delivery models, including the use of temporary part time staff. Costs for these alternative delivery models are outside the Department's allocated operating budget, but recaptured through transfers from specific capital projects. This allows for delivery of a greater number and more complex projects than would be possible with budgeted staffing.

In the FY 2016/17 budget, funding was pro-rated for the addition of a Transportation and Mobility Manager position in this program to establish project feasibility and to best position the Town to compete for Measure B opportunities. Santa Clara County voters approved Measure B, a 30-year, half-cent Countywide sales tax to enhance transit, highways, expressways, and active transportation (bicycles, pedestrians, and complete streets). The position is also advancing existing Town priorities such as the school busing program, the Town's signal controller and communication system upgrade, and bicycle and pedestrian projects.

In addition to advancing Measure B priorities and securing grants for other transportation efforts, staff will continue to prepare analysis to complete a Transportation Analysis Policy and Guidelines in compliance with the CEQA Guidelines. The Town will need to establish a robust VMT reduction program to achieve further VMT reduction.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Program Services**

SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Service Charges	128,775	209,631	223,701	-	122,820	-
Other Revenues	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 128,775</b>	<b>\$ 209,631</b>	<b>\$ 223,701</b>	<b>\$ -</b>	<b>\$ 122,820</b>	<b>\$ -</b>
Transfers In						
Transfer from GFAR	97,808	97,808	97,808	97,808	97,808	97,808
Total Transfers In	<u>97,808</u>	<u>97,808</u>	<u>97,808</u>	<u>97,808</u>	<u>97,808</u>	<u>97,808</u>
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 226,583</b>	<b>\$ 307,439</b>	<b>\$ 321,509</b>	<b>\$ 97,808</b>	<b>\$ 220,628</b>	<b>\$ 97,808</b>
<b>EXPENDITURES</b>						
Salaries and Benefits	\$ 1,065,288	\$ 1,073,387	\$ 1,154,926	\$ 1,181,717	\$ 1,259,069	\$ 1,197,436
Operating Expenditures	23,129	24,844	30,117	31,144	26,786	71,644
Fixed Assets	-	-	-	-	-	-
Pass Throughs	-	-	-	-	122,820	-
Internal Service Charges	68,788	70,435	30,257	31,571	31,977	32,075
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,157,205</b>	<b>\$ 1,168,666</b>	<b>\$ 1,215,300</b>	<b>\$ 1,244,432</b>	<b>\$ 1,440,652</b>	<b>\$ 1,301,155</b>



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Program Services**

**FY 2020/21 KEY PROJECTS**

Core Values	Key Projects
<p><b>Community Character</b>            Preserve and enhance the appearance character and environment quality of the community</p>	<p style="text-align: center;"><b><i>Yearly Maintenance Projects</i></b></p>
	<p>In FY 2020/21, the Town will be completing the largest street maintenance project and concrete maintenance/ADA ramp project in Town history. Construction of these projects will allow the Town to keep the pavement condition in the good condition category and allow residents better accessibility to Town destinations. Construction will be complete by the fall of 2020.</p>
	<p style="text-align: center;"><b><i>Connect Los Gatos Transportation Program &amp; Community Engagement Plan</i></b></p> <p>PPW staff will move forward six key bicycle and pedestrian projects identified under Connect Los Gatos. The projects were first identified through the community and included in the Town’s Bicycle and Pedestrian Master Plan as priority projects and are at different stages of development. The projects provide multi-modal access to key Town destinations and help develop the Town’s bike/ped network by providing important gap closures. Four of the projects, including the Highway 17 Bicycle and Pedestrian Overcrossing, the Winchester Complete Streets, and the two sidewalk infill and bike projects on Shannon and Kennedy Road, will move into preliminary design with associated community outreach. The two remaining projects, the Los Gatos Trail Connector to Highway 9 and the Massol/Highway 9 crosswalk upgrade will continue with final design, with completion of the construction on the crosswalk upgrade by December of 2020. The Connect Los Gatos Community Engagement Plan provides specific guidance to continue high level outreach to the community on these projects to obtain important public input and perspective.</p> <p style="text-align: center;"><b><i>Smart Signal Project: Advanced Controller/Adaptive Signal Timing Upgrade</i></b></p> <p>Program staff will award both the federally funded signal vendor contract and the engineering design contract for the project by December of 2020. The Smart Signal project construction will start in the winter of 2021. The project will allow for automatic controller adaptation of signal timing to account for changes in traffic flow. This will increase the smooth flow of traffic within the Town during periods of traffic change, such as school hours. The adaptive system will be installed along Los Gatos Boulevard with connections on Blossom Hill Road and Highway 9. The project will also upgrade traffic controllers at 18 intersections within the Town.</p>



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Engineering Program Services**

**FY 2020/21 KEY PROJECTS**

Core Values	Key Projects
<p><b><i>Community Character</i></b>            Preserve and enhance the appearance character and environment quality of the community</p>	<p style="text-align: center;"><b><i>Vehicle Miles Travelled Policy</i></b></p> <p>Staff continues to prepare analysis to complete a <i>Transportation Analysis Policy and Guidelines</i> in compliance with the CEQA Guidelines. The Town will need to establish a robust VMT reduction program to achieve further VMT reduction. Based on other jurisdictions' experience and considering the local setting, the most effective and feasible actions will likely include bike and pedestrian improvements, Transportation Demand Management actions, parking and policy changes, shuttles, and financial incentives. The final policy and guidelines are expected to be adopted by the Town Council in June 2020, with follow up work on local policies through the 2020 calendar year.</p> <p style="text-align: center;"><b><i>VMT Mitigation Program and Fee</i></b></p> <p>It is anticipated that the new Transportation Analysis Policy and Guidelines will make it necessary for the Town to establish a new VMT Mitigation program. A nexus study will be required to establish a mitigation fee program.</p>
<p><b><i>Quality Public Infrastructure</i></b>            Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<p style="text-align: center;"><b><i>Additional Capital Improvement Program Projects</i></b></p> <p>Program staff will continue to work on the design and construction of currently programmed capital projects and the preparation of construction documents for future capital projects. Due to capacity issues and project funding, staff prioritizes projects in the five-year Capital Improvement Program (CIP) for Council consideration. Program staff will pursue grant opportunities where applicable for capital projects. In addition to the aforementioned projects, planned CIP construction maintenance projects include the federally funded Town guardrail upgrade project, a retaining wall repair on Wooded View Road, storm drain improvements on Bicknell Road, and seal coating of the Town park's parking lots and creek trail.</p>



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Engineering Program Services**

**KEY PROGRAM SERVICES**

**Capital Improvement Projects**

- Provides plans, specifications, estimates, right-of-way plans, and property descriptions for Town projects; develops requests for proposals (RFPs), and manages consultants, contractors and other various contracts.
- Designs and administers projects for the annual Capital Improvement Program, including street resurfacing and curb, gutter, and sidewalk improvements.

**Traffic Engineering**

- Performs traffic engineering analysis.
- Manages neighborhood traffic concerns and requests, including the traffic calming program and cut-through traffic.

**Community Information**

- Provides assistance to the public regarding engineering services.
- Manages websites for public notification and other public noticing methods including mailings, door hangers, and NextDoor postings.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Program Services**

**ENGINEERING PROGRAM SERVICES STAFFING**

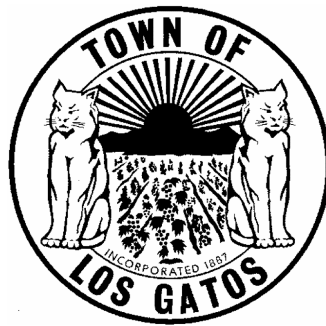
**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Asst PPW Dir/Town Engineer	-	-	0.80	0.80	0.80
Town Engineer	0.80	0.80	-	-	-
Construction Project Mgr	0.60	0.60	0.60	0.60	0.60
Senior Civil Engineer	0.20	0.20	0.20	0.20	0.20
Senior Administrative Analyst	-	-	0.15	0.15	0.15
Administrative Analyst	0.15	0.15	-	-	-
Executive Assistant	0.20	0.20	0.20	0.20	0.20
Administrative Assistant	0.50	0.50	0.50	0.50	0.50
Associate Engineer	0.80	0.80	0.80	0.80	0.80
Assistant Engineer	0.80	0.80	1.80	1.80	1.80
Senior Engineering Technician					1.00
Engineering Technician	1.00	1.00	1.00	1.00	-
Senior Public Works Inspector	0.70	0.70	0.15	0.15	0.15
Public Works Inspector	0.15	0.15	-	-	-
<b>TOTAL PROGRAM FTEs</b>	<b>5.90</b>	<b>5.90</b>	<b>6.20</b>	<b>6.20</b>	<b>6.20</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
Performance Objectives and Measures	Actual	Actual	Actual	Estimated	Planned
1. <i>To effectively manage Capital Projects</i>					
a. Percentage of CIP projects completed within budget:*	100%	100%	100%	100%	100%
b. Percentage of CIP projects completed within schedule:*	100%	100%	100%	100%	100%

	2016/17	2017/18	2018/19	2019/20	2020/21
Activity and Workload Highlights	Actual	Actual	Actual	Estimated	Planned
1. Number of traffic calming requests received:	1	1	3	3	3
2. Number of traffic calming projects in progress:	1	0	3	3	2
3. Number of traffic calming projects closed:	0	0	2	2	1
4. Number of CIP projects completed:	8	5	12	2	5







# **Parks & Public Works Department**

## **ENGINEERING DEVELOPMENT SERVICES PROGRAM 5202**

### **PROGRAM PURPOSE**

The Engineering Development Services Program, in coordination with the Community Development Department, provides services to ensure private development construction complies with Town standards. Engineering functions include reviewing plans and specifications, and providing inspection services for grading, drainage, and issues of encroachment in the public right-of-way. The program is cost recovery such that staff costs and expenditures related to private development oversight are paid by the applicant.

### **BUDGET OVERVIEW**

Staff will continue to work on several key private development projects in Los Gatos including: North Forty, Greenridge Terrace, the mixed-use project on Union Avenue, and the elderly care facility on Blossom Hill Road. Additionally, a number of utility construction projects will start to install fiber optic cable and small cell sites within the Town, which require staff oversight.

The Engineering Development Services Program's public counter hours will continue to operate from 8:00 a.m. to 1:00 p.m. Monday through Friday. Services continue to be provided in the afternoon by phone and appointment. These hours mirror the public counter hours offered by the Finance and Community Development Departments which allow for back office work to be completed after the counter hours. Additionally, Engineering staff members each have assigned counter days and these schedules are made available to the public to facilitate connecting the public with the Engineer assigned to their project. The program has utilized flex-hour work schedules to reduce overtime pay and to effectively manage the service demands.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Development Services**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	201,449	402,389	352,574	226,700	286,700	226,700
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Service Charges</i>	480,265	1,414,273	733,977	453,400	530,117	485,400
<i>Fines &amp; Forfeitures</i>	13,462	-	-	-	-	-
<i>Other Revenues</i>	1,151	653	5,984	160	300	-
<b>TOTAL REVENUES</b>	<b>\$ 696,327</b>	<b>\$ 1,817,315</b>	<b>\$ 1,092,535</b>	<b>\$ 680,260</b>	<b>\$ 817,117</b>	<b>\$ 712,100</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 552,491	\$ 564,918	\$ 637,143	\$ 697,951	\$ 640,890	\$ 692,165
<i>Operating Expenditures</i>	37,576	35,725	30,657	54,749	53,151	54,749
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Pass Thru Account</i>	-	9,234	9,185	-	-	-
<i>Internal Service Charges</i>	109,610	111,716	65,279	42,632	41,859	41,278
<b>TOTAL EXPENDITURES</b>	<b>\$ 699,677</b>	<b>\$ 721,593</b>	<b>\$ 742,264</b>	<b>\$ 795,332</b>	<b>\$ 735,900</b>	<b>\$ 788,192</b>



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Development Services**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government	<b><i>Development Projects</i></b> The Development Team (Community Development, Parks & Public Works, County Fire, and the Police Departments) will continue to work on several key private development projects in Los Gatos. The North Forty Project is currently in progress and staff is moving from review of project design into review of project construction. Other key projects moving into design and/or construction include Greenridge Terrace, the mixed-use project on Union Avenue, and the elderly care facility on Blossom Hill Road. Additionally, staff is working with the developer of the elderly care unit on Wood Road as the project moves through entitlements. Staff will continue to provide technical support and work collaboratively with residents and private developers through the development process so that these projects comply with Town regulations. There will also be an increased staff role in the monitoring of development projects for their compliance with the new storm water permit. Staff has been and will continue to prepare “Project Information Sheets” on engineering aspects of key development proposals.

**KEY PROGRAM SERVICES**

**Development Projects**

- Reviews development applications for compliance with Town grading and engineering standards, and develops project conditions of approval.
- Reviews plans and approves final tract maps and parcel maps as required by state law.
- Conducts inspections of work within public right-of-way through the encroachment permit process and on-site for compliance with the Town’s MRP permit as cross program support of the NPDES program.

**Traffic Engineering**

- Performs and reviews traffic engineering analysis for proposed development projects and develops project conditions of approval.
- Responds to citizen traffic concerns regarding development projects.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Development Services**

**KEY PROGRAM SERVICES**

**Community Information**

- Provides assistance to the public regarding right-of-way issues.
- Develops “Project Information Sheets” to provide summary information on development projects to the public.
- Provides verbal information at Council and Commission meetings.

**ENGINEERING DEVELOPMENT SERVICES STAFFING**

**Full Time Equivalent (FTE)**

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b>Town Staff</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Parks & Public Works Director	0.20	0.20	0.20	0.20	0.20
Asst PPW Dir/Town Engineer	-	-	0.20	0.20	0.20
Town Engineer	0.20	0.20	-	-	-
Construction Project Mgr	0.14	0.14	0.14	0.14	0.14
Senior Civil Engineer	0.80	0.80	0.80	0.80	0.80
Executive Assistant	0.05	0.05	0.05	0.05	0.05
Administrative Assistant	0.10	0.10	0.10	0.10	0.10
Associate Engineer	1.20	1.20	1.20	1.20	1.20
Assistant Engineer	0.20	0.20	0.20	0.20	0.20
Senior Public Works Inspector	0.30	0.30	0.35	0.35	0.35
Public Works Inspector	0.35	0.35	-	-	-
<b>TOTAL PROGRAM FTEs</b>	<b>3.54</b>	<b>3.54</b>	<b>3.24</b>	<b>3.24</b>	<b>3.24</b>



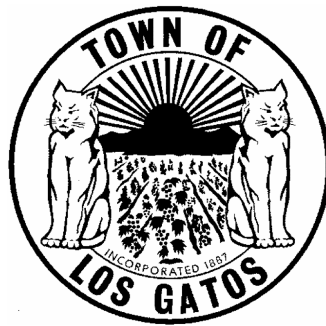
**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Engineering Development Services**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>To provide an effective and efficient encroachment and grading/improvement permit approval process:</i>					
a. Percentage of conventional encroachment permits that are processed by Engineering staff within 5 business days:	90%	90%	90%	90%	90%
b. Percentage of conventional grading/improvement permits that are reviewed by Engineering staff within 10 business days:*	90%	90%	90%	90%	90%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of encroachment permits processed:	304	311	336	320	320
2. Number of grading permits processed:	22	20	17	20	20
3. Total encroachment permit revenue:	\$ 176,081	\$ 376,262	\$ 320,316	\$ 250,000	\$ 200,000
4. Total grading permit revenue:	\$ 68,060	\$ 392,986	\$ 146,773	\$ 75,000	\$ 65,000

*\* Due to multiple variables, the review process can vary.*







# **Parks & Public Works Department**

## **PARK SERVICES PROGRAM 5301**

### **PROGRAM PURPOSE**

The Park Services Program provides maintenance of the Town's parks, trails, open spaces, facility grounds, median islands, parking lot landscaping, fountains, downtown planters, and the urban forest. In addition, Park Services staff maintains recreational areas for residents and visitors, beautifies the Town's landscape, and takes care of functional public areas throughout the community. Additional services include administering park use fees and reservations, implementing Town regulations in the Town's parks and open space areas, managing vegetation and pest control, and ensuring the safety of parks' playground equipment.

### **BUDGET OVERVIEW**

In FY 2020/21, the use of outside vendors for certain parks maintenance services will continue, including turf mowing, tree trimming, downtown tree lighting, median island maintenance, and weed abatement. The use of external vendors allows the Town's internal resources to focus on higher priority projects and allows for the most effective management of maintenance operations.

Although water conservation targets may be relaxed or eliminated, the impacts from the drought continue to drive activities in this program. Vegetation management and the potential for targeted locations of turf reduction are two areas of operational focus. The Department will continue to enhance irrigations systems in parks, medians islands, and downtown planter boxes to reduce the use of potable water.

In FY 20/21 staff will complete several park improvements projects at Oak Meadow Park, Blossom Hill Park, and Live Oak Manor Parks. These projects will seal asphalt pathways and parking lots.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Park Services**

In addition, staff will install a new outdoor fitness apparatus along the Creek Trail near Balzer Field.

The Park Services Program is continuing the cost-saving strategy of limiting the use of program staff overtime. This decrease in overtime involves the reduction of the after-hours “Stand-by Program.” Stand-by will only be available during the months of November through March, instead of year-round.

Park Services Program staff continue to combine resources with Streets and Signals Program staff to complete several large in-house maintenance projects. Because the Parks and Public Works Operations Manager continues to oversee the Park Services Program staff, combined projects are more efficient to manage. Some examples of combined large-scale maintenance projects include brush removal, median maintenance, turf renovation, and graffiti abatement that were previously unachievable by either program independently.

Additionally, staff continues to be involved with the implementation of the Long Term Trash Plan, which is a requirement of the storm water permit. This involves annual inspection and cleaning of storm water catch basins, including the reporting of data to achieve permit compliance.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Park Services**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	186,691	162,996	152,328	165,000	150,000	150,000
<i>Intergovernmental</i>	-	51,204	-	-	-	-
<i>Service Charges</i>	44,329	72,497	46,184	40,877	58,102	40,877
<i>Fines &amp; Forfeitures</i>	240	-	6,390	-	-	-
<i>Other Revenues</i>	19,676	32,243	28,506	19,393	18,401	19,393
<b>TOTAL REVENUES</b>	<b>\$ 250,936</b>	<b>\$ 318,940</b>	<b>\$ 233,408</b>	<b>\$ 225,270</b>	<b>\$ 226,503</b>	<b>\$ 210,270</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 1,040,757	\$ 1,055,027	\$ 1,095,821	\$ 1,363,845	\$ 1,253,986	\$ 1,340,833
<i>Operating Expenditures</i>	500,118	569,909	502,626	580,759	638,892	630,759
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	198,086	210,839	138,840	72,010	65,059	68,783
<b>TOTAL EXPENDITURES</b>	<b>\$ 1,738,961</b>	<b>\$ 1,835,775</b>	<b>\$ 1,737,287</b>	<b>\$ 2,016,614</b>	<b>\$ 1,957,937</b>	<b>\$ 2,040,375</b>

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Quality Public Infrastructure</b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<b>Park Upgrades and Improvements</b> Park Services staff will complete several park improvement projects as proposed in the Capital Improvement Program budget. These proposed projects include improvements at Oak Meadow, Blossom Hill, and Live Oak Manor Parks. These projects will seal asphalt pathways and parking lots. Other projects include the installation of a new Outdoor Fitness Apparatus to be located along the Creek Trail at one of the trail head locations.
	<b>Landscape and Lighting Districts</b> Improvement projects are underway at several locations to rehabilitate irrigation, lighting, and plantings to continue to raise the level of service, aesthetics, and safety in these areas.
	<b>Open Space Trail Upgrades</b> Park Services staff will begin to rehabilitate Heinz and Santa Rosa Open Space areas to improve the trail infrastructure. These two preserves are under the Town's jurisdiction.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Park Services**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Quality Public Infrastructure</b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<p style="text-align: center;"><b>Wildfire Mitigation</b></p> Town staff is pursuing multiple grants to fund wildfire mitigation in Town open spaces and along the rights of way in the hillsides. Potential grants sources include FEMA and the State of California and will require a local match to complete. In addition to the potential grant opportunities, staff is programming vegetation management projects along primary ingress/egress routes in the Wildland Urban Interface (WUI) portion of Town.

**KEY PROGRAM SERVICES**

**Maintenance Services**

- Maintains 62 public sites, including 75.3 acres of landscaped space located in 15 Town parks; 12.09 miles of trails and pathways; 246 acres of open space located in three open space areas; 19.15 acres of landscaping for medians, roadside banks, triangles, and nine community parking lots; 33 Downtown streetscape planters; and grounds maintenance for five Town-owned public buildings with 6.81 acres of landscaped area.
- Maintains trees and plants in all parks, on all median islands, along all streets, and on public property, including State Route 9, per agreement with Caltrans.
- Conducts ongoing maintenance and improvement projects, as needed, to ensure parks and trails equipment and facilities are functional and in safe operating condition.
- Maintains the downtown tree lights on Santa Cruz Avenue and Main Street.
- Maintains the interactive fountain at Plaza Park and the fountain at the Civic Center.
- Coordinates the tree removal permit process to protect trees and manage tree inspection services.
- Oversees contract services for six Landscaping and Lighting Assessment Districts.
- Supervises the state Department of Corrections Work Furlough Program for clean-up projects.

**Park Use Fees and Reservation System**

- Manages the online park reservation system and user fee process.
- Implements Town regulations in the Town's parks and trails system.



## PARKS & PUBLIC WORKS DEPARTMENT

### Park Services

#### KEY PROGRAM SERVICES

##### Volunteer Projects

- Manages the Downtown Adopt-a-Planter program.
- Coordinates volunteers (individuals and groups) who maintain or construct park-related projects, including parks and trails system improvements and debris removal.
- Oversees the Adopt A Highway – Highway 9/Highway 17 Circle Ramp Cleanups.

##### Special Events

- Provides support services for Town events, including but not limited to, 4<sup>th</sup> of July, Screen on the Green, and the holiday tree lighting ceremony in Town Plaza Park.
- Provides services for other special events on a cost-recovery basis, if requested.

#### PARK SERVICES PROGRAM STAFFING

##### *Full Time Equivalent (FTE)*

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Parks & Public Works Director	0.20	0.20	0.20	0.20	0.20
Superintendent	0.40	0.40	0.40	0.40	0.40
Construction Project Mgr	0.13	0.13	0.13	0.13	0.13
Facilities & Environmental Services Mgr	0.10	-	-	-	-
Park & Public Works Operation Mgr	-	0.60	0.60	0.60	0.60
Senior Administrative Analyst	-	-	0.15	0.15	0.15
Administrative Analyst	0.15	0.15	-	-	-
Executive Assistant	0.25	0.25	0.25	0.25	0.25
Administrative Assistant	0.40	0.40	0.45	0.30	0.55
Parks Service Officer	1.00	1.00	1.00	1.00	1.00
Tree Trimmer/High Climber	1.00	1.00	1.00	-	-
Lead Parks & Maint Worker	1.00	1.00	1.00	1.00	1.00
Parks & Maint Worker	3.00	2.00	1.00	4.00	4.00
<b>TOTAL PROGRAM FTE's</b>	<b>7.63</b>	<b>7.13</b>	<b>6.18</b>	<b>8.03</b>	<b>8.28</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Parks Service Officer	1,000	-	-	-	-
Maintenance Assistant	5,963	5,033	5,033	5,033	5,033
<b>TOTAL ANNUAL HOURS</b>	<b>6,963</b>	<b>5,033</b>	<b>5,033</b>	<b>5,033</b>	<b>5,033</b>



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Park Services**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>To ensure the park's playground equipment is functional and in safe operating condition.</i>					
a. Percentage of parks with playground equipment receiving weekly safety inspections:	90%	90%	90%	90%	90%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Total number of acres of Town parks, open space, and median islands maintained:	350.9	350.9	350.9	350.9	350.9
2. Total miles of parks and open space trails maintained:	14.9	14.9	9	9	9
3. Total number of park reservations issued annually:	525	509	512	510	510
4. Total number of special use permits for parks issued annually:	48	28	29	30	30
5. Total number of parks service requests within Town parks received and completed:	36	31	35	35	35



# **Parks & Public Works Department**

## **ENVIRONMENTAL SERVICES PROGRAM 5302**

### **PROGRAM PURPOSE**

The purpose of the Environmental Services Program is to implement initiatives that protect public health, safety, and the environment, and promote programs to encourage a sustainable future. Staff works to encourage:

- 1) Sustainability initiatives
- 2) Water conservation
- 3) Energy reduction
- 4) Recycling and composting of materials

The Environmental Services Program staff ensures the Town is in compliance with environmental regulations, including air quality permits and Statewide policies on solid waste disposal and recycling. Staff also provides management oversight with compliance reports, such as the annual report for the NPDES storm water permit. Additionally, program staff educates and raises awareness about environmental issues through various community education activities and events. Staff continues to work with its partners, such as the West Valley Clean Water Program, Pacific Gas & Electric, and West Valley Collection & Recycling to raise community awareness about environmental sustainability, waste prevention, and resource conservation.

As required by the California Integrated Waste Management Act of 1989 (AB 939), the Town must divert a minimum of 50% of its waste from the landfill. In 2011, the California Integrated Waste Management Act (AB 341) was approved that establishes a statewide diversion goal of 75%, and also requires several solid waste disposal policies. Staff manages compliance with AB 939 and AB 341 requirements, monitors and evaluates existing waste collection and recycling programs, and recommends new programs to meet diversion objectives.



**∞ PARKS AND PUBLIC WORKS DEPARTMENT ∞**  
**Environmental Services**

Staff also actively participates in the West Valley Solid Waste Management Authority, the local joint powers authority for managing the solid waste vendor contracts.

**BUDGET OVERVIEW**

Program staff will continue to advance approved energy efficiency projects, such as energy management systems and energy efficiency upgrades in Town-owned facilities. These projects will focus on energy reduction and reduce operational costs over the long term. The program also includes the implementation of water conservation measures.

Town staff will continue to represent the Town with the West Valley Solid Waste Management Authority (WVSWMA) and Household Hazardous Waste Program with a goal of increasing waste diversion and minimization. The Joint Powers Authority approved new solid waste administrative related fees in FY 2019/20. The revenues collected from the Authority are also being used to offset Department expenditures related to the management of the Household Hazardous Waste Program, street sweeping, and contract administration.

In FY 2020/21, staff will add receptacles in multiple Town parks. This program was created to comply with AB 939 and AB 341 to reduce litter throughout the community and assist with reaching the statewide diversion goal.

The Town's Outside the Box Program is designed to enhance the character of the community by adding artwork to utility boxes that are often targeted by graffiti vandals. Selected artwork harbors environmental sustainability messages that include: alternative transportation, clean energy, clean creeks, community sustainability, and healthy lifestyles.

Town staff is partnering with the West Valley Clean Water Program Authority (WVCWPA) and the City of Campbell in adding ten waste and educational stations (five in Los Gatos) along the Los Gatos Creek Trail. Each station will consist of trash and recycling receptacles, a dog waste station, and environmental outreach signage. The Town is currently in the design phase of the grant with anticipated installation in FY 2020/21.

Spring into Green is an annual sustainability event that provides the opportunity for the Town to conduct education and outreach on environmental topics. This aligns with and supports the Town's Sustainability Plan and obligations under the Regional Stormwater Permit, especially around trash reduction in the storm system. The Spring into Green event requires annual staff and non-staff resources equivalent to approximately \$12,000.



**⌘ PARKS AND PUBLIC WORKS DEPARTMENT ⌘**  
**Environmental Services**

A portion of the staff time is funded through the Parks and Public Works Operating Budget, and the remaining budget and responsibility resides with the Town Manager's Office.

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	114,814	118,867	142,816	121,956	121,956	121,956
Intergovernmental	43,647	29,243	44,890	38,200	38,200	38,200
Service Charges	-	-	-	-	-	-
Other Revenues	500	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 158,961</b>	<b>\$ 148,110</b>	<b>\$ 187,706</b>	<b>\$ 160,156</b>	<b>\$ 160,156</b>	<b>\$ 160,156</b>
Transfers In						
Transfer from General Fund	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 158,961</b>	<b>\$ 148,110</b>	<b>\$ 187,706</b>	<b>\$ 160,156</b>	<b>\$ 160,156</b>	<b>\$ 160,156</b>
<b>EXPENDITURES</b>						
Salaries and Benefits	\$ 145,872	\$ 155,532	\$ 176,079	\$ 216,729	\$ 170,480	\$ 189,346
Operating Expenditures	146,953	179,993	160,823	180,887	161,326	180,887
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	6,434	6,605	1,035	612	464	643
<b>TOTAL EXPENDITURES</b>	<b>\$ 299,259</b>	<b>\$ 342,130</b>	<b>\$ 337,937</b>	<b>\$ 398,228</b>	<b>\$ 332,270</b>	<b>\$ 370,876</b>
Transfers Out						
Transfer to General Fund	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
<b>TOTAL EXPENDITURES &amp; TRANSFERS OUT</b>	<b>\$ 299,259</b>	<b>\$ 342,130</b>	<b>\$ 337,937</b>	<b>\$ 398,228</b>	<b>\$ 332,270</b>	<b>\$ 370,876</b>



**∞ PARKS AND PUBLIC WORKS DEPARTMENT ∞**  
**Environmental Services**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b>Community Character</b>                      Preserve and enhance the appearance, character, and environmental quality of the community</p>	<p style="text-align: center;"><b><i>Collection Services</i></b></p>
	<p>The Town is an active member of the West Valley Solid Waste Management Authority, a joint powers authority (JPA) that contracts for solid waste collection, recycling, and disposal services for residential and commercial customers in Los Gatos, Campbell, Monte Sereno, and Saratoga. During FY 2020/21, staff will continue to work actively with the JPA and West Valley Collection and Recycling.</p>
	<p style="text-align: center;"><b><i>Keep Los Gatos Beautiful</i></b></p>
	<p>April is “Keep Los Gatos Beautiful” month, and multiple major events are planned during this month. The campaign celebrates National Earth Day, National Arbor Day, and National Volunteer Recognition Week, all of which occur during April. Keep Los Gatos Beautiful events are funded in part by state Beverage Container Grant funds. “Spring into Green” is a sustainability focused event that combines National Earth Day, National Arbor Day, and “Keep Los Gatos Beautiful” month into one community celebration.</p>
	<p style="text-align: center;"><b><i>Community Outreach and Awareness</i></b></p>
	<p>Program staff will coordinate a variety of waste prevention and resource conservation community outreach activities, to promote recycling, environmental sustainability, and environmental protection. Staff continues to work with partners, such as the West Valley Clean Water Program, Pacific Gas &amp; Electric, and West Valley Collection &amp; Recycling, to raise community awareness of these issues. Additionally, staff will continue the Utility Box Art Program this fiscal year, which aims to raise awareness of environmental sustainability issues in Los Gatos.</p>
	<p style="text-align: center;"><b><i>Green Business Certification</i></b></p>
	<p>Staff will continue to work on and maintain its Green Business Certification through the Santa Clara County Green Business Program. As part of this certification process, staff will coordinate green business education programs including the award-winning “Los Gatos: Growing Greener Together” campaign.</p>
	<p style="text-align: center;"><b><i>Household Hazardous Waste</i></b></p>
	<p>The Town contracts with the County of Santa Clara Household Hazardous Waste Program to provide free and safe disposal of household hazardous waste. Throughout the year, the program will continue to monitor the work performed under this contract, which allows residents to dispose of potentially hazardous waste such as paint, used motor oil and filters, pesticides, herbicides, corrosives, flammables, and household medical waste</p>



**∞ PARKS AND PUBLIC WORKS DEPARTMENT ∞**  
**Environmental Services**

**KEY PROGRAM SERVICES**

- Maintains Town’s compliance with California Integrated Waste Management Act of 1989 (AB 939) solid waste diversion requirements, including initiating and implementing programs to increase diversion.
- Participates in West Valley Solid Waste Management Authority JPA activities, including rate and service reviews.
- Provides safe household hazardous waste disposal options.
- Implements the Town’s Climate Action Plan, contained within the Los Gatos Sustainability Plan, including strategies to reduce the Town’s carbon footprint.
- Promotes sustainability initiatives and educational awareness through partnerships and activities, such as the “Spring into Green” event and the Green Business Certification Program.

**ENVIRONMENTAL SERVICES PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

<b><i>Town Staff</i></b>	<b>2016/17 Funded</b>	<b>2017/18 Funded</b>	<b>2018/19 Funded</b>	<b>2019/20 Funded</b>	<b>2020/21 Proposed</b>
Facilities & Environmental Services Mgr	0.40	-	-	-	-
Park & Public Works Operation Mgr	-	0.40	0.40	0.40	0.40
Executive Assistant	1.00	-	-	-	-
Environmental Programs Specialist	-	1.00	1.00	1.00	1.00
<b>Total General Fund FTE</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>	<b>1.40</b>



**∞ PARKS AND PUBLIC WORKS DEPARTMENT ∞**  
**Environmental Services**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Maximize diversion from landfills in order to protect public health and safety, and the</i>					
a. Disposal per capita by calendar year (target is ≤ 5.2 lbs./person/day): *	3.5	2.6	3.6	3.0	3.0
	2016	2017	2018	2019	2020
2. <i>Monitor and evaluate existing waste collection and recycling programs.</i>					
a. Percentage of solid waste collection calls received and resolved within 2 days:	100%	100%	100%	100%	100%
b. Diversion Rate:	45%	53%	58%	58%	58%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of Los Gatos households participating in the Household Hazardous Waste Disposal Program:	1,066	1,141	1,057	1,100	1,100
2. Town solar usage (Megawatts generated):	N/A	208	202	210	210
3. Number of Electric Vehicle Charging Stations:	8	8	8	8	8
4. Total kWh used by Electric Vehicle Chargers:	63,432	67,632	86,774	87,000	87,000

\* Target is provided by the California Department of resources Recycling and Recovery (CalRecycle).



# **Parks & Public Works Department**

## **STREETS and SIGNALS PROGRAM PROGRAM 5401**

### **PROGRAM PURPOSE**

The Streets and Signals Program provides safe and functional roadways, retaining walls, bridges, and curb and sidewalk systems through the ongoing maintenance of the Town's roadway network. Objectives include small pavement reconstruction, minor street repairs, the filling of potholes, maintenance of roadway signs, traffic pavement markings, signals, streetlights, storm drain maintenance, and debris removal. Program staff collaborates with other Department programs, such as the Park Services Program, and neighboring agencies to perform roadside cleanup projects. Additional project coordination is conducted with the Engineering Program Services for traffic calming device installation and roadway improvements in the Capital Improvement Program.

### **BUDGET OVERVIEW**

In FY 2020/21, the Streets and Signals Program will continue to provide tree maintenance as a contractual service. This has been done for the last six years as a cost savings measure and it allows staff to focus on other day-to-day operational responsibilities. This contract will be increased one-time by \$150,000 for additional maintenance Town-wide. The additional funds will put the Town on a 15-year trimming cycle (the industry standard is seven years).

The program will implement an Integrated Pest Management Plan (IPM) that provides technical guidance to determine appropriate pesticide use to control the growth of weeds around facilities, parks, and roadsides. The IPM plan will emphasize measures other than use of chemicals to control weeds in the open space through means of mechanical vegetation removal and the application of nontoxic chemicals whenever possible.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Streets & Signals Program**

The Town Arborist will continue to manage the Town's urban forest and will retain an active role in managing the contractual services component of this work. Additionally, the Arborist will perform landscape review for small to medium private development proposals. The Arborist also reviews private property tree removal applications and ensures compliance with the Town Code and appropriate mitigation.

Downtown trash can removal service will be performed through contractual services. Additionally, overtime costs will be contained by only operating the "Stand-by Program" during November through March, instead of year-round. Street sweeping services will continue in the Town and be carried out by the Parks and Maintenance Workers.

Streets and Signals staff will continue to be responsible for the maintenance and operations of the trash capture devices, which were installed in FY 2012/13 to meet a requirement of the San Francisco Bay Area Storm Water Municipal Regional Permit. This is an ongoing maintenance responsibility for the Town.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Streets & Signals Program**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	186,896	197,442	200,378	191,543	193,043	191,543
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Service Charges</i>	4,778	588	6,374	4,000	9,397	4,000
<i>Other Revenues</i>	28,124	-	73,160	-	-	50,000
<b>TOTAL REVENUES</b>	<b>\$ 219,798</b>	<b>\$ 198,030</b>	<b>\$ 279,912</b>	<b>\$ 195,543</b>	<b>\$ 202,440</b>	<b>\$ 245,543</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 1,105,395	\$ 1,061,139	\$ 1,141,784	\$ 1,312,099	\$ 1,359,556	\$ 1,285,681
<i>Operating Expenditures</i>	749,079	676,378	667,485	793,047	829,496	874,568
<i>Fixed Assets</i>	-	-	34,762	-	-	-
<i>Internal Service Charges</i>	319,183	349,579	376,217	107,528	100,945	115,767
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,173,657</b>	<b>\$ 2,087,096</b>	<b>\$ 2,220,248</b>	<b>\$ 2,212,674</b>	<b>\$ 2,289,997</b>	<b>\$ 2,276,016</b>



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Streets & Signals Program**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p style="text-align: center;"><b><i>Good Governance</i></b>            Ensure responsive, accountable and collaborate government</p>	<p style="text-align: center;"><b><i>Ongoing Maintenance</i></b></p>
	<p>Ongoing maintenance of the Town's infrastructure ensures year-round functionality for the Town. This work includes roadway repair, storm drain cleaning, street sign replacements, and other routine maintenance activities.</p>
	<p style="text-align: center;"><b><i>Inter-Program Work Projects</i></b></p>
	<p>Program staff will continue to plan and coordinate work projects, such as roadside clean-ups, that use Department-wide resources to increase efficiency and address large scale maintenance issues.</p>
	<p style="text-align: center;"><b><i>Partnership with Other Municipalities</i></b></p>
	<p>Staff will continue to pursue opportunities with local agencies that have similar service needs in an effort to reduce program expenditures. Successful ongoing coordinated efforts include graffiti removal, paving operations, brush removal activities, and the storm drain catch basin cleaning program.</p>
<p><b><i>Quality Public Infrastructure</i></b>            Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<p style="text-align: center;"><b><i>Capital Improvement Program Projects</i></b></p>
	<p>Streets program staff will perform minor pavement repairs in advance of contractor work to enhance efficiency and management of Capital Improvement Program projects.</p>



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Streets & Signals Program**

**KEY PROGRAM SERVICES**

**Street Maintenance/Traffic Signal Program**

- Maintains traffic signs and street signs along public streets.
- Maintains visibility of pavement markings, including crosswalks, red curbs, and roadway striping.
- Maintains 30 signalized intersections and 1,580 streetlights in the public right-of-way.
- Maintains downtown tree lights along North Santa Cruz Avenue and Main Street.
- Maintains LED Streetlights.

**Tree Maintenance**

- Oversees the tree trimming contract.
- Manages private tree removal application process and implementation of mitigation measures.

**Street Maintenance/Pavement**

- Maintains and repairs over 106 miles of public streets and 22 parking lots.
- Maintains storm drain basins, ditches, and culverts.

**Sidewalk Maintenance Program**

- Coordinates concrete sidewalk, curb, and gutter replacement program with CIP.

**Sidewalk Maintenance Program**

- Coordinates concrete sidewalk, curb, and gutter replacement program with CIP.
- Maintains the cleanliness of sidewalks, benches, and waste receptacles in the business districts using pressure washing equipment.

**Special Events**

- Provides support services to Town events.
- Installs banners and flags, as requested by local organizations and approved by the Town.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Streets & Signals Program**

**STREETS & SIGNALS PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Town Staff</i></b>					
Parks & Public Works Director	0.20	0.20	0.20	0.20	0.20
Superintendent	0.40	0.40	0.40	0.40	0.40
Construction Project Mgr	0.13	0.13	0.13	0.13	0.13
Park & Public Works Operation Mgr	-	0.50	0.50	0.50	0.50
Senior Administrative Analyst	-	-	0.15	0.15	0.15
Administrative Analyst	0.15	0.15	-	-	-
Executive Assistant	0.25	0.25	0.25	0.25	0.25
Administrative Assistant	0.30	0.30	0.53	0.60	0.60
Town Arborist	1.00	1.00	1.00	1.00	1.00
Lead Parks & Maint Worker	1.00	1.00	1.00	1.00	1.00
Parks & Maint Worker	4.75	4.75	5.75	3.75	3.75
<b>TOTAL PROGRAM FTEs</b>	<b>8.18</b>	<b>8.68</b>	<b>9.91</b>	<b>7.98</b>	<b>7.98</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Temporary Staff Hours</i></b>					
Maintenance Worker	488	488	-	-	-
<b>TOTAL ANNUAL HOURS</b>	<b>488</b>	<b>488</b>	<b>-</b>	<b>-</b>	<b>-</b>



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Streets & Signals Program**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>To ensure streetlights and traffic signals are working in effective operating order.</i>					
a. Percentage of streetlight malfunctions repaired within 5 days of notification:	100%	100%	100%	100%	100%
2. <i>To provide safe and functional roadway systems throughout Town.</i>					
a. Pavement Condition Index (PCI):	67	68	70	71	72

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Number of Town street lights:	1,797	1,797	1,797	1,797	1,797
2. Number of street light malfunctions reported:	104	38	36	37	37
3. Annual number of Town street lights repaired:	137	38	36	37	37
4. Number of signalized intersections maintained:	30	30	31	31	31
5. Miles of street maintained:	150	150	132	132	132
6. Number of traffic signs repaired/replaced:	388	483	230	300	300
7. Total number of traffic related work orders received and completed:	152	120	160	130	130
8. Total number of tree-related maintenance requests received, requiring inspection by staff:	240	221	227	230	230
9. Total number of staff hours for tree-related work, including, but not limited to, inspections or pruning:	757	821	754	780	780
10. Number of public trees pruned or maintained at industry standard:	757	1,117	1,564	1500	1500
11. Square feet of sidewalks removed and replaced:	2,065	0	350	350	350
12. Miles of street resurfaced:*	N/A	N/A	6.11	17	10
13. Number of new ADA curb ramps/upgraded ADA curb ramps constructed:*	N/A	68	54	69	69
14. Linear feet of bike lanes:	98,924	99,659	107,810	107,810	110,000







# **Parks & Public Works Department**

## **PROPERTY DAMAGE PROGRAM 5405**

### **PROGRAM PURPOSE**

The Property Damage Program is an operating program designed to monitor financial activity related the damage of Town property and public infrastructure, such as sidewalks, streets, Town vehicles, parks, and other public facilities. In particular, this program tracks revenue/reimbursements received by applicable parties and expenses incurred as the result of damage to Town property.

### **BUDGET OVERVIEW**

The FY 2020/21 budget reflects a net zero impact to the General Fund budget, as it is difficult to anticipate potential damage to Town property. A placeholder of \$25,000 in expenditures was budgeted; budget adjustments, if necessary, will be brought forward for Council consideration during the mid-year budget review process. Due to the timing of the receipt of reimbursements, prior year revenue actuals are initially higher than expenditures. As this program includes no staff activity, it does not have Key Projects or Performance Measures.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Property Damage**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<u>2016/17</u> <u>Actuals</u>	<u>2017/18</u> <u>Actuals</u>	<u>2018/19</u> <u>Actuals</u>	<u>2019/20</u> <u>Adopted</u>	<u>2019/20</u> <u>Estimated</u>	<u>2020/21</u> <u>Proposed</u>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Other Revenues</i>	<u>26,856</u>	<u>206,630</u>	<u>83,025</u>	<u>-</u>	<u>11,158</u>	<u>-</u>
<b>TOTAL REVENUES</b>	<b>\$ 26,856</b>	<b>\$ 206,630</b>	<b>\$ 83,025</b>	<b>\$ -</b>	<b>\$ 11,158</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	109,072	76,898	56,226	25,000	19,500	25,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 109,072</b>	<b>\$ 76,898</b>	<b>\$ 56,226</b>	<b>\$ 25,000</b>	<b>\$ 19,500</b>	<b>\$ 25,000</b>



# **Parks & Public Works Department**

## **VEHICLE MAINTENANCE MANAGEMENT PROGRAM 5406**

### **PROGRAM PURPOSE**

The Vehicle Maintenance Management Program maintains the Town's vehicles and equipment to ensure each piece is safe and functional. Program staff provide preventive maintenance and repair for the Town's fleet and light to heavy duty construction equipment. A combination of in-house personnel and outside contractors provide maintenance and repair services for the Town's vehicles and equipment.

### **BUDGET OVERVIEW**

This program continues to evaluate vehicle maintenance costs and repairs to determine cost saving strategies. This program will continue to evaluate the purchase of hybrid and alternative fuel vehicles, as the budget permits, to reduce fuel consumption over the short and long term. Staff continues to reduce the purchase of diesel-powered vehicles wherever feasible. The purchase of diesel powered equipment has been limited to large equipment and heavy trucks.

Operating expenditures that were previously funded in the Vehicle Maintenance Internal Service Fund were programmed beginning in FY 2019/20 in the General Fund Vehicle Maintenance Management Program.

Fuel prices have trended low this fiscal year, although costs can fluctuate dramatically, making forecasting fuel prices for the fiscal year difficult. Due to market variations, cost projections remain conservative; however, any fuel expenditures over and above the established budget would be brought forth in the mid-year budget report.



**⌘ PARKS & PUBLIC WORKS ⌘**  
**Vehicle Maintenance Management**

SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Service Charges</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>EXPENDITURES</b>						
<i>Salaries and Benefits*</i>	\$ -	\$ -	\$ 220,206	\$ 234,533	\$ 272,285	\$ 244,395
<i>Operating Expenditures</i>	-	-	-	-	(119,770)	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	856	666	1,783	278
<b>TOTAL EXPENDITURES</b>	\$ -	\$ -	\$ 221,062	\$ 235,199	\$ 154,298	\$ 244,673

\* Personnel previously budgeted in the Vehicle Maintenance Internal Service Fund are budgeted in the Vehicle Maintenance General Fund Staffing Program beginning in FY 2018/19.

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Community Character</b> Preserve and enhance the appearance character and environment quality of the community	<b>Alternate Fuel Vehicles</b> The program will continue to pursue alternate fuel vehicles as the replacement schedule, Town budget, and functionality requirements allow.
<b>Good Governance</b> Ensure responsive, accountable and collaborate government	<b>Repair Schedules</b> Staff will continue to actively manage maintenance schedules to maximize vehicle and equipment life cycles. Ongoing efforts at selective in-sourcing and out-sourcing of work ensure the program provides quality and cost-efficient service.



**⌘ PARKS & PUBLIC WORKS ⌘**  
**Vehicle Maintenance Management**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable and collaborate government	<b><i>Fleet Management</i></b>
	The program's asset management system tracks a vehicle's total repair, maintenance schedule, and fuel costs. This system provides reliable quantitative information to assist with replacement decisions and conduct operational efficiencies. Continue to analyze fleet usage and repair cost information and adjust the fleet size as appropriate.
	<b><i>Department Joint Projects</i></b>
	Staff will continue to participate in Department joint projects on an as needed basis, which provides additional departmental flexibility for major projects. Winter storms require action Department-wide with all program staff participating.

**KEY PROGRAM SERVICES**

- Provides preventive maintenance and repairs for all Town-owned vehicles and equipment.
- Maintains the Town's fueling system infrastructure for gasoline, and diesel fuel.

**VEHICLE MAINTENANCE PROGRAM STAFFING**

<i>Full Time Equivalent (FTE)</i>					
	2016/17	2017/18	2018/19	2019/20	2020/21
<i>Town Staff</i>	Funded	Funded	Funded	Funded	Proposed
Superintendent	-	-	0.20	0.20	0.20
Administrative Assistant	-	-	0.35	0.40	0.40
Equipment Mechanic	-	-	1.00	1.00	1.00
<b>Total Vehicle Maint. FTEs</b>	<b>-</b>	<b>-</b>	<b>1.55</b>	<b>1.60</b>	<b>1.60</b>



**⌘ PARKS & PUBLIC WORKS ⌘**  
**Vehicle Maintenance Management**

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>To provide safe and functional vehicles and</i>					
a. Percentage of fleet in compliance with maintenance schedule:	100%	100%	100%	100%	100%
b. Cost per mile, by class of equipment ( <i>Life, cost/replacement cost=annual cost per mile</i> )					
Police:	\$0.29	\$0.37	\$0.42	\$0.40	\$0.40
General Fleet - light:	\$0.57	\$0.83	\$1.09	\$0.95	\$0.95
General Fleet - heavy:	\$1.35	\$1.72	\$1.88	\$1.80	\$1.80
c. Percentage of fleet that is alternate fuel vehicles:*	24%	22%	21%	21%	22%

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of police vehicles maintained:	46	44	46	46	46
2. Number of heavy-duty vehicles maintained:	4	4	4	4	4
3. Number of light-duty (non-police) vehicles maintained:	42	42	42	42	42
4. Pieces of equipment maintained (light and heavy duty):	43	45	44	44	44
5. Hybrid vehicles:	7	12	13	13	13
6. Electric vehicles:	5	2	2	2	2

\* New measure effective FY 2015/16, historical data provided when available.



# **Parks & Public Works Department**

## **FACILITIES MAINTENANCE STAFFING PROGRAM 5407**

### **PROGRAM PURPOSE**

Facilities Maintenance staffing program reflects all salaries and benefits related to facilities maintenance staffing.

### **BUDGET OVERVIEW**

The FY 2020/21 budget includes increases in salary and benefit costs attributable to negotiated salary raises, and higher benefit and CalPERS pension rates.



**⌘ PARKS & PUBLIC WORKS ⌘**  
**Facilities Maintenance Staffing**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
Other Taxes	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Licenses and Permits	-	-	-	-	-	-
Intergovernmental	-	-	-	-	-	-
Service Charges	-	-	-	-	-	-
Other Revenues	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
Salaries and Benefits*	\$ -	\$ -	\$ 301,826	\$ 397,872	\$ 306,348	\$ 345,064
Operating Expenditures	-	-	-	-	-	-
Fixed Assets	-	-	-	-	-	-
Internal Service Charges	-	-	3,216	10,283	3,653	4,775
<b>TOTAL EXPENDITURES</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 305,042</b>	<b>\$ 408,155</b>	<b>\$ 310,001</b>	<b>\$ 349,839</b>

\* Personnel previously budgeted in the Facilities Maintenance Internal Service Fund are budgeted in the Facilities Maintenance General Fund Staffing Program beginning in FY 2018/19.

**FACILITIES MAINTENANCE PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>Town Staff</b>					
Park & Public Works Operation Mgr	-	-	0.50	0.50	0.50
Lead Parks & Maint Worker	-	-	1.00	1.00	1.00
Parks & Maint Worker	-	-	1.00	1.00	1.00
<b>Total Building Maint. FTEs</b>	<b>-</b>	<b>-</b>	<b>2.50</b>	<b>2.50</b>	<b>2.50</b>

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>Temporary Staff Hours</b>					
Maintenance Assistant	-	-	628	628	628
<b>TOTAL ANNUAL HOURS</b>	<b>-</b>	<b>-</b>	<b>628</b>	<b>628</b>	<b>628</b>



# **Parks & Public Works Department**

## **PASS-THROUGH ACCOUNTS PROGRAM 5999**

### **PROGRAM PURPOSE**

The Pass-Through Accounts Program provides an accounting structure to separate ongoing Parks and Public Works program activities from applicant funding utilized for external engineering services consultants, such as traffic study engineering and geotechnical reviews. Fees for these external development services are paid for in advance by the applicant, with the funds then applied to a purchase order. All invoices from the consultants are subsequently paid out of the applicant's account until they zero out. Any remaining balance is returned to the applicant. Accounting for these activities in a separate accounting structure allows the true cost of operations to remain intact within a program, eliminating unrelated funding fluctuations from year to year. This pass-through approach is also used in the Community Development Department for similar projects.

### **BUDGET OVERVIEW**

There is no budgetary impact to this program as revenues will equal expenditures. The revenues and expenditures reflect estimates based on prior year trends and known departmental operations. At fiscal year-end, actuals may differ substantially from original budgeted numbers as the quantity and size of engineering fees within the community in any given year is not known or determinable in advance. This budget reflects a reasonable estimate only. As this program includes no staff activity, it does not have Key Projects or Performance Measures.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Pass-Through Accounts**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<u>2016/17</u> <u>Actuals</u>	<u>2017/18</u> <u>Actuals</u>	<u>2018/19</u> <u>Actuals</u>	<u>2019/20</u> <u>Adopted</u>	<u>2019/20</u> <u>Estimated</u>	<u>2020/21</u> <u>Proposed</u>
<b>REVENUES</b>						
<i>Other Taxes</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Licenses and Permits</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Service Charges</i>	66,558	313,316	327,927	120,000	492,988	120,000
<i>Other Revenues</i>	<u>13,232</u>	<u>5,757</u>	<u>6,993</u>	<u>20,000</u>	<u>20,000</u>	<u>20,000</u>
<b>TOTAL REVENUES</b>	<b>\$ 79,790</b>	<b>\$ 319,073</b>	<b>\$ 334,920</b>	<b>\$ 140,000</b>	<b>\$ 512,988</b>	<b>\$ 140,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Pass Thru Account</i>	79,790	305,028	564,170	140,000	140,000	140,000
<i>Internal Service Charges</i>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>	<u>-</u>
<b>TOTAL EXPENDITURES</b>	<b>\$ 79,790</b>	<b>\$ 305,028</b>	<b>\$ 564,170</b>	<b>\$ 140,000</b>	<b>\$ 140,000</b>	<b>\$ 140,000</b>



# **Parks & Public Works Department**

## **EQUIPMENT REPLACEMENT FUND FUND 631**

### **PROGRAM PURPOSE**

The Equipment Replacement Program provides funding for the replacement of Town vehicles, equipment, and information technology with a value greater than \$10,000. The initial capital costs associated with an asset are charged to the program budget where the asset exists. The program having custody and utilizing the asset pays the replacement cost amortized over the life of the asset through internal service charges. These internal service charges accumulate the needed funding to replace the Town's vehicle and equipment assets at the end of their useful lives. The result of this funding structure is a smoothing of operating expenditures and a more accurate reflection of the actual cost of operations.

Vehicle replacement is based on the vehicle meeting predetermined age and/or mileage criteria as set forth in the Equipment Replacement Policy. Vehicle Maintenance personnel evaluate vehicles scheduled for replacement before a final determination is made and may delay replacement based on the vehicle condition.

### **BUDGET OVERVIEW**

This program's budget includes funding for replacement vehicles and equipment. Program expenditures change significantly each year due to the timing of major purchases of equipment. A combination of deferred replacement, upgrades, replacements, and the refurbishment of vehicles and equipment is proposed, based on the condition of each vehicle or piece of equipment and its cost effectiveness. The FY 2020/21 replacement schedule identifies 7 vehicles for replacement as determined by the Town's Equipment Replacement Policy. The vehicles scheduled for replacement are in the Police and Parks and Public Works fleets.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Equipment Replacement Fund**

The cost for vehicle replacement continues to escalate 3% to 5% annually based on market increases. New vehicle purchases include the installation of safety equipment and components specific to Department needs, thus increasing the overall cost of replacement.

Additionally, public safety vehicles differ from the general fleet based on emergency response, including traveling at high rates of speed. As a result, special equipment such as warning lights, sirens, and computers continue to increase the overall cost of new vehicles.

Program staff will continue to evaluate the current fleet inventory and evaluate each vehicle's replacement schedule along with the Department's needs and the Equipment Maintenance and Replacement Policy. Vehicles previously removed from the replacement schedule, but still in the inventory will be evaluated as staff explores right-sizing the fleet. Vehicles that are still needed to provide service will be addressed individually through this program as fleet additions.

In FY 2013/14, the Town entered into an equipment cost sharing agreement with the cities of Campbell and Cupertino. The purpose of this agreement is to help generate revenue for the Town by loaning out the use of the sewer truck when Town staff does not need it and to provide access to equipment not available in the Town's inventory. The revenues collected from this agreement are deposited back into the Equipment Replacement Fund for this specific asset. Over time, this will help offset replacement costs for the Town when that vehicle needs to be replaced.

On an ongoing basis, staff will also explore replacement costs versus rental of equipment to reduce ongoing program operating expenditures. Assessments between internal and external diagnostic and repair facility costs will be conducted to determine the most cost-effective approach. As this program includes minimal staff activity, it does not have Performance Measures.

In FY 2015/16, Council approved the establishment of an Almond Grove Reserve. A transfer out of the Equipment Replacement Fund of \$1.5 million was made in FY 2016/17 to fund a portion of the CIP project. This has resulted in a negative projected fund balance in future years, necessitating increased contribution to the Equipment Replacement Fund through increased internal service charges to ensure adequate resources for future Town equipment needs. In FY 2020/21, internal service charges are determined by the anticipated need for the current fiscal year.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Equipment Replacement Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated - Non-Point Assets</i>	\$ 207,831	\$ 207,831	\$ 207,831	\$ 207,831	\$ 207,831	\$ 207,831
<i>Designated - General Fund Assets</i>	1,940,173	1,686,225	2,120,441	2,600,972	2,600,972	2,079,902
Total Beginning Fund Balance	2,148,004	1,894,056	2,328,272	2,808,803	2,808,803	2,287,733
Revenues						
<i>Service Charge</i>	381,323	622,313	610,000	199,093	199,093	267,546
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	77,366	50,303	22,492	30,000	36,987	30,000
Total Revenues	458,689	672,616	632,492	229,093	236,080	297,546
Transfers In						
<i>Transfer from Capital Projects</i>	-	98,000	-	-	-	-
<i>Transfer from General Fund</i>	-	300,000	450,000	-	-	-
<i>Transfer from MIS</i>	-	-	-	-	-	-
Total Transfers In	-	398,000	450,000	-	-	-
Total Revenues & Transfers In	458,689	1,070,616	1,082,492	229,093	236,080	297,546
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 2,606,693</b>	<b>\$ 2,964,672</b>	<b>\$ 3,410,764</b>	<b>\$ 3,037,896</b>	<b>\$ 3,044,883</b>	<b>\$ 2,585,279</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits*</i>	\$ 9,919	\$ 11,533	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	4,232	3,952	-	-	-	-
<i>Fixed Assets</i>	402,806	620,915	601,961	1,661,240	702,400	1,356,248
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	416,957	636,400	601,961	1,661,240	702,400	1,356,248
Transfers Out						
<i>Transfer to General Fund</i>	-	-	-	-	54,750	40,498
<i>Transfer to Capital Projects</i>	295,680	-	-	525,000	-	-
Total Transfers Out	295,680	-	-	525,000	54,750	40,498
Total Expenditures & Transfers Out	712,637	636,400	601,961	2,186,240	757,150	1,396,746
Ending Fund Balance						
<i>Designated - Gas Tax Assets</i>	-	-	-	-	-	-
<i>Designated - Non-Point Assets</i>	207,831	207,831	207,831	207,831	207,831	207,831
<i>Designated - General Fund Assets</i>	1,686,225	2,120,441	2,600,972	643,825	2,079,902	980,702
Total Ending Fund Balance	1,894,056	2,328,272	2,808,803	851,656	2,287,733	1,188,533
<b>TOTAL USE OF FUNDS</b>	<b>\$ 2,606,693</b>	<b>\$ 2,964,672</b>	<b>\$ 3,410,764</b>	<b>\$ 3,037,896</b>	<b>\$ 3,044,883</b>	<b>\$ 2,585,279</b>

\* Personnel previously budgeted in the Equipment Replacement Internal Service Fund are budgeted in the Finance Department General Fund Program beginning in FY 2018/19.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Equipment Replacement Fund**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Quality Public Infrastructure</i></b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<b><i>Vehicle Replacements</i></b> Staff will continue to monitor and evaluate key equipment, including generators and vehicles to ensure assets are replaced at key intervals to maximize the useful life, reliability, and resale values.

**KEY PROGRAM SERVICES**

- Assesses vehicles and equipment for proper replacement timing and for fuel efficiency and functionality.
- Performs cost effectiveness studies for asset cost and replacements.
- Accumulates appropriate internal service charges for asset replacement funding.
- Coordinates with Town Departments for the smooth placement into service of new vehicles and equipment.

**EQUIPMENT REPLACEMENT FUND STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Account Technician	0.10	-	-	-	-
Administrative Analyst*	-	0.10	-	-	-
<b>Total Equipment Replacement FTEs</b>	<b>0.10</b>	<b>0.10</b>	<b>-</b>	<b>-</b>	<b>-</b>

*\*Personnel previously budgeted in Equipment Replacement Internal Service fund are budgeted in the General Fund beginning in FY 2018/19.*



# **Parks & Public Works Department**

## **VEHICLE MAINTENANCE FUND FUND 632**

### **PROGRAM PURPOSE**

All items previously funded in the Vehicle Maintenance Fund, an Internal Service Fund, have been transferred to the Vehicle Maintenance Management Fund in the General Fund beginning in FY 2019/20.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Vehicle Maintenance Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	409,872	182,368	262,788	-	-	-
Total Beginning Fund Balance	409,872	182,368	262,788	-	-	-
Revenues						
<i>Service Charge</i>	573,865	586,654	376,655	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	3,810	-	387,752	-	-	-
Total Revenues	577,675	586,654	764,407	-	-	-
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 987,547</b>	<b>\$ 769,022</b>	<b>\$ 1,027,195</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits*</i>	\$ 562,635	\$ 269,302	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	242,544	236,932	252,206	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	805,179	506,234	252,206	-	-	-
Transfers Out						
<i>Transfer to Genral Fund</i>	-	-	774,989	-	-	-
Total Transfers Out	-	-	774,989	-	-	-
Total Expenditures & Transfers Out	805,179	506,234	1,027,195	-	-	\$ -
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	182,368	262,788	-	-	-	-
Total Ending Fund Balance	182,368	262,788	-	-	-	-
<b>TOTAL USE OF FUNDS</b>	<b>\$ 987,547</b>	<b>\$ 769,022</b>	<b>\$ 1,027,195</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

\* Personnel previously budgeted in the Vehicle Maintenance Internal Service Fund are budgeted in the Vehicle Maintenance General Fund Staffing Program beginning in FY 2018/19.



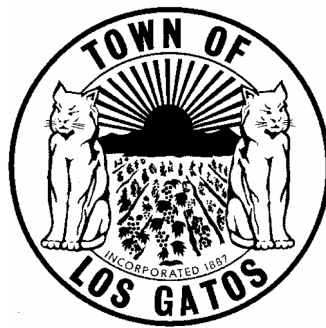
**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Vehicle Maintenance Fund**

**VEHICLE MAINTENANCE FUND STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Superintendent	0.20	0.20	-	-	-
Administrative Assistant	0.20	0.20	-	-	-
Office Assistant	0.20	0.20	-	-	-
Equipment Mechanic	1.00	1.00	-	-	-
<b>Total Vehicle Maint. FTEs</b>	<b>1.60</b>	<b>1.60</b>	<b>-</b>	<b>-</b>	<b>-</b>







# **Parks & Public Works Department**

## **FACILITIES MAINTENANCE FUND FUND 633**

### **PROGRAM PURPOSE**

The Facilities Maintenance Fund provides services to ensure Town facilities are safe and functional for public and employee use. Services include custodial services, elevator maintenance, cell phone services, heating and ventilation systems, building improvements, facility security, lighting systems, solar energy, and electric vehicle charging stations. Facilities staff also plan, schedule, and manage small and large building facility projects such as building remodeling, public access infrastructure improvements, floor covering, work space reconfigurations, roof repairs, heating and air conditioning system improvements, electrical services, and all other aspects required to keep the Town's facilities functional and safe.

### **BUDGET OVERVIEW**

Revenues for this fund are obtained through assessment chargebacks to Town Departments, based upon a percentage of square footage assigned to each Department. The Facilities Maintenance Program pays for all operating expenditures, including utilities, repairs, and maintenance and the Departments in turn fund the program's expenditures through these chargebacks.

Additionally, this fiscal year staff will continue to assess energy efficiency measures and current CIP upgrades in Town-owned facilities in collaboration with staff from the Environmental Services Program.

This fund will continue the cost-saving strategy by limiting the use of program staff overtime. The decrease in overtime involves the reduction of the after-hours "Stand-by Program." Stand-by will be available during the months of November through March, instead of year-round.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Facilities Maintenance Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	414,367	(37,871)	245,437	981,784	970,787	989,466
Total Beginning Fund Balance	414,367	(37,871)	245,437	981,784	970,787	989,466
Revenues						
<i>Other Taxes</i>	23,165	31,838	28,390	40,000	30,000	40,000
<i>Service Charge</i>	1,124,537	1,142,513	882,707	847,375	847,375	847,375
<i>Service Charges</i>	-	-	-	-	-	-
<i>Other Revenues</i>	275,864	284,685	876,158	286,382	286,382	261,382
Total Revenues	1,423,566	1,459,036	1,787,255	1,173,757	1,163,757	1,148,757
Transfers In						
<i>Transfer from General Fund</i>	-	300,000	-	-	-	-
Total Transfers In	-	300,000	-	-	-	-
Total Revenues & Transfers In	1,423,566	1,759,036	1,787,255	1,173,757	1,163,757	1,148,757
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 1,837,933</b>	<b>\$ 1,721,165</b>	<b>\$ 2,032,692</b>	<b>\$ 2,155,541</b>	<b>\$ 2,134,544</b>	<b>\$ 2,138,223</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits*</i>	\$ 864,361	\$ 382,313	\$ -	\$ 15,413	\$ -	\$ -
<i>Operating Expenditures</i>	1,011,443	1,093,415	1,011,905	1,157,586	1,145,078	1,169,722
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	752	-	-
Total Expenditures	1,875,804	1,475,728	1,011,905	1,173,751	1,145,078	1,169,722
Transfers Out						
<i>Transfer to General Fund</i>	-	-	-	-	-	-
<i>Transfer to Capital Projects</i>	-	-	50,000	788,000	-	-
<i>Transfer to Office Stores</i>	-	-	-	-	-	-
Total Transfers Out	-	-	50,000	788,000	-	-
Total Expenditures & Transfers Out	1,875,804	1,475,728	1,061,905	1,961,751	1,145,078	1,169,722
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	(37,871)	245,437	970,787	193,790	989,466	968,501
Total Ending Fund Balance	(37,871)	245,437	970,787	193,790	989,466	968,501
<b>TOTAL USE OF FUNDS</b>	<b>\$ 1,837,933</b>	<b>\$ 1,721,165</b>	<b>\$ 2,032,692</b>	<b>\$ 2,155,541</b>	<b>\$ 2,134,544</b>	<b>\$ 2,138,223</b>

\* Personnel previously budgeted in the Facilities Maintenance Internal Service Fund are budgeted in the Facilities Maintenance General Fund Staffing Program beginning in FY 2018/19.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Facilities Maintenance Fund**

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Quality Public Infrastructure</b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure	<b><i>Oversight of Capital Improvement Projects</i></b>
	Assist in the oversight of all facility improvement projects planned during FY 2020/21, including numerous building improvement projects at the Civic Center and other Town facilities.
	<b><i>ADA Improvements</i></b>
	Complete two projects to upgrade the upstairs restrooms at the Adult Recreation Center and one set of downstairs restrooms at the Civic Center to meet current ADA compliance. Both of these sets of restrooms are in the configuration from the original designs of the facilities.
	<b><i>Building Modifications</i></b>
	Complete a project to modify two buildings at the Corporation Yard to combine staff in the Engineering Building, and replace the existing 30+ year old temporary modular buildings with a new storage facility.

**KEY PROGRAM SERVICES**

- Administers custodial, telephone, heating, ventilating, and air conditioning system maintenance agreements.
- Manages preventive maintenance contracts for elevator, fire, and building alarms.
- Administers facilities capital improvement contracts.
- Administers repairs and improvements to The New Museum of Los Gatos and the Friends of the Library as well as the vacant buildings on Tait and at Forbes Mill.
- Manages inter-Departmental service requests.
- Manages lighting for public parking garages and public parking lots.
- Maintains downtown tree lights along North Santa Cruz Avenue and Main Street.
- Monitors and maintains Forbes Mill Footbridge lights.



**☞ PARKS & PUBLIC WORKS DEPARTMENT ☜**  
**Facilities Maintenance Fund**

**FACILITIES MAINTENANCE FUND STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Facilities & Environmental Services Mgr	0.50	-	-	-	-
Park & Public Works Operation Mgr	-	0.50	-	-	-
Lead Parks & Maint Worker	1.00	1.00	-	-	-
Parks & Maint Worker	1.00	1.00	-	-	-
<b>Total Building Maint. FTEs</b>	<b>2.50</b>	<b>2.50</b>	<b>-</b>	<b>-</b>	<b>-</b>
	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Maintenance Assistant	628	628	-	-	-
<b>TOTAL ANNUAL HOURS</b>	<b>628</b>	<b>628</b>	<b>-</b>	<b>-</b>	<b>-</b>

*\*Personnel previously budgeted in the Facilities Maintenance Internal Service Fund are budgeted in the Facilities Maintenance General Fund Staffing Program beginning in FY 2018/19.*

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. To ensure Town facilities are safe and functional for public and employee use.					
a. Percentage of high priority (safety or service interruption) requests completed within 3 days:	85%	N/A	N/A	N/A	N/A
b. Percentage of facilities requests completed within 14 days:	77%	79%	66%	69%	70%

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Total square footage of facilities maintained:	132,654	132,654	132,654	132,654	132,654
2. Total square footage of facilities maintained per FTE:	53,062	53,062	53,062	53,062	53,062
3. Cost per square foot:	\$2.30	\$2.88	\$2.30	\$3.00	\$3.00
4. Total number of facility requests received and completed:	270	324	376	375	375

*\* Staff changing methodology. Data not available.*



# **Parks & Public Works Department**

## **NON-POINT SOURCE PROGRAM FUND 222**

### **PROGRAM PURPOSE**

The principal objective of the Non-Point Source Program is to keep debris and pollution from entering the Town's storm drain system, which drains directly into local creeks and ultimately the San Francisco Bay. This objective is accomplished by providing street sweeping services, maintaining trash capture devices inside storm drains, and inspecting private development projects to ensure compliance with storm water requirements. To meet the National Pollutant Discharge Elimination System (NPDES) Permit requirements, Engineering Development Program staff, in coordination with Community Development Department staff, will continue to review the regulations to evaluate the staff and budget impacts associated with implementation of this permit.

### **BUDGET OVERVIEW**

Previously, the West Valley Sanitation District received funding collected through the County of Santa Clara property tax rolls for non-point source functions. These receipts were then distributed to three local agencies that support this function: the Town for operating expenditures incurred through this program's activities; the West Valley Clean Water Program (WVCWP); and the West Valley Sanitation District (WVSD) to reimburse the District for the NPDES permit fee, the Santa Clara Valley Urban Runoff Pollution Prevention Program (SCVURPPP), and WVSD annual storm drain maintenance work. As of July 2018, WVSD is no longer involved with the West Valley cities' Non-Point Source Programs. The West Valley cities have created a JPA, the West Valley Clean Water Program Authority (WVCWPA) to manage this program.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Non-Point Source Program**

These programs perform various functions required under the Federal Clean Water Act, Environmental Protection Agency regulations, and respective NPDES permits. The West Valley cities of Saratoga, Monte Sereno, Campbell, and Los Gatos are participants in the WVCWP, which represents these cities at the County and regional level on policy permit issues. Additionally, the WVCWP manages permit and fee administration, collects revenue through tax assessments, and compiles data, and does reporting for the West Valley cities. Each year, the Town and the three other municipalities cooperatively prepare an outline of the annual work plan and the associated budget for approval prior to the establishment of the annual user fees, and prior to the WVSD transmitting those fees to the County for collection on the property tax roll.

The NPDES permit which regulates each of these programs is issued by the San Francisco Regional Water Quality Control Board (RWQCB). An initial permit went into effect in the 1990s. A next generation of the NPDES storm water permit, called the Municipal Regional Storm water Permit (MRP), was adopted by the California Regional Water Quality Control Board in October 2009, for an approximate five year cycle. The recently adopted MRP 2.0 permit mandates increased requirements in several key areas, including development projects. Increased inspection mandates will require additional staff time both for the inspection and the associated reporting.

As a result of these new permit regulations, staff will be required to perform more construction inspections on new development projects to ensure permit requirements, such as Low Impact Development (LID) features, are met. Additionally, requirements to meet trash load reduction impacts to creeks will be increased from 70% by 2017 to 100% by 2022. Each of these items has associated costs and workloads, and as the requirements increase, incremental gains become more difficult and more expensive with no direct cost recovery option. Staff from the Parks and Public Works Department continues to implement requirements within the Long Term Trash Plan, as part of the NPDES permit requirements.

The Town's NPDES program will continue to conduct monthly sweeping of streets and parking lots; clear storm drains, ditches, and culverts; and dispose of collected material in a safe manner. The frequency of street sweeping in residential and commercial areas may be increased as a result of increased permit regulations in the long term, budget permitting. Staff is currently evaluating costs and strategies to implement these additional regulations. The Town's NPDES program activities also include volunteer groups that regularly pick up debris along the Los Gatos Creek Trail and through the Town sponsored Adopt a Highway program. Town staff track and report the amount of debris collected by all these activities to WVCWP.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Non-Point Source Program**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	109,030	14,895	71,339	159,450	159,450	237,093
Total Beginning Fund Balance	109,030	14,895	71,339	159,450	159,450	237,093
Revenues						
<i>Licenses and Permits</i>	30,780	231,323	236,451	231,323	231,323	231,323
<i>Intergovernmental</i>	-	903	-	-	-	-
<i>Service Charge</i>	-	-	-	-	-	-
<i>Other Revenues</i>	341,846	345,365	479,901	353,071	353,071	353,071
Total Revenues	<b>372,626</b>	<b>577,591</b>	<b>716,352</b>	<b>584,394</b>	<b>584,394</b>	<b>584,394</b>
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	10,000	10,000	-
Total Transfers In	-	-	-	<b>10,000</b>	<b>10,000</b>	-
Total Revenues & Transfers In	<b>372,626</b>	<b>577,591</b>	<b>716,352</b>	<b>594,394</b>	<b>594,394</b>	<b>584,394</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 481,656</b>	<b>\$ 592,486</b>	<b>\$ 787,691</b>	<b>\$ 753,844</b>	<b>\$ 753,844</b>	<b>\$ 821,487</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ 126,005	\$ 135,347	\$ 143,545	\$ 190,474	\$ 131,670	\$ 170,983
<i>Operating Expenditures</i>	334,538	378,905	482,286	383,657	382,110	383,657
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	6,218	6,895	2,410	5,042	2,971	4,437
Total Expenditures	<b>466,761</b>	<b>521,147</b>	<b>628,241</b>	<b>579,173</b>	<b>516,751</b>	<b>559,077</b>
Transfers Out						
<i>Transfer to General Fund</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	<b>466,761</b>	<b>521,147</b>	<b>628,241</b>	<b>579,173</b>	<b>516,751</b>	<b>559,077</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	14,895	71,339	159,450	174,671	237,093	262,410
Total Ending Fund Balance	14,895	71,339	159,450	174,671	237,093	262,410
<b>TOTAL USE OF FUNDS</b>	<b>\$ 481,656</b>	<b>\$ 592,486</b>	<b>\$ 787,691</b>	<b>\$ 753,844</b>	<b>\$ 753,844</b>	<b>\$ 821,487</b>



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Non-Point Source Program**

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
<b><i>Community Character</i></b> Preserve and enhance the appearance, character, and environmental quality of the community	<b><i>Expanded Trail Volunteer Opportunities</i></b> The program will continue to increase volunteer opportunities to reduce debris from entering the waterways alongside trails and walkways in Los Gatos. In addition, program staff will continue to partner with the West Valley Clean Water Program to raise awareness about stormwater and pollution prevention to residents in the community. .
<b><i>Good Governance</i></b> Ensure responsive, accountable, and collaborative government	<b><i>Municipal Regional Permit</i></b> Program staff will continue to take on an increased role in implementing regulations related to the San Francisco Bay Area Stormwater Municipal Regional Permit. Staff will continue to monitor and implement strategies with other Town departments to ensure permit compliance issues are met.

**KEY PROGRAM SERVICES**

- Sweeps Town streets and parking lots and steam-cleans business area sidewalks.
- Coordinates Integrated Pest Management with Park Services Program to reduce pesticides from entering waterways due to Town pest management activities.
- Monitors storm water permit issues and implements strategies in collaboration with other Town Departments, to meet permit requirements.
- Coordinates education and awareness programs related to storm water issues with partners and volunteers.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Non-Point Source Program**

**NON-POINT SOURCE PROGRAM STAFFING**

**Full Time Equivalent (FTE)**

	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>Town Staff</b>					
Parks & Maint Worker	0.25	0.25	0.25	0.25	0.25
Public Works Inspector	0.50	0.50	-	-	-
Senior Administrative Analyst	-	-	0.25	0.25	0.25
Senior Public Work Inspector	-	-	0.50	0.50	0.50
Administrative Analyst	0.25	0.25	-	-	-
<b>Total Non-Point Source FTEs</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>	<b>1.00</b>
	2016/17 Funded	2017/18 Funded	2018/19 Funded	2019/20 Funded	2020/21 Proposed
<b>Temporary Staff Hours</b>					
Maintenance Worker	488	488	-	-	-
<b>TOTAL ANNUAL HOURS</b>	<b>488</b>	<b>488</b>	<b>-</b>	<b>-</b>	<b>-</b>

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Prevent street debris from entering the storm drain system.</i>					
a. Number of cubic yards of debris removed annually:	1,453	530	1,322	1,400	1,400

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of Los Gatos curb and parking lot miles swept annually:	3,825	1,943	3,189	3,500	3,500
2. Number of stormwater inspections:	854	541	580	600	600







# **Parks & Public Works Department**

## **ASSESSMENT DISTRICTS FUNDS 231 – 236**

### **ASSESSMENT DISTRICT PURPOSE**

In the early 1990s, the Town formed six Landscape and Lighting District Funds with the written consent of all property owners within the boundaries of the districts. There are two Landscape and Lighting Districts, which cover six neighborhood areas. The districts are funded through tax assessments to reimburse the Town for the payment of water and electricity; district improvements and upgrades; and the regular maintenance of trees, landscaping, trails, irrigation systems, and lighting. There are six program funds that have been established to maintain these neighborhood areas.

The Landscape and Lighting Districts are exempt from Proposition 218 requirements requiring a 2/3 majority approval, unless the assessments are increased. Section 5 of Proposition 218 provides that the measure does not apply to assessments existing on November 1996 if the assessments were “imposed pursuant to a petition signed by the persons owning all of the parcels subject to the assessment at the time the assessment was initially imposed.” As long as the assessments were imposed by request or with the consent of all the property owners, the Town Attorney is of the opinion that this provision has been met, even without a formal petition. Consequently, the Town is not required to conduct an election of the property owners unless the assessment is increased. The fund balances for each of the assessment districts has proven to be adequate to fund routine maintenance needs; however, in previous years when maintenance requirements for large repairs have arisen, the Town has been required to step in to offset these one-time costs. The table on the next page provides an overview of the annual assessments.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Landscape & Lighting Districts**

**Fiscal Year 2020/21**

**Annual Special District Assessments**

<b>Fund #</b>	<b>Assessment Districts</b>	<b>Number of Parcels</b>	<b>Parcel Assessment</b>	<b>Total Assessment</b>	<b>Rate in effect prior to Prop 218</b>
231	Blackwell Drive	5	\$ 632	\$ 3,160	Yes
232	Kennedy Meadows	15	685	10,275	Yes
233	Gemini Court	18	230	4,140	Yes
234	Santa Rosa	15	300	4,500	Yes
235	Vasona Heights	33	295	9,735	Yes
236	Hillbrook	34	50	5,950	Yes
<b>Total Landscape &amp; Lighting Assessment:</b>				<b>\$ 37,760</b>	

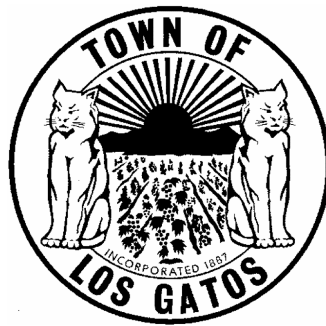


**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Landscape & Lighting Districts**

**DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	185,216	199,529	198,570	208,022	208,022	203,645
Total Beginning Fund Balance	185,216	199,529	198,570	208,022	208,022	203,645
<b>REVENUES</b>						
Property Tax Assessments	38,370	34,400	38,088	38,220	38,220	38,220
Interest	1,570	2,416	3,550	1,460	1,460	1,460
Other Revenues	-	174	-	-	-	-
Total Revenues	39,940	36,990	41,638	39,680	39,680	39,680
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 225,156</b>	<b>\$ 236,519</b>	<b>\$ 240,208</b>	<b>\$ 247,702</b>	<b>\$ 247,702</b>	<b>\$ 243,325</b>
<b>EXPENDITURES</b>						
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Operating Expenditures	20,707	26,159	27,266	32,817	44,057	32,817
Fixed Assets	-	6,870	-	52,500	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 20,707</b>	<b>\$ 33,029</b>	<b>\$ 27,266</b>	<b>\$ 85,317</b>	<b>\$ 44,057</b>	<b>\$ 32,817</b>
Transfers Out						
<i>Transfer to General Fund</i>	4,920	4,920	4,920	4,920	-	-
Total Transfers Out	4,920	4,920	4,920	4,920	-	-
Total Expenditures & Transfers Out	25,627	37,949	32,186	90,237	44,057	32,817
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	199,529	198,570	208,022	157,465	203,645	210,508
Total Ending Fund Balance	199,529	198,570	208,022	157,465	203,645	210,508
<b>TOTAL USE OF FUNDS</b>	<b>\$ 225,156</b>	<b>\$ 236,519</b>	<b>\$ 240,208</b>	<b>\$ 247,702</b>	<b>\$ 247,702</b>	<b>\$ 243,325</b>







# **Parks & Public Works Department**

## **BLACKWELL DRIVE ASSESSMENT DISTRICT FUND 231**

### **FUND PURPOSE**

This assessment district incorporates five homes and a median island along Blackwell Drive at National Avenue constructed as part of Tract 8306, Blackwell Development. Assessments to maintain the landscaping and irrigation in the median island and for street light maintenance on National Avenue remain constant for the five parcels at \$632 each annually.

The median island landscaping and irrigation are maintained by contract. The street trees and lighting are also part of the district. The contractor clears trash and weeds from the median island biweekly. Landscaping plants and irrigation are replaced and repaired as necessary.

### **BUDGET OVERVIEW**

A portion of the fund balance surplus will be recommended for use for improvements such as drought tolerant plants, pruning, and renovation of the irrigation system.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Blackwell Drive Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	10,231	11,928	12,703	13,488	13,488	13,751
Total Beginning Fund Balance	10,231	11,928	12,703	13,488	13,488	13,751
Revenues						
<i>Property Tax Assessments</i>	3,160	3,160	3,160	3,160	3,160	3,160
<i>Interest</i>	92	151	229	50	50	50
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	<u>3,252</u>	<u>3,311</u>	<u>3,389</u>	<u>3,210</u>	<u>3,210</u>	<u>3,210</u>
<b>TOTAL SOURCE OF FUNDS</b>	<b><u>\$ 13,483</u></b>	<b><u>\$ 15,239</u></b>	<b><u>\$ 16,092</u></b>	<b><u>\$ 16,698</u></b>	<b><u>\$ 16,698</u></b>	<b><u>\$ 16,961</u></b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	1,095	2,076	2,144	2,947	2,947	2,947
<i>Fixed Asset</i>	-	-	-	7,500	-	-
Total Expenditures	<u>1,095</u>	<u>2,076</u>	<u>2,144</u>	<u>10,447</u>	<u>2,947</u>	<u>2,947</u>
Transfers Out						
<i>Transfer to General Fund</i>	460	460	460	460	-	-
Total Transfers Out	<u>460</u>	<u>460</u>	<u>460</u>	<u>460</u>	<u>-</u>	<u>-</u>
Total Expenditures & Transfers Out	<u>1,555</u>	<u>2,536</u>	<u>2,604</u>	<u>10,907</u>	<u>2,947</u>	<u>2,947</u>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	11,928	12,703	13,488	5,791	13,751	14,014
Total Ending Fund Balance	<u>11,928</u>	<u>12,703</u>	<u>13,488</u>	<u>5,791</u>	<u>13,751</u>	<u>14,014</u>
<b>TOTAL USE OF FUNDS</b>	<b><u>\$ 13,023</u></b>	<b><u>\$ 14,779</u></b>	<b><u>\$ 15,632</u></b>	<b><u>\$ 16,238</u></b>	<b><u>\$ 16,698</u></b>	<b><u>\$ 16,961</u></b>



# **Parks & Public Works Department**

## **KENNEDY MEADOWS ASSESSMENT DISTRICT FUND 232**

### **FUND PURPOSE**

The Kennedy Meadows Assessment District consists of eight acres of open space area surrounding 15 homes. The open space area contains a paved trail, wetlands area, and a portion of Ross Creek. Streetlights on Forrester Court and Kennedy Court are also maintained by the district. Annual assessments for district upkeep remain constant at \$685 per parcel.

The trees, landscaping, irrigation system, trail, and streetlights within the open space area are maintained by contract. The district, including the paved trail, is cleaned and cleared of trash biweekly. Irrigation repair and tree replacement are completed as necessary.

### **BUDGET OVERVIEW**

During FY 2020/21, maintenance expenditures are anticipated to remain constant. The fund balance surplus is held for current or future repair/replacement costs related to the asphalt pathway, tree trimming, and streetlights.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Kennedy Meadows Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	40,097	42,097	35,233	37,925	37,925	34,035
Total Beginning Fund Balance	40,097	42,097	35,233	37,925	37,925	34,035
Revenues						
<i>Property Tax Assessments</i>	10,309	7,535	10,275	10,275	10,275	10,275
<i>Interest</i>	322	447	637	330	330	330
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	<b>10,631</b>	<b>7,982</b>	<b>10,912</b>	<b>10,605</b>	<b>10,605</b>	<b>10,605</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 50,728</b>	<b>\$ 50,079</b>	<b>\$ 46,145</b>	<b>\$ 48,530</b>	<b>\$ 48,530</b>	<b>\$ 44,640</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	7,121	6,466	6,710	7,403	14,495	7,403
<i>Fixed Assets</i>	-	6,870	-	-	-	-
Total Expenditures	<b>7,121</b>	<b>13,336</b>	<b>6,710</b>	<b>7,403</b>	<b>14,495</b>	<b>7,403</b>
Transfers Out						
<i>Transfer to General Fund</i>	1,510	1,510	1,510	1,510	-	-
Total Transfers Out	<b>1,510</b>	<b>1,510</b>	<b>1,510</b>	<b>1,510</b>	-	-
Total Expenditures & Transfers Out	<b>8,631</b>	<b>14,846</b>	<b>8,220</b>	<b>8,913</b>	<b>14,495</b>	<b>7,403</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	42,097	35,233	37,925	39,617	34,035	37,237
Total Ending Fund Balance	42,097	35,233	37,925	39,617	34,035	37,237
<b>TOTAL USE OF FUNDS</b>	<b>\$ 49,218</b>	<b>\$ 48,569</b>	<b>\$ 44,635</b>	<b>\$ 47,020</b>	<b>\$ 48,530</b>	<b>\$ 44,640</b>



# **Parks & Public Works Department**

## **GEMINI COURT ASSESSMENT DISTRICT FUND 233**

### **FUND PURPOSE**

This assessment district, located on Blossom Hill Road and Gemini Court, is made up of 18 residences with a public right-of-way within the boundaries of the Gemini subdivision, Tract No. 8439. The assessment district provides for the maintenance of trees, landscaping, irrigation systems, lighting, sound wall, and fences along the walkway.

Landscaping and irrigation are maintained by contract. The contractor clears trash and weeds in the median island biweekly. Landscaping plants and irrigation are replaced and repaired as necessary. Annual assessments remain constant for the 18 parcels at \$230 each.

### **BUDGET OVERVIEW**

A portion of the fund balance surplus will be recommended for improvements such as irrigation, tree work, lighting repair, landscaping, and repainting the sound wall.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Gemini Court Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	20,392	23,787	26,087	28,920	28,920	31,736
Total Beginning Fund Balance	20,392	23,787	26,087	28,920	28,920	31,736
Revenues						
<i>Property Tax Assessments</i>	4,623	4,240	4,600	4,600	4,600	4,600
<i>Interest</i>	178	304	477	150	150	150
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	<b>4,801</b>	<b>4,544</b>	<b>5,077</b>	<b>4,750</b>	<b>4,750</b>	<b>4,750</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 25,193</b>	<b>\$ 28,331</b>	<b>\$ 31,164</b>	<b>\$ 33,670</b>	<b>\$ 33,670</b>	<b>\$ 36,486</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	796	1,634	1,634	1,934	1,934	1,934
<i>Fixed Assets</i>	-	-	-	10,000	-	-
Total Expenditures	<b>796</b>	<b>1,634</b>	<b>1,634</b>	<b>11,934</b>	<b>1,934</b>	<b>1,934</b>
Transfers Out						
<i>Transfer to General Fund</i>	610	610	610	610	-	-
Total Transfers Out	<b>610</b>	<b>610</b>	<b>610</b>	<b>610</b>	<b>-</b>	<b>-</b>
Total Expenditures & Transfers Out	<b>1,406</b>	<b>2,244</b>	<b>2,244</b>	<b>12,544</b>	<b>1,934</b>	<b>1,934</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	23,787	26,087	28,920	21,126	31,736	34,552
Total Ending Fund Balance	23,787	26,087	28,920	21,126	31,736	34,552
<b>TOTAL USE OF FUNDS</b>	<b>\$ 24,583</b>	<b>\$ 27,721</b>	<b>\$ 30,554</b>	<b>\$ 33,060</b>	<b>\$ 33,670</b>	<b>\$ 36,486</b>



# **Parks & Public Works Department**

## **SANTA ROSA HEIGHTS ASSESSMENT DISTRICT FUND 234**

### **FUND PURPOSE**

This assessment district provides maintenance and upkeep within designated Open Space Areas A, B, C, and D of Tract No. 8400, Santa Rosa Heights Subdivision. There are 15 residences in this district. The open space area to be maintained by the Town lies north of Shannon Road up to the ridgeline of Blossom Hill Road, adjacent to the subdivision. This area includes a pedestrian/equestrian trail through the subdivision from Shannon Road to Belgatos Park, street trees, and lighting. The trail is pruned and cleared of trash biweekly by the contractor. Annual assessments for the fifteen parcels were decreased from \$540 each, to \$300 each, effective FY 2006/07.

### **BUDGET OVERVIEW**

During FY 2020/21, maintenance expenditures are anticipated to remain constant. A portion of the fund balance surplus will be recommended for improvements such as brushing, tree work, and repairs to the various trails and retaining walls in the district.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Santa Rosa Heights Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	60,128	62,247	58,477	54,659	54,659	50,847
Total Beginning Fund Balance	60,128	62,247	58,477	54,659	54,659	50,847
Revenues						
<i>Property Tax Assessments</i>	4,560	4,650	4,350	4,500	4,500	4,500
<i>Interest</i>	514	752	1,004	500	500	500
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	<u>5,074</u>	<u>5,402</u>	<u>5,354</u>	<u>5,000</u>	<u>5,000</u>	<u>5,000</u>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 65,202</b>	<b>\$ 67,649</b>	<b>\$ 63,831</b>	<b>\$ 59,659</b>	<b>\$ 59,659</b>	<b>\$ 55,847</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	2,295	8,512	8,512	8,812	8,812	8,812
<i>Fixed Assets</i>	-	-	-	10,000	-	-
Total Expenditures	<u>2,295</u>	<u>8,512</u>	<u>8,512</u>	<u>18,812</u>	<u>8,812</u>	<u>8,812</u>
Transfers Out						
<i>Transfer to General Fund</i>	660	660	660	660	-	-
Total Transfers Out	<u>660</u>	<u>660</u>	<u>660</u>	<u>660</u>	<u>-</u>	<u>-</u>
Total Expenditures & Transfers Out	<u>2,955</u>	<u>9,172</u>	<u>9,172</u>	<u>19,472</u>	<u>8,812</u>	<u>8,812</u>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	62,247	58,477	54,659	40,187	50,847	47,035
Total Ending Fund Balance	<u>62,247</u>	<u>58,477</u>	<u>54,659</u>	<u>40,187</u>	<u>50,847</u>	<u>47,035</u>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 64,542</b>	<b>\$ 66,989</b>	<b>\$ 63,171</b>	<b>\$ 58,999</b>	<b>\$ 59,659</b>	<b>\$ 55,847</b>



# **Parks & Public Works Department**

## **VASONA HEIGHTS ASSESSMENT DISTRICT FUND 235**

### **FUND PURPOSE**

This assessment district is adjacent to Blossom Hill and Roberts Roads, with open space running between the subdivision and the Los Gatos Creek Trail. The district was created to provide maintenance and upkeep within the designated Open Space Areas A, B, and C of Tract No. 8280, of the Vasona Heights Subdivision. All 32 residences are assessed an annual charge of \$295 per parcel, continuing the decrease in original property assessments as agreed to by the property owners and the Town Council in FY 2001/02.

The district upkeep includes, trees, landscaping, irrigation systems, trail, emergency access, and a retaining wall along Blossom Hill Road. The open space areas are maintained by contract, with cleanup, trash control, irrigation maintenance, and landscape maintenance completed biweekly.

### **BUDGET OVERVIEW**

During FY 2020/21 maintenance expenditures are anticipated to remain constant. A portion of the fund balance surplus will be recommended for improvements such as landscaping, irrigation, and pathway lighting.



**⌘ PARKS & PUBLIC WORKS DEPARTMENT ⌘**  
**Vasona Heights Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	42,596	45,148	49,175	54,233	54,233	52,946
Total Beginning Fund Balance	42,596	45,148	49,175	54,233	54,233	52,946
Revenues						
<i>Property Tax Assessments</i>	9,750	8,865	9,735	9,735	9,735	9,735
<i>Interest</i>	357	574	899	340	340	340
<i>Other Revenues</i>	-	174	-	-	-	-
Total Revenues	<b>10,107</b>	<b>9,613</b>	<b>10,634</b>	<b>10,075</b>	<b>10,075</b>	<b>10,075</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 52,703</b>	<b>\$ 54,761</b>	<b>\$ 59,809</b>	<b>\$ 64,308</b>	<b>\$ 64,308</b>	<b>\$ 63,021</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	6,125	4,156	4,146	7,214	11,362	7,214
<i>Fixed Assets</i>	-	-	-	10,000	-	-
Total Expenditures	<b>6,125</b>	<b>4,156</b>	<b>4,146</b>	<b>17,214</b>	<b>11,362</b>	<b>7,214</b>
Transfers Out						
<i>Transfer to General Fund</i>	1,430	1,430	1,430	1,430	-	-
Total Transfers Out	<b>1,430</b>	<b>1,430</b>	<b>1,430</b>	<b>1,430</b>	<b>-</b>	<b>-</b>
Total Expenditures & Transfers Out	<b>7,555</b>	<b>5,586</b>	<b>5,576</b>	<b>18,644</b>	<b>11,362</b>	<b>7,214</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	45,148	49,175	54,233	45,664	52,946	55,807
Total Ending Fund Balance	45,148	49,175	54,233	45,664	52,946	55,807
<b>TOTAL USE OF FUNDS</b>	<b>\$ 51,273</b>	<b>\$ 53,331</b>	<b>\$ 58,379</b>	<b>\$ 62,878</b>	<b>\$ 64,308</b>	<b>\$ 63,021</b>



# **Parks & Public Works Department**

## **HILLBROOK DRIVE ASSESSMENT DISTRICT FUND 236**

### **FUND PURPOSE**

This assessment district, encompassing the designated open space area within Tract No. 3026 at the corner of Blossom Hill Road and Hillbrook Drive, provides maintenance services for the trees, landscaping, irrigation system, and hardscape for the improved area in parcel #523-11-28 of the Hillbrook Benefit Zone. Annual assessments for the thirty-four parcels were increased from \$50 to \$175 each, effective FY 2010/11.

The district comprises 34 residences and a small park of approximately 0.26 acres. The landscape contract for this assessment district includes maintenance of the lawn, trees, shrubs, and irrigation system. The park is cleared of trash, mowed, and cleaned weekly.

### **BUDGET OVERVIEW**

A portion of the fund balance surplus will be recommended for improvements such as benches, turf replacement, and drought-resistant landscaping.



**∞ PARKS & PUBLIC WORKS DEPARTMENT ∞**  
**Hillbrook Drive Assessment District**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	11,888	14,438	17,011	18,913	18,913	20,446
Total Beginning Fund Balance	11,888	14,438	17,011	18,913	18,913	20,446
Revenues						
<i>Property Tax Assessments</i>	5,968	5,950	5,968	5,950	5,950	5,950
<i>Interest</i>	107	188	304	90	90	90
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	<b>6,075</b>	<b>6,138</b>	<b>6,272</b>	<b>6,040</b>	<b>6,040</b>	<b>6,040</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 17,963</b>	<b>\$ 20,576</b>	<b>\$ 23,283</b>	<b>\$ 24,953</b>	<b>\$ 24,953</b>	<b>\$ 26,486</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	3,275	3,315	4,120	4,507	4,507	4,507
<i>Fixed Assets</i>	-	-	-	15,000	-	-
Total Expenditures	<b>3,275</b>	<b>3,315</b>	<b>4,120</b>	<b>19,507</b>	<b>4,507</b>	<b>4,507</b>
Transfers Out						
<i>Transfer to General Fund</i>	250	250	250	250	-	-
Total Transfers Out	<b>250</b>	<b>250</b>	<b>250</b>	<b>250</b>	<b>-</b>	<b>-</b>
Total Expenditures & Transfers Out	<b>3,525</b>	<b>3,565</b>	<b>4,370</b>	<b>19,757</b>	<b>4,507</b>	<b>4,507</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	14,438	17,011	18,913	5,196	20,446	21,979
Total Ending Fund Balance	14,438	17,011	18,913	5,196	20,446	21,979
<b>TOTAL USE OF FUNDS</b>	<b>\$ 17,713</b>	<b>\$ 20,326</b>	<b>\$ 23,033</b>	<b>\$ 24,703</b>	<b>\$ 24,953</b>	<b>\$ 26,486</b>





## ***Library Department***



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# Library Department

## DEPARTMENT PURPOSE

The Los Gatos Library exists to foster curiosity and community connection and strives to be at the heart of an engaged and vibrant community. The Library accomplishes these outcomes through:

- **Creating Community Connections** by providing a welcoming space, access to library services beyond the building, forming partnerships with local organizations, providing programming for all ages, and providing ample access to library resources.
- **Building the Next Generation Library User** by focusing on early literacy as well as programs, collections, and services for babies, school-age children, teens, and their parents/caregivers.
- **Embracing Local History** by providing ample access to historical materials, providing quality volunteer programs and trainings, and partnering with local schools and NUMU.
- **Enhancing Collections and Technology** by continually assessing library use, trends, and new technologies.
- **Engaging the Library Staff Team** by focusing on staff development, training opportunities, sharing ideas at every level, and collaborating with our local consortiums, state organizations and national organizations.

## BUDGET OVERVIEW

The Library Department budget consists of the Library Administration, Adult Services, Youth Services, and Circulation/System Administrative Programs, as well as five Trust Funds: Library Trust Fund, History Project Trust Fund (included in the Library Trust Fund), the Clelles Ness Trust Fund, Susan McClendon Trust Fund, and the Barbara Jones Cassin Trust Fund. Previous Library Department budgets contained a fifth Program, Cataloging and Acquisitions, that has now been rolled into Circulation/Systems Administration for ease of tracking overlapping functions.

The FY 2020/21 budget remains relatively status quo with minor increases in materials budgets and library consortium membership fees do to expected and routine cost increases from publishers.



## ∞ LIBRARY DEPARTMENT ∞

Customer-focused procedures such as automatically renewing library materials and allowing patrons to replace lost and damaged items with new identical copies that they have sourced themselves has led to a reduction in revenue from fines over the past year. As this has now crossed a threshold where collecting overdue fines now costs more in staff time than it brings in as revenue, the FY2020/21 fines and fee schedule removed overdue fees for all patrons.

Personnel hours for temporary and part-time staff have been reallocated within the Department to give greater emphasis to front-end customer service and provide more adequate substitute staffing, while reducing staffing needs on the back-end due to Department efficiencies. The result is a minor decrease in FTE costs. The Library has significant technology replacements this year, including scheduled replacement of all staff and public computers, broadband switches and firewalls, and the Library's laptop vending machine. These replacements are captured in the budget of the IT Department. Capital Improvement Program projects include carpet replacement in the Children's room, and improvements to the front circulation and lobby area of the Library.



**ACCOMPLISHMENTS**

Core Goals	Accomplishments
<p><b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government</p>	<ul style="list-style-type: none"> <li>• Provided opportunities for staff at all levels to engage in professional training and cross training.</li> <li>• Expanded the Student Success Initiative to include all public elementary schools in Los Gatos; with this expansion, all Los Gatos students in public schools now can use their school student ID number to automatically access public library services</li> <li>• Applied for multiple grants totaling over \$19,000 in revenue</li> <li>• Strengthened partnerships with Los Gatos High School and Fisher Middle School by providing teacher resource open houses at the library and outreach directly to teachers during school training days.</li> <li>• With assistance from Finance department, piloted online payment options for library patrons.</li> <li>• Made a thorough assessment of subscription database use to prioritize expenditures.</li> <li>• With assistance of IT department, replaced patron self-check machines for expedited material check out.</li> </ul>
<p><b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational and individual enrichment</p>	<ul style="list-style-type: none"> <li>• Introduced “Retrotech” program to allow the community to digitize old media formats free of charge.</li> <li>• Introduced live online programming including streaming programs, Facebook Live storytimes, and online tech and computer training.</li> <li>• Substantially increased programs for adults including technology tutoring and instruction for adults twice a week, increased lectures and informational talks, author visits, hands-on arts programming, and other areas of interest.</li> <li>• Partnered with Girls Who Code to host computer coding instruction to young women and girls.</li> <li>• Expanded bilingual Spanish/English story time programs from twice a month to weekly.</li> <li>• Improved the Library’s non-English language collection by adding 750 new Spanish titles and 200 titles in other languages to meet increasing demand by the changing needs of residents.</li> <li>• Increased hands-on manipulative and social interaction areas and programs in the children’s area</li> <li>• Introduced “Zipbooks” to fulfill patron requests for materials by direct delivery to their homes through a program financially sponsored by the State Library.</li> <li>• Continued to incorporate new early learning technologies to enhance storytimes and create multi-media, multi-sensory experiences.</li> </ul>



## ∞ LIBRARY DEPARTMENT ∞

### ACCOMPLISHMENTS

<b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational and individual enrichment	<ul style="list-style-type: none"> <li>Continued to provide Stay-and-Play time, immediately following storytimes, to facilitate socialization skills and relaxed playtime for our youngest library users and their caregivers.</li> <li>Conducted monthly outreach events to Seniors living in residential senior housing centers.</li> <li>Continued to provide local history volunteer trainings and a volunteer appreciation event for all Library volunteers.</li> <li>Continued delivering services in the community using our Chartreuse Caboose Library bicycle and trailer.</li> </ul>
<b><i>Public Safety</i></b> Ensure public safety through proactive community policing, affective emergency response, and community-wide emergency preparedness	<ul style="list-style-type: none"> <li>Changed afterschool programming model with teens to offer engaging content and decrease behavioral concerns.</li> <li>Updated procedures for communicating and working directly with parents for improving in-library behavior for problem teens.</li> <li>Collaborated with the Los Gatos Monte Sereno Police Department to practice live evacuation drills with the public in the building.</li> <li>Began working with stakeholders at PG&amp;E to evaluate the potential of utilizing the Library building as a community resource center during power outages.</li> </ul>



# **LIBRARY DEPARTMENT**

## DEPARTMENTAL SUMMARY OF REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Intergovernmental Revenues</i>	\$ -	\$ 22,200	\$ 12,482	\$ -	\$ 19,219	\$ -
<i>Service Charge</i>	3,436	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	36,103	14,496	9,421	11,000	3,000	3,000
<i>Other Revenues</i>	42,207	35,206	35,055	37,500	37,500	35,000
<b>TOTAL REVENUES</b>	<b>\$ 81,746</b>	<b>\$ 71,902</b>	<b>\$ 56,958</b>	<b>\$ 48,500</b>	<b>\$ 59,719</b>	<b>\$ 38,000</b>
Transfers In						
<i>Transfers In from Trust(s)</i>	-	-	-	-	-	-
<i>Transfers In from General Fund</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 81,746</b>	<b>\$ 71,902</b>	<b>\$ 56,958</b>	<b>\$ 48,500</b>	<b>\$ 59,719</b>	<b>\$ 38,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 1,586,805	\$ 1,585,959	\$ 1,723,838	\$ 2,056,264	\$ 1,813,210	\$ 2,060,308
<i>Operating Expenditures</i>	339,664	335,311	317,543	348,700	349,355	344,800
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	582,209	588,701	429,606	529,046	528,346	541,401
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,508,678</b>	<b>\$ 2,509,971</b>	<b>\$ 2,470,987</b>	<b>\$ 2,934,010</b>	<b>\$ 2,690,911</b>	<b>\$ 2,946,509</b>

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
<b>PROGRAM</b>						
<i>Administration</i>	\$ 426,637	\$ 439,522	\$ 451,284	\$ 466,219	\$ 468,392	\$ 514,552
<i>Adult Services</i>	637,465	576,961	548,199	689,115	558,268	653,511
<i>Youth Services</i>	513,667	533,279	502,330	606,412	506,214	599,182
<i>Acquisitions &amp; Cataloging</i>	121,183	123,873	-	-	-	-
<i>Circulation Services</i>	809,726	836,336	969,174	1,172,264	1,158,037	1,179,264
<i>Operating Grant</i>	-	19,045	22,632	1,000	24,393	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 2,508,678</b>	<b>\$ 2,509,971</b>	<b>\$ 2,470,987</b>	<b>\$ 2,934,010</b>	<b>\$ 2,690,911</b>	<b>\$ 2,946,509</b>

*The above program totals reflect General Fund programs. Additional Library Department programs are reflected in separate Trust Funds following the General Fund portion of this section.*



**LIBRARY DEPARTMENT**

**DEPARTMENT STAFFING**

**Full Time Equivalent (FTE)**

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Town Staff</b>					
Library Director	1.00	1.00	1.00	1.00	1.00
Division Manager	2.00	2.00	2.00	2.00	2.00
Librarian	3.00	3.00	3.00	3.00	3.00
Library Technology Specialist	1.00	1.00	2.00	2.00	2.00
Library Assistant	1.00	1.00	-	-	-
Library Specialist	0.75	0.75	1.75	1.75	1.75
Customer Service Supervisor	1.00	1.00	-	-	-
Customer Service Specialist	1.50	1.50	1.75	1.75	1.75
Sr Library Page	1.00	1.00	1.00	1.00	1.00
<b>TOTAL PROGRAM FTE's</b>	<b>12.25</b>	<b>12.25</b>	<b>12.50</b>	<b>12.50</b>	<b>12.50</b>

	2016/17	2017/18	2018/19	2019/20	2020/21
	Funded	Funded	Funded	Funded	Proposed
<b>Temporary Staff Hours</b>					
Librarian	1,112	1,112	-	-	-
Librarian Temp	-	-	350	350	350
Library Clerk	1,050	1,300	1,050	1,050	800
Library Page	6,344	6,344	6,344	6,344	5,300
CSO Intern	1,040	1,040	-	-	-
Library Assistant	-	-	800	800	1,200
Library Teen Services Specialist	-	-	750	750	800
<b>TOTAL ANNUAL HOURS</b>	<b>9,546</b>	<b>9,796</b>	<b>9,294</b>	<b>9,294</b>	<b>8,450</b>



# **Library Department**

## **LIBRARY ADMINISTRATION PROGRAM 7101**

### **PROGRAM PURPOSE**

The Library Administration Program provides staff support to ensure the development of quality and cost-effective library services that are responsive to community needs. Library Administration's core services are to provide administrative and managerial oversight for programs and services, clerical and administrative assistance for day-to-day operations, personnel management, purchasing and physical plant maintenance, fiscal management and budget preparation, and support for the Library Board, Friends of the Los Gatos Library Board, and the Arts and Culture Commission.

### **BUDGET OVERVIEW**

The FY 2020/21 Administration budget reflects continued enhanced services within the Library building to provide the best customer experience and the best value for the community. Included in the budget this year are ongoing expenditures to maintain or replace heavily used furniture and upholstery as the Library moves into its ninth year of being open to the public. The Library Administration Program will continue to focus on maximizing the efficiency of the Library building and researching effective service models to meet the expectations of the community. Customer service and community engagement remain a high priority, as well as ensuring all Library services and programs align with the Library Strategic Plan. Administration staff will continue to work collaboratively with the Friends of Los Gatos Library, a nonprofit organization. In addition, Library staff continues to work to improve partnerships and outreach within our community.



**LIBRARY DEPARTMENT**  
**Library Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Intergovernmental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	11	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	7,207	206	55	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 7,218</b>	<b>\$ 206</b>	<b>\$ 55</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
Transfers In						
<i>Transfers In from Trust(s)</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 7,218</b>	<b>\$ 206</b>	<b>\$ 55</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 294,200	\$ 297,608	\$ 317,795	\$ 336,313	\$ 337,962	\$ 384,387
<i>Operating Expenditures</i>	28,275	41,195	41,368	44,700	45,355	45,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	104,162	100,719	92,121	85,206	85,075	85,165
<b>TOTAL EXPENDITURES</b>	<b>\$ 426,637</b>	<b>\$ 439,522</b>	<b>\$ 451,284</b>	<b>\$ 466,219</b>	<b>\$ 468,392</b>	<b>\$ 514,552</b>



∞ LIBRARY DEPARTMENT ∞  
Library Administration

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<p><b><i>Good Governance</i></b> Ensure responsive, accountable and collaborate government</p>	<p style="text-align: center;"><b><i>Emergency Community Resources Services</i></b></p> <p>Evaluate options for using the Library building as a community resource center in emergency situations such as planned safety power outages, or as a heating center and cooling center during weather events.</p> <p>Collaborate with the Parks and Public Works Department and PG&amp;E to identify funding sources for generator infrastructure for the Library building.</p>
<p><b><i>Quality Public Infrastructure</i></b> Maintain the condition and availability of public facilities, transportation systems, and other public infrastructure</p>	<p style="text-align: center;"><b><i>Long-term building maintenance</i></b></p> <p>Reupholster or replace furniture in the Library due to wear and tear.</p> <p>Replace carpet in the Children’s room.</p> <p>Develop a 20-year replacement and upkeep plan for long-term building maintenance.</p> <p>Make improvements to the circulation area of the Library including installing sound mitigation measures in the lobby and efficiency improvements to the front desk.</p>
<p><b><i>Community Character</i></b> Preserve and enhance the appearance character and environment quality of the community</p>	<p style="text-align: center;"><b><i>Arts Commission Projects</i></b></p> <p>Assist the Arts and Culture Commission in completing the Gateway project.</p> <p>Assist the Arts and Cultures Commission in developing an art plan for unpainted portions the Forbes Mill Footbridge</p>



**∞ LIBRARY DEPARTMENT ∞**  
**Library Administration**

**KEY PROGRAM SERVICES**

- Administers and supervises four operating programs in the Department.
- Provides oversight of day-to-day operations and scheduling.
- Prepares and monitors Library Department budget.
- Provides staff support to the Town Library Board, Arts and Culture Commission, and Friends of the Library meetings, programs, and activities.
- Collaborates with area libraries by serving on the Pacific Libraries Partnership Administrative Council.
- Collaborates with libraries nationwide by serving on national committees.
- Increases public awareness of Town Library services and programs through effective public relations, marketing of Library services, and periodically presenting programs at Library conferences.
- Provides oversight of Library staff training and development.
- Provides oversight and direction for information technology and systems administration developments.



**∞ LIBRARY DEPARTMENT ∞**  
**Library Administration**

**ADMINISTRATION PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Library Director	1.00	1.00	1.00	1.00	1.00
Division Manager	0.40	0.40	0.40	0.40	0.40
Library Specialist	0.25	0.25	0.25	0.25	0.25
<b>Total Administration FTEs</b>	<b>1.65</b>	<b>1.65</b>	<b>1.65</b>	<b>1.65</b>	<b>1.65</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Temporary Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
CSO Intern	1,040	-	-	-	-
Library Teen Services Specialist	-	1,040	-	-	-
<b>Total Annual Hours</b>	<b>1,040</b>	<b>1,040</b>	<b>-</b>	<b>-</b>	<b>-</b>



**LIBRARY DEPARTMENT**  
**Library Administration**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Provide the space, opportunity and support for the Library to be at the heart of an engaged community.</i>					
a. Percentage of customers stating the Library is a significant or very significant part of their community experience:	92%	88%	89%	90%	90%

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Door Count:	301,783	276,533	266,537	270,000	270,000
2. Volunteer hours contributed:	5,845	6,990	6,632	6,800	6,800
3. Virtual visits to the Library: <i>(Virtual Visits to the Library include number of hits to Library site through Civic Plus and direct hits to the Library Catalog)</i>	831,798	845,415	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
4. Social media interactions:	5468*	11,288	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>



# Library Department

## **ADULT SERVICES PROGRAM 7201**

### **PROGRAM PURPOSE**

The Adult Services Program supports library services for adults 18 years of age and older. Adult Services anticipates and meets community information needs, providing opportunities for lifelong learning. The Adult Services Program's core services are to provide reference services to all clientele, reader's advisory services, instruction in the use of computer and electronic resources, outreach services in the community, and management of collections, including the local history collection.

### **BUDGET OVERVIEW**

The FY 2020/21 Adult Services Program budget has a modest increase to cover the routine cost of materials. The Library continues to evaluate and add new programming for adults with a large focus on technology tutoring, arts programming, author visits and educational workshops. Direct outreach programs to senior residential communities and partnerships with local business have strengthened the Library's presence in the community. The Library will continue to evaluate and curate a meaningful print and electronic media collection using data from collection management software, in response to changing community needs.



**LIBRARY DEPARTMENT**  
**Adult Services**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Intergovernmental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	9,836	9,836	35,000	35,000	35,000	35,000
<b>TOTAL REVENUES</b>	<b>\$ 9,836</b>	<b>\$ 9,836</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>
Transfers In						
<i>Transfers In from Trust(s)</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 9,836</b>	<b>\$ 9,836</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 365,112	\$ 323,458	\$ 308,250	\$ 439,535	\$ 309,047	\$ 407,959
<i>Operating Expenditures</i>	165,326	145,931	147,240	164,100	164,100	160,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	107,027	107,572	92,709	85,480	85,121	85,552
<b>TOTAL EXPENDITURES</b>	<b>\$ 637,465</b>	<b>\$ 576,961</b>	<b>\$ 548,199</b>	<b>\$ 689,115</b>	<b>\$ 558,268</b>	<b>\$ 653,511</b>



## ∞ LIBRARY DEPARTMENT ∞

### Adult Services

#### FY 2020/21 KEY PROJECTS

Core Goals	Key Projects
<b><i>Civic Enrichment</i></b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment	<b><i>Increase Programming</i></b>
	Continue to refine and develop best practices for outreach programming. Pilot new programs for adults in the community, seek additional volunteers with relevant subject expertise to assist with new programs, and expand opportunities for community interest groups to use meet in Library spaces.
	<b><i>Alternate Collection Services</i></b>
	Continue the State-sponsored Zipbook service to the general public, increasing number of titles requested by the public which are filled.  Bolster non-English print resources to meet changing community demands.  Introduce non-traditional materials for lending for public use, including seed libraries and activity kits.
	<b><i>Historical Digitization</i></b>
	Working in partnership with <i>California Revealed</i> , a project of the California State Library, digitize historical materials and make them keyword searchable to the public.

#### KEY PROGRAM SERVICES

##### Meeting Information Needs

- Provides ready reference, reader's advisory, information literacy, and roaming reference services in person and virtually through chat or online resources.
- Maintains vibrant collections in-house and online.
- Responds to patrons' suggestions for materials to be included in the collection.
- Enriches the local community by being a premier repository for local history materials.

##### Information Technologies and Training

- Continues to use online and social media counterparts (e.g., Facebook, Instagram) to offer services traditionally available only within the Library's walls.
- Provides access to the Internet and training for the public in basic searching and navigational skills, and more specialized skills such as genealogy searches.
- Maintains a Library mobile application for use with smartphones and mobile devices.



**∞ LIBRARY DEPARTMENT ∞**  
**Adult Services**

**ADULT SERVICES PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Town Librarian	-	-	-	-	-
Division Manager	0.30	0.30	0.30	0.30	0.30
Librarian	1.50	1.50	1.50	1.50	1.50
Library Technology Specialist	0.10	0.10	0.70	0.70	0.70
Library Assistant	0.60	0.60	-	-	-
Library Specialist	0.15	0.15	-	-	-
Sr Library Page	0.60	0.60	0.60	0.60	0.60
<b>Total Adult Services FTEs</b>	<b>3.25</b>	<b>3.25</b>	<b>3.10</b>	<b>3.10</b>	<b>3.10</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Temporary Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Librarian	556	556	-	-	-
Librarian Temp	-	125	175	175	175
Library Assistant	-	-	400	400	600
Library Teen Specialist	-	-	-	750	800
<b>Total Annual Hours</b>	<b>556</b>	<b>681</b>	<b>575</b>	<b>1,325</b>	<b>1,575</b>



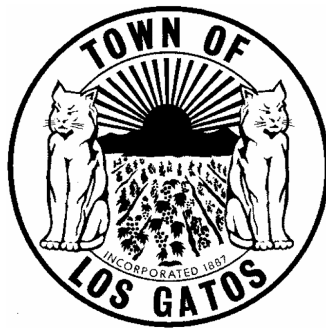
# LIBRARY DEPARTMENT

## Adult Services

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Manage adult library collections to anticipate and meet community information needs.</i>					
a. Percentage of collection that requires evaluation:	18%	13%	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
2. <i>Provide a variety of programs throughout the year that foster curiosity and community connection.</i>					
a. Percentage of customers rating Library programs as good/excellent:	90%	87%	92%	90%	90%
3. <i>Assure delivery of quality service to customers.</i>					
a. Percentage of customers rating staff interactions as good/excellent:	92%	94%	92%	90%	90%
b. Percentage of public contacts received by library that are online vs. through the doors:	38%	70%	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of adult reference questions received:	14,915	11,148	9,146	10,000	10,000
2. Reference questions per capita:	0.48	0.40	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
3. Hours of service per week at adult services desk:	54	54	54	54	54
4. Number of adult programs offered:	128	99	354	450	500
5. Total attendance at adult programs:	1,576	835	3,494	3,700	4,000
6. Total number of adult outreach programs:	13	8	26	30	30
7. Total attendance at adult outreach programs:	544	207	1,310	1,400	1,400







# **Library Department**

## **YOUTH SERVICES PROGRAM 7202**

### **PROGRAM PURPOSE**

Youth Services supports youth of all ages (newborn babies through high school students) and their families by providing age-appropriate programs, services, materials in support of education and current high-demand, high-interest materials in a variety of formats. Youth Services also creates welcoming environments for children, tweens, and teens that encourage their curiosity, imagination, creativity, and a permanent love of reading. Specialized programming encourages families and communities to read with the children in their lives to demonstrate a commitment to learning and an appreciation of youth. Distinctive programs are provided for children 0 to 14 years of age and teens from 13 to 17 years of age. The purpose of the Youth Services Program is to provide reference, reader's advisory services, computer and electronic resources, youth collections management, a welcoming space, and a variety of programs throughout the year in the Library, at local schools, and in the community.

### **BUDGET OVERVIEW**

The FY 2020/21 Youth Services budget contains a minor increase to absorb routine and expected cost increases from publishers. Staff will continue to target new and innovative concepts in program development with a focus on family reading. The Youth Services team will engage in outreach activities, serving the community in the schools and in partnership with local businesses. Families will continue to enjoy early learning technology in the Children's room with Osmo tablets as well as a manipulative play area centered around the children's Discovery Table. Collection funding will be used strategically, eliminating the materials of least use to ensure a well-rounded youth collection. Multiple formats, focusing on educational support as well as current high-demand, high-interest materials for children of all ability levels, will continue to be purchased.



**LIBRARY DEPARTMENT**  
**Youth Services**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Intergovernmental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	-	-	-	-	-	-
<i>Other Revenues</i>	14,066	14,066	-	2,500	2,500	-
<b>TOTAL REVENUES</b>	<b>\$ 14,066</b>	<b>\$ 14,066</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ -</b>
Transfers In						
<i>Transfers In from Trust(s)</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 14,066</b>	<b>\$ 14,066</b>	<b>\$ -</b>	<b>\$ 2,500</b>	<b>\$ 2,500</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 345,897	\$ 366,914	\$ 358,072	\$ 466,172	\$ 366,235	\$ 453,523
<i>Operating Expenditures</i>	61,629	56,761	51,280	54,700	54,700	60,000
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	106,141	109,604	92,978	85,540	85,279	85,659
<b>TOTAL EXPENDITURES</b>	<b>\$ 513,667</b>	<b>\$ 533,279</b>	<b>\$ 502,330</b>	<b>\$ 606,412</b>	<b>\$ 506,214</b>	<b>\$ 599,182</b>



# LIBRARY DEPARTMENT

## Youth Services

### FY 2020/21 KEY PROJECTS

Core Goals	Key Projects
<p><b>Civic Enrichment</b> Foster opportunities for citizen involvement, and cultural, recreational, and individual enrichment.</p>	<p><b>Family Reading</b></p> <p>Continue to offer family programming that focuses on building literacy skills and family connections from birth through the teen years. Be a Book Family, the centerpiece of this effort, acknowledges the importance of parents playing an active role in their child's reading, reading as a family activity, and reading as a social activity.</p>
	<p><b>Storytimes and Programs</b></p> <p>Regular storytimes will continue to incorporate new early learning technologies including multi-media and multi-sensory experiences.</p> <p>Stay-and-Play time, immediately following storytimes, will continue to be provided to facilitate socialization skills and relaxed playtime learning for our youngest library users.</p>
	<p>Bilingual Spanish/English storytime will continue to be offered weekly. Bilingual Chinese/English storytime will be piloted once a month.</p>
	<p><b>STEAM Programming and Social Learning</b></p> <p>Provide early literacy technology to stimulate learning, social interaction, and creativity in the Children's Room by offering Osmo tablets and manipulative stations.</p>
	<p>Continue STEAM programming for school-aged visitors, utilizing tools such as the Ozobots, 3D printers, Lego Mindstorms, and other technology platforms.</p>
	<p>Pilot social play areas in underutilized corners of the Children's room.</p>
	<p><b>Teen Services</b></p> <p>Continue to build relationships with regular teen room patrons, in partnership with other Town Departments and high school staff, fostering developmental assets and strengthening community.</p>
	<p>Continue partnership with Los Gatos High and Fisher Middle School by making new student ID cards useable as Library cards.</p>



## **∞ LIBRARY DEPARTMENT ∞**

### **Youth Services**

#### **KEY PROGRAM SERVICES**

##### **Meeting information needs for children 0 to 17 years of age and their parents**

- Provides reference and reader's advisory services.
- Manages children's and teens' web pages.
- Maintains vibrant and diverse collections for children, teens, teachers, and parents/caregivers.
- Responds to patron suggestions for materials to be included in the collection.

##### **Providing programs to youth**

- Provides year-round programming for infants, toddlers, preschoolers, school-age children, teens, and families.

##### **Outreach to youth**

- Raises awareness of youth about collections, services, and programs available at the Library.
- Responds to requests for field trips to the Library and Librarian visits to schools and community events.
- Provides Library access via student ID cards for LGHS students, Fisher Middle School students, and all public elementary schools in Los Gatos as part of the Student Success Initiative.



**LIBRARY DEPARTMENT**  
**Youth Services**

**YOUTH SERVICES PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Division Manager	0.50	0.50	0.50	0.50	0.50
Librarian	1.50	1.50	1.50	1.50	1.50
Library Assistant	0.40	0.40	-	-	-
Library Technology Specialist	-	-	0.40	0.40	0.40
Library Specialist	0.10	0.10	-	-	-
Sr Library Page	0.40	0.40	0.40	0.40	0.40
<b>Total Youth Services FTEs</b>	<b>2.90</b>	<b>2.90</b>	<b>2.80</b>	<b>2.80</b>	<b>2.80</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Temporary Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Librarian	556	556	-	-	-
Librarian Temp	-	125	175	175	175
Library Assistant	-	-	400	400	600
Library Teen Specialist	-	-	750	-	-
<b>Total Annual Hours</b>	<b>556</b>	<b>681</b>	<b>1,325</b>	<b>575</b>	<b>775</b>



# LIBRARY DEPARTMENT

## Youth Services

Performance Objectives and Measures	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. <i>Provide a variety of programs throughout the year that foster curiosity and community connection.</i>					
a. Percentage of customers rating youth programs as good/excellent:	94%	95%	94%	95%	95%
2. <i>Assure the delivery of quality service to youth customers.</i>					
a. Percentage of customers rating interactions as good/excellent:	93%	95%	94%	95%	95%
b. Percentage of collection that requires evaluation:	7%	9%	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>

Activity and Workload Highlights	2016/17 Actual	2017/18 Actual	2018/19 Actual	2019/20 Estimated	2020/21 Planned
1. Number of youth programs per year:	341	423	428	600	650
2. Total attendance at youth programs:	22,679	21,934	20,971	22,000	23,000
3. Annual number of youth reference questions received:	17,470	15,243	18,292	19,000	19,000
4. Hours of public service per week at youth services desk:	79	74	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
5. Number of teens using library resources per year:	20,556	20,653	21,008	20,500	20,500
6. Number of youth outreach programs:	7	5	5	6	6
7. Total attendance at youth outreach programs:	1,020	783	853	900	900



# **Library Department**

## **ACQUISITIONS AND CATALOGING PROGRAM 7203**

### **PROGRAM PURPOSE**

The Acquisitions and Cataloging Program was combined with the Circulation and Systems Administration Program (7204) in FY2018/19 to simplify accounting for largely similar programs.

### **BUDGET OVERVIEW**

All funds previously budgeted to this Program have been incorporated into Program 7204 Circulation and System Administration.



**∞ LIBRARY DEPARTMENT ∞**  
**Acquisitions and Cataloging**

**SUMMARY OF REVENUES AND EXPENDITURES**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>REVENUES</b>						
<i>Intergovernmental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	-	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	3,559	1,762	(37)	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 3,559</b>	<b>\$ 1,762</b>	<b>\$ (37)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 28,381	\$ 28,626	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	92,802	95,247	-	-	-	-
<b>TOTAL EXPENDITURES</b>	<b>\$ 121,183</b>	<b>\$ 123,873</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>

**FY 2020/21 KEY PROJECTS**

<b>Core Goals</b>	<b>Key Projects</b>
	See Program 7204 Circulation and Systems Administration.

**KEY PROGRAM SERVICES**

See Program 7204 Circulation and Systems Administration



**∞ LIBRARY DEPARTMENT ∞**  
**Acquisitions and Cataloging**

**ACQUISITIONS & CATALOGING PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
<b><i>Town Staff</i></b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
Library Specialist	0.25	0.25	-	-	-
<b>Total Technical Services FTEs</b>	<b>0.25</b>	<b>0.25</b>	<b>-</b>	<b>-</b>	<b>-</b>







# **Library Department**

## **CIRCULATION AND SYSTEMS ADMINISTRATION PROGRAM 7204**

### **PROGRAM PURPOSE**

The Circulation and Systems Administration Program provides customers with access to a broad range of up-to-date library materials and technology as well as enables customers to access library materials for use outside the Library. This Program additionally manages all automated services and technology systems. Circulation/System Administration's core services are to manage the circulation process, acquisition of new materials, maintain circulation records, and implement and support the Library's computer network, the integrated library automation system, and public Internet access.

### **BUDGET OVERVIEW**

The FY 2020/21 Circulation/Systems Administration budget shows a minor decrease for general expenditures as the Library renegotiated vendor service agreements and made careful evaluations of database subscription use. The Library continues to introduce new technologies that meet patrons' expectations for fast, reliable access to information and Library resources as well as continues to implement system enhancements, provide support, and expand print resources and eBooks collections. With an increasing number of people utilizing the Library's online resources, technology upgrades are essential. Additionally, the Library will continue to budget funds for developments to improve the integrated library system for both patrons and staff.



**∞ LIBRARY DEPARTMENT ∞**  
**Circulation and Systems Administration**

**SUMMARY OF REVENUES AND EXPENDITURES**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>REVENUES</b>						
<i>Intergovernmental Revenue</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Service Charges</i>	3,425	-	-	-	-	-
<i>Fines &amp; Forfeitures</i>	32,544	12,734	9,458	11,000	3,000	3,000
<i>Other Revenues</i>	11,098	11,098	-	-	-	-
<b>TOTAL REVENUES</b>	<b>\$ 47,067</b>	<b>\$ 23,832</b>	<b>\$ 9,458</b>	<b>\$ 11,000</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>
Transfers In						
<i>Transfers In from Trust(s)</i>	-	-	-	-	-	-
Total Transfers In	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<b>TOTAL REVENUES &amp; TRANSFERS IN</b>	<b>\$ 47,067</b>	<b>\$ 23,832</b>	<b>\$ 9,458</b>	<b>\$ 11,000</b>	<b>\$ 3,000</b>	<b>\$ 3,000</b>
<b>EXPENDITURES</b>						
<i>Salaries and Benefits</i>	\$ 553,215	\$ 569,353	\$ 739,721	\$ 814,244	\$ 799,966	\$ 814,439
<i>Operating Expenditures</i>	84,434	91,424	77,655	85,200	85,200	79,800
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	172,077	175,559	151,798	272,820	272,871	285,025
<b>TOTAL EXPENDITURES</b>	<b>\$ 809,726</b>	<b>\$ 836,336</b>	<b>\$ 969,174</b>	<b>\$ 1,172,264</b>	<b>\$ 1,158,037</b>	<b>\$ 1,179,264</b>

**FY 2020/21 KEY PROJECTS**

Core Goals	Key Projects
<b>Good Governance</b> Ensure responsive, accountable, and collaborative government	<b>IT Replacement</b> The Library will replace all public and staff computers as part of our regular planned replacement schedule. Some broadband switches and firewalls will also be replaced during this fiscal year.
	<b>Training Databases</b> The Library plans to expand its Niche Academy training database to now include public use. This software allows real time updates to training modules that interface with library digital resources and public use applications.
	<b>Library Operations</b> The operations, collections, equipment, and staffing of the Department will continue to be evaluated to make the best use of staff and resources to best meet the needs of the community.
	The Library will expand the use of Electronic Data Interchange (EDI) to the Library ILS to streamline ordering, receiving materials, and processing invoices.



**∞ LIBRARY DEPARTMENT ∞**  
**Circulation and Systems Administration**

**KEY PROGRAM SERVICES**

- Manages circulation process.
- Manages all Library automated systems, including the Library's network.
- Manages remote authentication server.
- Manages public computer terminals and printers.
- Maintains online catalog to assure customer access to Library materials.
- Acquires Library materials.
- Maintains Library collections, including shelving of materials.

**CIRCULATION / SYSTEMS ADMINISTRATION PROGRAM STAFFING**

***Full Time Equivalent (FTE)***

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Town Staff</i></b>					
Division Manager	0.80	0.80	0.80	0.80	0.80
Library Specialist	-	-	1.50	1.50	1.50
Library Technology Specialist	0.90	0.90	0.90	0.90	0.90
Customer Service Supervisor	1.00	1.00	-	-	-
Customer Service Specialist	1.50	1.50	1.75	1.75	1.75
<b>Total Circulation/System FTEs</b>	<b>4.20</b>	<b>4.20</b>	<b>4.95</b>	<b>4.95</b>	<b>4.95</b>

	<b>2016/17</b>	<b>2017/18</b>	<b>2018/19</b>	<b>2019/20</b>	<b>2020/21</b>
	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Funded</b>	<b>Proposed</b>
<b><i>Temporary Staff</i></b>					
Library Clerk	1,050	1,050	1,050	1,050	800
Library Page	6,344	6,344	6,344	6,344	5,300
Senior Library Page	-	-	-	-	-
<b>Total Annual Hours</b>	<b>7,394</b>	<b>7,394</b>	<b>7,394</b>	<b>7,394</b>	<b>6,100</b>



**∞ LIBRARY DEPARTMENT ∞**  
**Circulation and Systems Administration**

<b>Performance Objectives and Measures</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. <i>Percentage of customers stating the Library has a good/excellent collection:</i>	86%	88%	84%	85%	85%
2. <i>Assure access to library online services.</i>					
a. Number of databases available online:	57	38	24	21	24
b. Number of electronic materials available for loan:*	816,460	818,000	795,398	801,000	805,000
c. Number of items in-house for loan:	137,872	160,880	121,091	122,400	123,000

<b>Activity and Workload Highlights</b>	<b>2016/17 Actual</b>	<b>2017/18 Actual</b>	<b>2018/19 Actual</b>	<b>2019/20 Estimated</b>	<b>2020/21 Planned</b>
1. Total Circulation:	503,561	487,321	477,448	480,000	480,000
2. Number of new patrons registered:	3,801	4,865	4,312	4,100	4,000
3. Number of holds processed:	20,957	30,257	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
4. Hours of public service per week at circulation:	54	54	54	54	54
5. Number of Library Card holders:	31,235	32,888	28,526	31,200	33,000
6. Number of periodical subscriptions received and processed:	141	143	104	118	130
7. Use of public internet computers:	25,357	25,616	34,406	32,090	32,000
8. Number of items ordered and received:	6,523	19,831	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
9. Number of Suggestions for Purchase processed:	656	955	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>	<i>Measure Discontinued</i>
10. Circulation of non-English materials:	na	na	1,272	4300	8000
11. Electronic Content Use:*	na	na	81,421	92000	105000

*\* Changed from "e-Books" to "electronic materials" in FY16/17 to represent the growth of the electronic offerings to include audio, music, movies, and other types of content.*



# Library Trust Fund

## FUND 711

### FUND PURPOSE

The Library Trust Fund was established to provide for the servicing of donations and bequests to the Los Gatos Library. The *Los Gatos Friends of the Library*, a nonprofit 501(c)(3) organization exists for the benefit of the Library, and this fund allows the Town to plan for and recognize the numerous donations this non-profit group makes to the Library. In addition, numerous local service organizations and individuals make generous donations and memorial bequests to the Library, sometimes for specific purposes. This fund provides for retaining these donations until they can be used as designated. This fund includes the proceeds from the History Project Trust Fund, which was established to provide for the servicing of donations, bequests, grant monies, and expenditures to the history project partnership of Los Gatos Library and the Museums of Los Gatos.

### BUDGET OVERVIEW

The Los Gatos Friends of the Library contributed more than \$70,000 to the Library during the past fiscal year. This funding has provided support for community programs, family programs, teen programs, Summer Reading events and prizes, and a growing collection of new bestselling books and movies. In addition, lease payments to the Town from the Friends of the Library Bookstore help to support ongoing Library operations.

This fund also captures small donations made by Library supporters to purchase books or materials, often in memory of someone's passing.

A portion of this fund will be budgeted for FY 2020/21 in support of Library programming and specialized collections.

The History Project Trust Fund tracked monies received by History Services, a Library service that originally began as a project funded by grants and donations. These Trust Funds are mostly royalties, digitization and licensing fees for proprietary images, and donations received.



**LIBRARY DEPARTMENT**  
**Library Trust Fund**

The money received from donated royalties has been decreasing to almost zero over the past years, and the FY 2020/21 budget anticipates limited to no contributions. Money received from the licensing of digital images is not a stable funding source and is not be relied upon to offset the support and hosting fees for the history website. All future revenues are tracked in the Library Trust Fund.

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	46,145	50,997	54,772	69,583	69,583	43,133
Total Beginning Fund Balance	46,145	50,997	54,772	69,583	69,583	43,133
Revenues						
<i>Interest</i>	590	725	1,627	550	550	500
<i>Other Revenues</i>	79,760	74,315	82,213	75,000	70,000	70,000
Total Revenues	80,350	75,040	83,840	75,550	70,550	70,500
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 126,495</b>	<b>\$ 126,037</b>	<b>\$ 138,612</b>	<b>\$ 145,133</b>	<b>\$ 140,133</b>	<b>\$ 113,633</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	75,498	71,265	69,029	100,000	97,000	90,500
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	75,498	71,265	69,029	100,000	97,000	90,500
Transfers Out						
<i>Transfer to General Fund</i>	-	-	-	-	-	-
<i>Transfer to History Trust Fund</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
<b>TOTAL EXPENDITURES &amp; TRANSFERS OUT</b>	<b>75,498</b>	<b>71,265</b>	<b>69,029</b>	<b>100,000</b>	<b>97,000</b>	<b>90,500</b>
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	50,997	54,772	69,583	45,133	43,133	23,133
Total Ending Fund Balance	50,997	54,772	69,583	45,133	43,133	23,133
<b>TOTAL USE OF FUNDS</b>	<b>\$ 126,495</b>	<b>\$ 126,037</b>	<b>\$ 138,612</b>	<b>\$ 145,133</b>	<b>\$ 140,133</b>	<b>\$ 113,633</b>



# Clelles Ness Trust Fund

## FUND 713

### FUND PURPOSE

The Clelles Ness Trust Fund was established in January 1961 by Ansten R. Ness, M.D. and the Board of Library Trustees for the Town of Los Gatos, as a memorial to his wife, Clelles Ness. Mrs. Ness was a long-time Los Gatos resident who was active in civic life, winning the 1947 Citizen of the Year award. Among her many contributions to the Town, she was heavily involved with the arts. She helped to bring the Los Gatos Pageants and numerous other play productions to the Town, was an avid reader, and wrote for the *Los Gatos Times* (the local newspaper). She was also involved with bringing a hospital to Town, and with her husband started the “Holiday Circle” social club which required at least one spouse to be active in civic planning to join.

The intention of the memorial fund was to use the income and principal of the trust estate to provide materials and services not ordinarily available from public funds. An amendment to the trust agreement in 1983 relinquished control over the management and investment of the trust to the Town Council.

### BUDGET OVERVIEW

In July of 1999 an agreement with the daughter of Clelles Ness stipulated that the use of the trust fund included a new Library facility, should one be built in the future. Per the agreement, the trust fund principal and interest was used for the new Library building plan documents and studies, such as but not limited to, a building program and architectural drawings. The remaining trust funds were held in a Library Building Fund to be used for the purchase of items for the current Library building, such as furniture, shelving, and equipment. A large portion of this trust was expended in FY 15/16 for the purchase of the automated materials handling system, and roughly \$21,000 was expended in FY 2018/19 to fund the installation of sound mitigating doors to the teen room. The remaining balance of the account will be directed in FY 2020/21 to improvements in the circulation and lobby area of the Library including installation of additional sound-mitigation enhancements in the lobby area and improvements to the front desk.



**LIBRARY DEPARTMENT**  
**Clelles Ness Trust Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	40,742	41,087	41,603	88,679	21,291	21,291
Total Beginning Fund Balance	40,742	41,087	41,603	88,679	21,291	21,291
Revenues						
<i>Interest</i>	345	516	736	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	\$ 345	\$ 516	\$ 736	\$ -	\$ -	\$ -
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 41,087</b>	<b>\$ 41,603</b>	<b>\$ 42,339</b>	<b>\$ 88,679</b>	<b>\$ 21,291</b>	<b>\$ 21,291</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Fixed Assets</i>	-	-	21,048	20,755	-	20,755
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	-	-	21,048	20,755	-	20,755
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	41,087	41,603	21,291	67,924	21,291	536
Total Ending Fund Balance	41,087	41,603	21,291	67,924	21,291	536
<b>TOTAL USE OF FUNDS</b>	<b>\$ 41,087</b>	<b>\$ 41,603</b>	<b>\$ 42,339</b>	<b>\$ 88,679</b>	<b>\$ 21,291</b>	<b>\$ 21,291</b>



# **Susan McClendon Trust Fund**

## **FUND 714**

### **FUND PURPOSE**

A bequest to the Los Gatos Public Library from the estate of the late Susan E. (Betty) McClendon was established in support of children's services. Betty McClendon was a long-time resident and dance instructor. She is especially remembered as the choreographer of the Town's 1940 pageant, "Trail Days," which celebrated the completion of the final section of the new four-lane highway from Santa Cruz into Los Gatos. Betty McClendon's mother, Mrs. Hilda McClendon, served as Children's Librarian at Los Gatos Memorial Library from 1923 to 1929. Ms. McClendon left this gift in memory of her mother and her mother's husband, Gorman Burtner.

Keeping with the wishes of the Ms. McClendon, these funds are restricted for use for children's services at the Library, and will be directed toward support of reading clubs, book discussion groups, evening family programs, and equipment and furniture needs of children's services that are not met by other funding. This funding will also be used for enhancement of children's collections.

### **BUDGET OVERVIEW**

A small portion of the fund comprising only the interest earned from the prior year has been budgeted in FY 2020/21 for the enhancement of children's specialty collections.



**LIBRARY DEPARTMENT**  
**Susan McClendon Trust Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	88,662	89,412	84,505	98,020	86,000	84,200
Total Beginning Fund Balance	88,662	89,412	84,505	98,020	86,000	84,200
Revenues						
<i>Interest</i>	750	1,079	1,495	700	700	700
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	\$ 750	\$ 1,079	\$ 1,495	\$ 700	\$ 700	\$ 700
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 89,412</b>	<b>\$ 90,491</b>	<b>\$ 86,000</b>	<b>\$ 98,720</b>	<b>\$ 86,700</b>	<b>\$ 84,900</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	5,986	-	2,500	2,500	700
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	\$ -	\$ 5,986	\$ -	\$ 2,500	\$ 2,500	\$ 700
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	89,412	84,505	86,000	96,220	84,200	84,200
Total Ending Fund Balance	89,412	84,505	86,000	96,220	84,200	84,200
<b>TOTAL USE OF FUNDS</b>	<b>\$ 89,412</b>	<b>\$ 90,491</b>	<b>\$ 86,000</b>	<b>\$ 98,720</b>	<b>\$ 86,700</b>	<b>\$ 84,900</b>



# **Barbara Jones Cassin Trust Fund**

## **FUND 716**

### **FUND PURPOSE**

The Barbara Jones Cassin Trust Fund was established by endowment upon the death of Ms. Cassin on May 10, 2010. Ms. Cassin was a graduate of Los Gatos High (class of 1937) and San Jose State, where she majored in biological and physical sciences. After a successful career in hospital laboratories, she turned to watercolors, and donated 25 lovely views of Los Gatos to the library. An exhibit showing these works was sponsored by the Library in August 2008 and again in 2018. Ms. Cassin's art has been widely exhibited and is held in public and private collections. In response to Hurricane Katrina, Ms. Cassin hosted a workshop to encourage children to draw and write their responses to the disaster, including its effects on animals.

The initial project funded by the Barbara Jones Cassin Trust was the purchase of opening day collections for the new Los Gatos Public Library. In following years, the interest earned by the trust is budgeted annually to enhance collections and informational programming, per Ms. Cassin's wishes.

### **BUDGET OVERVIEW**

A small portion of the fund comprising only the interest earned from the prior year has been budgeted in FY 2020/21 for the enhancement the collection per the trust agreements.



**LIBRARY DEPARTMENT**  
**Barbara Jones Cassin Trust Fund**

**STATEMENT OF SOURCE AND USE OF FUNDS**

	<b>2016/17 Actuals</b>	<b>2017/18 Actuals</b>	<b>2018/19 Actuals</b>	<b>2019/20 Adopted</b>	<b>2019/20 Estimated</b>	<b>2020/21 Proposed</b>
<b>SOURCES OF FUNDS</b>						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	347,522	350,461	354,865	521,252	361,142	354,042
Total Beginning Fund Balance	347,522	350,461	354,865	521,252	361,142	354,042
Revenues						
<i>Interest</i>	2,939	4,404	6,277	2,900	2,900	2,900
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	\$ 2,939	\$ 4,404	\$ 6,277	\$ 2,900	\$ 2,900	\$ 2,900
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 350,461</b>	<b>\$ 354,865</b>	<b>\$ 361,142</b>	<b>\$ 524,152</b>	<b>\$ 364,042</b>	<b>\$ 356,942</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	10,000	10,000	2,500
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	-	-	-	-	-	-
Total Expenditures	-	-	-	10,000	10,000	2,500
Transfers Out						
<i>Transfer to General Fund</i>	-	-	-	-	-	-
<i>Transfer to Capital Projects</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	\$ -	\$ -	\$ -	\$ 10,000	\$ 10,000	\$ 2,500
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	350,461	354,865	361,142	514,152	354,042	354,442
Total Ending Fund Balance	350,461	354,865	361,142	514,152	354,042	354,442
<b>TOTAL USE OF FUNDS</b>	<b>\$ 350,461</b>	<b>\$ 354,865</b>	<b>\$ 361,142</b>	<b>\$ 524,152</b>	<b>\$ 364,042</b>	<b>\$ 356,942</b>





## ***Capital Improvement Program***

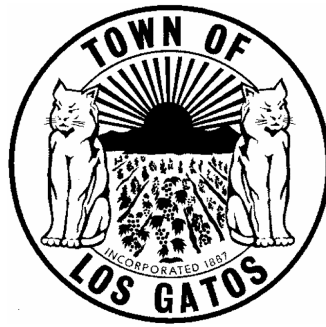


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**The Capital Improvement Section  
is presented in the CIP Document**









## *Successor Agency*



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# **Successor Agency to the Town of Los Gatos Redevelopment Agency**

## **FUND 942**

### **AGENCY OVERVIEW**

The Los Gatos Town Council established the Los Gatos Redevelopment Agency on January 22, 1990, pursuant to the provisions of the California Community Redevelopment Law (Health and Safety Code, Section 33000 et seq.) and declared itself to constitute the Agency by Ordinance No. 1806 adopted on December 4, 1989. The Redevelopment Plan was pursued as a result of the Loma Prieta Earthquake in 1989 and the need to rebuild existing infrastructure. The Redevelopment Agency area encompassed approximately 440 acres in and around downtown Los Gatos, which included retail and residential areas, lodging, schools, and transportation thoroughfares.

Projects completed in the Plan area, including street and utility reconstruction, parking, streetscape, and civic improvements, were funded through property “tax increment” revenue collected by the Redevelopment Agency. When the Redevelopment Agency was initially formed, the tax base for all properties within the redevelopment area was “frozen” to form a “base year.” When properties were reassessed, the tax base grew and the Agency received the majority of the difference in property taxes paid between the base year and the new level (known as “tax increment” revenue).

### **BUDGET OVERVIEW**

On June 15, 2011, the California State Legislature adopted two budget “trailer” bills concerning redevelopment, ABx1 26 and ABx1 27 (hereafter AB 26 and AB 27). AB 26 (the “Dissolution Act”) eliminated redevelopment agencies as of October 1, 2011, and essentially restricted redevelopment agencies from entering into agreements, borrowing or lending funds, or acquiring or disposing of real property prior to dissolution. Whereas, AB 27 (the “Voluntary Program Act”) allowed redevelopment agencies to remain in existence and be exempt from AB 26 if certain “voluntary” payments were made to the State in FY 2012 and in each fiscal year



## ∞ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ∞

thereafter. These bills were signed into law by the governor on July 28, 2011.

The League of California Cities and the California Redevelopment Association (CRA) filed a petition with the California Supreme Court, challenging the constitutionality of AB 26 and AB 27. The California Supreme Court, in its decision in *California Redevelopment Association v. Matosantos* issued December 29, 2011 (the “Supreme Court Decision”), declared the Dissolution Act alone to be constitutional. Under the Dissolution Act, all California redevelopment agencies were dissolved effective February 1, 2012.

Following the provisions of the Dissolution Act, the Town Council of the Town of Los Gatos (the “Town Council”) adopted a resolution accepting for the Town the role of Successor Agency (the “Successor Agency”) to the Redevelopment Agency of the Town of Los Gatos (the “Redevelopment Agency”). An oversight board (the “Oversight Board”), consisting of members representing Santa Clara County, the Town, and various education and special districts was formed to approve and direct certain actions of the Town as Successor Agency.

Prior to the dissolution of redevelopment agencies, redevelopment law required that 20 percent of tax increment revenue received by an agency must be set aside for affordable housing activities. Under the Dissolution Act, tax increment revenue received by the Successor Agency did not include funding for affordable housing. However, tax-sharing agreements negotiated with affected public educational entities, the Mid-Peninsula Open Space District, and Santa Clara County continue to be recognized. Nearly half of all Redevelopment Agency tax increment had been passed through to these taxing entities.

Successor Agencies may also receive tax increment revenue to pay for enforceable obligations that were incurred prior to the passage of the Dissolution Act. Under the Dissolution Act, Successor Agencies must approve and submit a Recognized Obligation Payment Schedule (ROPS) that reflects enforceable obligations over a six-month period. Prior to the payment of any enforceable obligation, the ROPS must be certified by the County and subsequently approved by the Oversight Board. Successor Agencies must also approve and submit an administrative budget for operational expenses to the Oversight Board for approval. Successor Agencies may receive a minimum of up to \$250,000 or up to 3 percent of tax increment revenues received by the Successor Agency per fiscal year for administrative expenses, which is significantly lower than the Successor Agency’s current administrative expenses.

The Town has several existing enforceable obligations that must be paid over the remaining life of the debt service, or until the Successor Agency reaches the tax increment cap, which is the gross tax increment collected over the life of the Agency. The Town’s tax increment cap, which is anticipated to be reached by FY 2027/28, is approximately \$250 million. The Successor Agency currently pays debt service on two Certificates of Participation (COPs):



## ∞ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ∞

- **2002 COPS Payments for Redevelopment Agency Capital Projects:** In 2002, the Town issued debt for approximately \$10.7 million to fund RDA infrastructure projects in the project area. Annual debt service payments of approximately \$680,000 will continue through FY 2031/32.
- **2010 COPS Payments for Town Library:** In 2010, the Town issued debt for approximately \$15.7 million to fund the construction of the new library building. Annual debt service payments of approximately \$1.2 million will continue through FY 2027/28.
- **Agency Administration:** This pays for the day-to-day operations of the Successor Agency, including staff salary and benefits, supplies and materials, and consultant assistance. Annual budgeted expenditures are estimated to be approximately \$13,000.

The Town submitted the Last & Final ROPS to the State and it was approved by the State on April 6, 2016. The Town no longer needs to submit ROPS every six months and has scheduled the ROPS budget through FY 2031/32. At the end of FY 2031/32, the Town and the County will resolve any remaining balances.



# **SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY**

## STATEMENT OF SOURCE AND USE OF FUNDS (BUDGETARY FUND BALANCE)

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Proposed
<b>SOURCES OF FUNDS</b>						
Beginning Budgetary Fund Balance						
<i>Designated</i>	\$ 1,963,657	\$ 1,963,657	\$ 1,963,660	\$ 1,967,496	\$ 1,967,496	\$ 1,963,327
<i>Undesignated</i>	1,629,915	1,726,854	1,840,119	1,872,691	1,872,691	1,876,491
Total Beginning Fund Balance	3,593,572	3,690,511	3,803,779	3,840,187	3,840,187	3,839,818
Revenues						
<i>Property Tax</i>	-	-	-	-	-	-
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Lease Income - COP's</i>	1,923,303	1,914,739	1,909,073	1,905,024	1,905,024	1,908,494
<i>County RPTTF Reimbursement</i>	1,964,636	1,958,325	1,945,763	1,915,024	1,915,024	1,917,494
<i>Interest</i>	6,310	22,788	43,706	3,154	3,154	3,500
<i>Other Revenues</i>	-	-	11,664	-	-	-
Total Revenues	3,894,249	3,895,852	3,910,206	3,823,202	3,823,202	3,829,488
Transfers In						
<i>Transfer from SA Administration</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
<b>Total Revenues and Transfer Ins</b>	<b>\$ 3,894,249</b>	<b>\$ 3,895,852</b>	<b>\$ 3,910,206</b>	<b>\$ 3,823,202</b>	<b>\$ 3,823,202</b>	<b>\$ 3,829,488</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 7,487,821</b>	<b>\$ 7,586,363</b>	<b>\$ 7,713,985</b>	<b>\$ 7,663,389</b>	<b>\$ 7,663,389</b>	<b>\$ 7,669,306</b>
<b>USES OF FUNDS</b>						
Expenditures						
<i>Salaries and Benefits</i>	(10,004)	1,385	1,555	1,748	1,748	1,778
<i>Operating Expenditures</i>	16,770	5,270	111,712	11,670	11,770	10,020
<i>Grants</i>	-	-	-	-	-	-
<i>Debt Service</i>	3,790,469	3,769,571	3,760,522	3,809,779	3,810,048	3,816,988
<i>Fixed Assets</i>	-	-	-	-	-	-
<i>Internal Service Charges</i>	75	58	9	5	5	5
Total Expenditures	3,797,310	3,776,284	3,873,798	3,823,202	3,823,571	3,828,791
Transfers Out						
<i>Transfer to Capital Projects</i>	-	-	-	-	-	-
<i>Transfer to General Funds</i>	-	6,300	-	-	-	-
Total Transfers Out	-	6,300	-	-	-	-
<b>Total Expenditures &amp; Transfers Out</b>	<b>3,797,310</b>	<b>3,782,584</b>	<b>3,873,798</b>	<b>3,823,202</b>	<b>3,823,571</b>	<b>3,828,791</b>
Ending Fund Balance						
<i>Designated</i>	1,963,657	1,963,660	1,967,496	1,963,327	1,963,327	1,963,327
<i>Undesignated</i>	1,726,854	1,840,119	1,872,691	1,876,860	1,876,491	1,877,188
Total Ending Fund Balance	3,690,511	3,803,779	3,840,187	3,840,187	3,839,818	3,840,515
<b>TOTAL USE OF FUNDS</b>	<b>\$ 7,487,821</b>	<b>\$ 7,586,363</b>	<b>\$ 7,713,985</b>	<b>\$ 7,663,389</b>	<b>\$ 7,663,389</b>	<b>\$ 7,669,306</b>



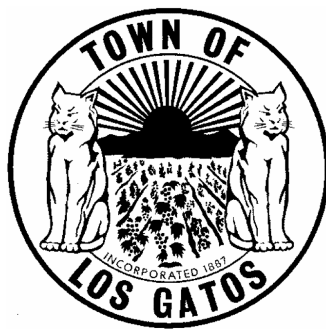
## SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY

### SUCCESSOR AGENCY TO THE LOS GATOS RDA PROGRAM STAFFING

***Full Time Equivalent (FTE)***

	2016/17	2017/18	2018/19	2019/20	2020/21
<b><i>Town Staff</i></b>	<b><u>Funded</u></b>	<b><u>Funded</u></b>	<b><u>Funded</u></b>	<b><u>Funded</u></b>	<b><u>Proposed</u></b>
Administrative Analyst	0.01	-	-	-	-
Accountant/Finance Analyst	-	0.01	0.01	0.01	0.01
<b>Total SA FTEs</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>	<b>0.01</b>







# **Successor Agency to the Town of Los Gatos Redevelopment Agency**

## **ADMINISTRATION PROGRAM 9403**

### **PROGRAM PURPOSE**

The Successor Agency's Administration Fund encompasses administrative functions related to operational and fiscal matters of the Successor Agency, in conjunction with the Finance Department. Prior to the dissolution of the Redevelopment Agency, this fund also supported capital project development, management, and construction oversight; and economic vitality activities to enhance revenues through business promotion and retention. While there will be no future capital projects, with the exception of Almond Grove reconstruction project in the former Redevelopment Area, economic vitality efforts continue and are now supported by the General Fund.

### **BUDGET OVERVIEW**

The FY 2020/21 Administration Fund budget reflects approximately \$13,000 of tax increment revenue to cover the operational and fiscal reporting expenses of the Successor Agency. The Town's last and final ROPS has now been approved by the State. The Town will no longer have to submit ROPS every six months.







# **Successor Agency to the Town of Los Gatos Redevelopment Agency**

## **DEBT SERVICE PROGRAMS 9404 and 9405**

### **FUND PURPOSE**

Prior to the Dissolution Act, the Los Gatos Redevelopment Agency assumed the obligation of paying the debt service on the Town's 2002 and 2010 Certificates of Participation (COPs) in return for the lease of Town property. The purpose of the COPs was to fund key capital infrastructure projects located in the former Redevelopment Area. Payments for this indebtedness were and will continue to be made from the Debt Service Fund.

### **BUDGET OVERVIEW**

#### **PROGRAM 9404 – 2002 CERTIFICATE OF PARTICIPATION**

The Town bears an obligation for the 30-year Certificates of Participation issued in the original amount of \$10,725,000, dated August 1, 2002. The COPs were issued to finance infrastructure improvements in the downtown Redevelopment Area, including plaza reconstruction, streetscape improvements, street reconstruction, storm drainage, and alley improvements, as well as partially funding the reconstruction of the pool at Los Gatos High School. The COPs principal payments are due annually on August 1, with interest payments payable semi-annually on February 1 and August 1.

The financing structure of the COPs includes two lease agreements between the Town of Los Gatos and the Successor Agency for the Town of Los Gatos Redevelopment Agency dated July 1, 2002.



**∞ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ∞**  
**Debt Service**

The first agreement lease five Town-owned parcels, commonly known as the Miles Avenue Corporation Yard, to the Successor Agency through August 1, 2031 for a one-time fee of \$1. In the second lease, the Successor Agency subleases the same land back to the Town, effective the date of the original lease. The annual sub-lease payments are equal to the annual debt service for the COPs.

A reimbursement agreement between the Town and the Successor Agency, also dated July 1, 2002, obligates the Agency to reimburse the Town in an amount equal to the annual lease payment the Town pays to the Agency for the sub-lease of the Corporation Yard. This reimbursement is in consideration of the Town's cost of the acquisition and construction of the yard facilities.

While the annual impact of these agreements nets to zero, the lease and reimbursement payments are included in both the Town's and Successor Agency's budgets each year to accurately reflect the terms of these agreements. The Agency remains responsible for making the principal and interest payments.

The maturity schedule for the Successor Agency's current Debt Service obligation under the 2002 COPs is as follows:



**⌘ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ⌘**  
**Debt Service**

**2002 COP DEBT SERVICE**

<b>Fiscal Year</b>	<b>Principal Maturing August 1st</b>	<b>Interest Due August 1st</b>	<b>Interest Due February 1st</b>	<b>Total Debt Service</b>	<b>Principal Balance</b>
<i>Issue Date: August 1, 2002</i>					\$ 10,725,000
2002/03	-	-	\$ 237,164	\$ 237,164	10,725,000
2003/04	\$ 210,000	\$ 235,854	233,229	679,083	10,515,000
2004/05	215,000	233,229	230,541	678,770	10,300,000
2005/06	225,000	230,541	227,729	683,270	10,075,000
2006/07	230,000	227,729	224,854	682,583	9,845,000
2007/08	235,000	224,854	221,681	681,535	9,610,000
2008/09	240,000	221,681	218,081	679,763	9,370,000
2009/10	250,000	218,081	214,019	682,100	9,120,000
2010/11	255,000	214,019	209,556	678,575	8,865,000
2011/12	265,000	209,556	204,720	679,276	8,600,000
2012/13	275,000	204,720	199,426	679,146	8,325,000
2013/14	285,000	199,426	193,726	678,153	8,040,000
2014/15	295,000	193,726	187,679	676,405	7,745,000
2015/16	310,000	187,679	181,169	678,848	7,435,000
2016/17	320,000	181,169	174,209	675,378	7,115,000
2017/18	335,000	174,209	166,755	675,964	6,780,000
2018/19	350,000	166,755	158,793	675,548	6,430,000
2019/20	365,000	158,793	150,306	674,099	6,065,000
<b>2020/21</b>	<b>385,000</b>	<b>150,306</b>	<b>141,163</b>	<b>676,469</b>	<b>5,680,000</b>
2021/22	400,000	141,163	131,463	672,625	5,280,000
2022/23	420,000	131,463	121,225	672,688	4,860,000
2023/24	440,000	121,225	110,500	671,725	4,420,000
2024/25	465,000	110,500	98,875	674,375	3,955,000
2025/26	485,000	98,875	86,750	670,625	3,470,000
2026/27	510,000	86,750	74,000	670,750	2,960,000
2027/28	535,000	74,000	60,625	669,625	2,425,000
2028/29	565,000	60,625	46,500	672,125	1,860,000
2029/30	590,000	46,500	31,750	668,250	1,270,000
2030/31	620,000	31,750	16,250	668,000	650,000
2031/32	650,000	16,250	-	666,250	-
<b>TOTALS:</b>	<b>\$ 10,725,000</b>	<b>+ \$ 4,551,426</b>	<b>+ \$ 4,552,737</b>	<b>= \$ 19,829,163</b>	



**⌘ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ⌘**  
**Debt Service**

**PROGRAM 9405 – 2010 CERTIFICATES OF PARTICIPATION**

The 2010 Certificates of Participation financing structure parallels the 2002 issue. The Town bears an obligation for the 18-year Certificates of Participation issued in the original amount of \$15,675,000, dated June 1, 2010. The COPs were issued to finance the construction of the new Town library. The COPs principal payments are due annually on August 1, with interest payments payable semi-annually on February 1 and August 1.

The financing structure of the COPs includes two lease agreements between the Town of Los Gatos and the Successor Agency for the Town of Los Gatos Redevelopment Agency dated June 1, 2010. The first agreement leases Town-owned parcels, including the existing library, police administration building, and related property located at the Civic Center, to the Successor Agency through August 1, 2028 for a one-time fee of \$1. In the second lease, the Successor Agency subleases the properties back to the Town, effective the date of the original lease. The annual sub-lease payments are equal to the annual debt service for the COPs.

A reimbursement agreement between the Town and Agency, also dated June 1, 2010, obligates the Agency to reimburse the Town in an amount equal to the annual lease payment the Town pays to the Agency for the sub-lease of the existing library, police administration building, and related properties. This reimbursement is in consideration of the Town's cost of the acquisition and construction of the library and police facilities.

While the annual impact of these agreements nets to zero, the lease and reimbursement payments are included in both the Town's and Successor Agency's budgets each year to accurately reflect the terms of these agreements. The Agency remains responsible for making the principal and interest payments.

The maturity schedule for the Successor Agency's current Debt Service obligation under the 2010 COPs is as follows:



**⌘ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ⌘**  
**Debt Service**

**2010 COP DEBT SERVICE**

<b>Fiscal Year</b>	<b>Interest Due August 1st</b>	<b>Principal Maturing August 1st</b>	<b>Interest Due February 1st</b>	<b>Total Debt Service</b>	<b>Principal Balance</b>
<i>Issue Date: June 1, 2010</i>					\$ 15,675,000
2010/11			423,161	423,161	15,675,000
2011/12	320,038	530,000	313,413	1,163,450	15,145,000
2012/13	313,413	650,000	300,413	1,263,825	14,495,000
2013/14	300,413	670,000	287,013	1,257,425	13,825,000
2014/15	287,013	695,000	269,638	1,251,650	13,130,000
2015/16	269,638	715,000	258,913	1,243,550	12,415,000
2016/17	258,913	745,000	244,013	1,247,925	11,670,000
2017/18	244,013	770,000	224,763	1,238,775	10,900,000
2018/19	224,763	800,000	208,763	1,233,525	10,100,000
2019/20	208,763	830,000	192,163	1,230,925	9,270,000
<b>2020/21</b>	<b>192,163</b>	<b>865,000</b>	<b>174,863</b>	<b>1,232,025</b>	<b>8,405,000</b>
2021/22	174,863	900,000	152,363	1,227,225	7,505,000
2022/23	152,363	935,000	133,663	1,221,025	6,570,000
2023/24	133,663	975,000	114,163	1,222,825	5,595,000
2024/25	114,163	1,020,000	93,763	1,227,925	4,575,000
2025/26	93,763	1,065,000	72,463	1,231,225	3,510,000
2026/27	72,463	1,115,000	50,163	1,237,625	2,395,000
2027/28	50,163	1,170,000	26,031	1,246,194	1,225,000
2028/29	26,031	1,225,000		1,251,031	-
<b>TOTALS:</b>	<b>\$ 3,436,594</b>	<b>+ \$ 15,675,000</b>	<b>+ \$ 3,539,717</b>	<b>= \$ 22,651,311</b>	



**⌘ SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY ⌘**  
**Debt Service**

California Government Code Section 43605 states: *"A city shall not incur an indebtedness for public improvements which exceeds in the aggregate 15 percent of the assessed value of all real and personal property of the city. Within the meaning of this section indebtedness means bonded indebtedness of the city payable from the proceeds of taxes levied upon taxable property in the city."*

This schedule calculates the Town's legal debt margin by determining the 15% debt limit and comparing this limit to the Town's outstanding debt at the end of the fiscal year to determine the difference between the two. Only certain types of outstanding debt are subject to the legal debt limit; therefore, while this schedule recognizes all debt, the total debt is reduced by that debt not subject to the legal debt limit, as well as amounts held in sinking funds for debt repayment.

The Town's debt structure currently includes only Certificates of Participation, which are not subject to the legal debt limit, and are therefore removed from the calculation.

**LEGAL DEBT MARGIN COMPUTATION**  
**FY 2020/21**

Assessed Secured Property Valuation for FY 2019/20		\$ 13,469,589,136
Debt Limitation (15% of assessed value)		<u>15%</u>
<b>Bonded Debt Limit</b>		<b>\$ 2,020,438,370</b>
 <b>Outstanding Bonded Debt at 6/30/2020</b>		
2002 Certificates of Participation	5,065,000	
2010 Certificates of Participation	<u>9,270,000</u>	
<b>TOTAL Outstanding Debt</b>	<b>\$ 14,335,000</b>	
 <b>LESS Debt not subject to limit:</b>		
Special Assessment Bonds	-	
Special Revenue Bonds	-	
Certificate of Participation Debt	14,335,000	
Amounts held in Sinking Funds	<u>-</u>	
<b>TOTAL Debt not subject to limit:</b>	<b>\$ 14,335,000</b>	
 <b>Amount of Debt Subject to Limit:</b>	 \$ -	 \$ -
 <b>LEGAL DEBT MARGIN</b>		 <b>\$ 2,020,438,370</b>





## *Reference Materials*



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ADA Upgrade Public Restrooms – Adult Recreation Building .....	411-821-2601
Adult Recreation Center – Floor Repair .....	411-821-2206
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Blossom Hill Road Traffic Study.....	411-813-0239
Building Replacement at Corporation Yard.....	411-821-2302
Bicycle & Pedestrian Improvements .....	411-813-0231
Charter Oaks Trail Repair .....	411-832-4503
Computer-Aided Dispatch and Records Management System (CAD/RMS).....	411-841-6301
Creek Trail & Park Pathway & Parking Lot Seal Coat & Striping .....	411-831-4609
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Downtown Parking Lots Seal Coat & Restriping.....	411-817-0705
Downtown Streetscape Revitalization .....	411-813-0235
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Winchester Class IV Bikeway.....	411-813-0240
Vegetation Management – Town-wide .....	411-832-4508
Waterproofing – Town-wide .....	411-821-2010

### *Traffic Mitigation*

Traffic Mitigation Administration.....	8041
Highway 17 Bicycle & Pedestrian Bridge - Design .....	471-818-0803
Highway 17/9 Interchange and Capacity Improvements.....	471-813-0237
Traffic Signal Modernization .....	471-813-0227

### *Grant Funded CIP Projects*

Grant Administration Program.....	8021
ADA Upgrade Public Restrooms – Adult Recreation Building .....	411-821-2601
Bicycle & Pedestrian Improvements .....	421-813-0231
Charter Oaks Trail Repair .....	421-832-4503
E. Main Street Speed Table/Raised Crosswalk .....	421-812-0131
Guardrail Replacement Projects .....	421-812-0120
Highway 17 Bicycle & Pedestrian Bridge - Design .....	421-818-0803
Local Road Safety Plan .....	421-818-0803
Traffic Signal Modernization .....	421-813-0227
Trailhead Connector Project .....	421-832-4505
Winchester Class IV Bikeway.....	411-813-0240

### *Storm Drain Basin Projects*

Storm Drain #1 Administration Program.....	8031
Storm Drain #2 Administration Program.....	8032
Storm Drain #3 Administration Program.....	8033
Annual Storm Drain Improvements .....	461-816-0420
Annual Storm Drain Improvements .....	462-816-0420
Annual Storm Drain Improvements .....	463-816-0420
Bicknell Road Storm Drain Improvements .....	463-816-0410
Hernandez Avenue Storm Drain Improvements .....	463-816-0409

### *Utility Undergrounding Projects*

Utility Undergrounding Administration .....	8042
Shannon Road Class 1 Multi-Use Path .....	411-813-0218
Utility Undergrounding Improvements .....	472-813-0225

### *Gas Tax Fund Projects*

Gas Tax Administration .....	8051
Street Repair & Resurfacing .....	481-811-9901



**LIST OF PROGRAMS**

**SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY FUNDS**

*Successor Agency to the Los Gatos RDA Capital Projects*

Other .....	9402
Program Administration .....	9403

**SUCCESSOR AGENCY TO THE LOS GATOS REDEVELOPMENT AGENCY FUNDS CONTINUED**

*Successor Agency (SA) to the Los Gatos RDA Debt Service program*

SA Debt for 2002 COPs .....	9404
SA Debt for 2010 COPs .....	9405

*Successor Agency Affordable Housing Program*

Program Administration .....	9301
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# LIST OF DEPARTMENT PROGRAMS BY FUNDING SOURCE

Town Offices		
Program		Fund
1101 Town Council	111	General Fund
1301 Town Attorney	111	General Fund
1302 Liability Self Insurance	611	Liability Self Insurance Fund - Internal Service Fund
Administrative Services Department		
Program		Fund
1201 Non-Departmental	111	General Fund
2101 Town Manager Administration	111	General Fund
2102 Community Grants	111	General Fund
2201 Human Resources	111	General Fund
2202 Workers' Compensation	612	Workers' Compensation Fund - Internal Service Fund
2301 Finance & Administrative Services	111	General Fund
2401 Clerk Administration	111	General Fund
2502 Information Technology Management	111	General Fund
2501 Information Technology Systems	621	Information Technology System - Internal Service Fund
2999 Pass Through Accounts	111	General Fund
Community Development Department		
Program		Fund
3101 Administration	111	General Fund
3201 Developmental Review	111	General Fund
3202 Advanced Planning	111	General Fund
3301 Inspection Services	111	General Fund
3401 Code Compliance	111	General Fund
3501 BMP Housing Program	111	General Fund
3999 Pass Thru Accounts	111	General Fund
Police Department		
Program		Fund
4101 Administration	111	General Fund
4201 Records & Communication	111	General Fund
4202 Personnel & Community Services	111	General Fund
4301 Patrol	111	General Fund
4302 Traffic	111	General Fund
4303 Investigations	111	General Fund
4304 Parking Program	111	General Fund
4800 Grants Program - Police	111	General Fund
4999 Pass Thru Accounts	111	General Fund



## LIST OF DEPARTMENT PROGRAMS BY FUNDING SOURCE

Parks & Public Works Department		
Program		Fund
5101 Administration	111	General Fund
5201 Engineering Program Services	111	General Fund
5202 Engineering Development Svcs	111	General Fund
5203 Non-Point Source Fund	222	Non-Point Source Fund - Special revenue Fund
5301 Park Services	111	General Fund
5302 Environmental Services	111	General Fund
5401 Street & Signals	111	General Fund
5402 Equipment Replacement	631	Equipment Replacement - Internal Service Fund
5403 Vehicle Maintenance	111	General Fund
5404 Facilities Maintenance	633	Facilities Maintenance Fund - Internal Service Fund
5405 Property Damage	111	General Fund
5406 Vehicle Maintenance Staffing	111	General Fund
5407 Facilities Maintenance Staffing	111	General Fund
5501 Lighting & Landscape Districts	231-237	Lighting & Landscaping - Special Revenue Fund
5999 Pass Thru Accounts	111	General Fund
8011 GFAR	411	General Fund Appropriated Reserve Fund
8021 Grant Funded Capital Projects	421	Grant Funded Capital Projects Fund
8030 Storm Drain Basin Funds 1-3	461-463	Storm Drain Funds 1-3 - Capital Project Funds
8041 Traffic Mitigation	471	Traffic Mitigation Fund - Capital Project Fund
8042 Utility Undergrounding	472	Utility Undergrounding Fund - Capital Projects Fund
8051 Gas Tax - Street & Signals	482	Gas Tax Fund - Capital Projects Fund
Library Department		
Program		Fund
7101 Administration	111	General Fund
7201 Adult Services	111	General Fund
7202 Children's Services	111	General Fund
7203 Acquisitions & Cataloging	111	General Fund
7204 Circulation Services	111	General Fund
7801 Operating Grant	111	General Fund
7301 Library Trust	711	Library Trust - Trust Fund
7302 Clelles Ness Bequest Trust	713	Clelles Ness Bequest Trust - Trust Fund
7304 Betty McClendon Trust	714	Betty McClendon Trust -Trust Fund
7305 Barbara J Cassin Trust	716	Barbara J Cassin Trust -Trust Fund
Successor Agency to the Los Gatos RDA		
Program		Fund
9403 SA- Admin Services	942	Successor Agency to the Los Gatos RDA Find -Trust Fund
9404 SA- Debt to 2002 COP	942	Successor Agency to the Los Gatos RDA Find -Trust Fund
9405 SA-Debt to 2010 COP	942	Successor Agency to the Los Gatos RDA Find -Trust Fund



# GLOSSARY

**Accounting System** - The set of records and procedures that are used to record, classify, and report information on the financial status and operations of the Town.

**Accrual Basis Accounting** - Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

**Ad Valorem** - Latin for “in proportion to the value”. This refers to property taxes levied on value and includes the General Obligation (G.O.) Bond rates added to the 1% rate allowed by Prop. 13. These rates are applied to the secured, unsecured, supplemental, and other miscellaneous tax rolls.

**Adoption** - Formal action by the Town Council, which sets the spending limits for the fiscal year. The town's budget is adopted by Council resolution.

**Agency Fund** - A fund used to account for assets held by the Town in the capacity of an agent for individuals, organizations, or other governmental entities.

**Annual Budget** - A budget applicable to a single fiscal year.

**Appropriation** - An authorization made by the Town Council, which permits officials to incur obligations against and to make expenditures of government resources. Appropriations are typically granted for a one-year period.

**Assessed Valuation** - A value established for real property for use as a basis in levying property taxes. For all agencies in the State of California, the County for the secured and unsecured property tax rolls establishes assessed value; the utility property tax roll is valued by the State Board of Equalization. Under Article XIII of the State Constitution (Proposition 13 adopted by the voters on June 6, 1978), properties are assessed at 100% of full value. Proposition 13 also modified the value of real taxable property for fiscal 1979 by rolling back values to fiscal 1976 levels. From this base of assessment, subsequent annual increases in valuation are limited to a maximum of 2%. However, increases to full value are allowed for property improvements or upon change of ownership. Personal property is excluded from these limitations, and is subject to annual reappraisal.

**Assessment Fund** - A fund used to account for special levies made against certain properties to defray part or all of the costs of a specific improvement or service deemed to primarily benefit those parties.

**Audit** - Prepared by an independent Certified Public Accountant (CPA), the primary objective of an audit is to determine if the Town's Financial Statements present fairly the Town's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with their performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the Town's internal controls as well as recommending improvements to the Town's financial management practices.

**Balanced Budget** – Balanced budget is a budget with operating revenues equal to operating expenditures and neither a budget deficit nor a budget surplus. More generally, it refers to a budget with no deficit, but possible with surplus.



## ∞ GLOSSARY ∞

**Bonds** - A bond is a written promise to pay a specified sum of money (called the face value or principle amount) at a specified date or dates in the future (called the maturity date) together with period interest at a specified rate. Bonds are typically used to finance capital facilities.

**Budget** - As the Town's financial operating plan for the fiscal year, the budget displays the estimated expenditures (costs) for providing services and the estimated sources of revenue (income) to pay for them. Once the Town Council adopts the budget, the total becomes the maximum spending limit. Los Gatos' budget encompasses fiscal year (July 1, through June 30).

**Budget Amendment** - The Council has the sole responsibility for adopting the Town's budget, and may amend or supplement the budget at any time after adoption. The Town Manager has the authority to approve administrative adjustments to the budget as outlined in the Financial and Administrative Policies set by Council.

**Budget Calendar** - The schedule of key dates which the Town follows in the preparation and adoption of the budget.

**Budget Document** - The official financial spending and resource plan submitted by the Town Manager and adopted by the Town Council explaining the approved budget to the public and Town Council.

**Budget Message** - Included in the opening section of the budget, the Budget Message provides the Council and the Public with a general summary of the most important aspects of the budget, comparative data from previous fiscal years, goals and objectives, and the views and recommendations of the Town Manager.

**Budget Overview** - This section provides an overview of the changes adopted in the budget. Additionally, the significant impacts of budgetary changes are outlined along with dollar amounts (increase/decrease).

**Budget Policies** - General and specific guidelines adopted by the Council that governs the financial plan's preparation and administration.

**Building Permit** - Fee required for new construction or for any alteration or addition to a residence or commercial building. The fee is based on square footage and valuation. Electrical or plumbing/mechanical work will require a similar permit.

**Business License Tax** - A tax imposed on those conducting business within the Town limits. Business License Tax is a non-regulatory tax implemented for the purpose of raising revenue to support General Fund activities.

**Capital Acquisitions/Assets** – See “Fixed Assets.”

**Capital Expenditures** - Funds spent for the construction, improvement, or rehabilitation of Town infrastructure.

**Capital Improvement Program (CIP)** - The plan or schedule of expenditures for major construction of roads, sidewalks, Town facilities and/or park improvements and for the purchase of equipment. The Town of Los Gatos' CIP follows a five-year schedule. Although the Town adopts the CIP budget in a



## ∞ GLOSSARY ∞

process that is separate from the adoption of the budget, the budget incorporates the first-year of the five-year CIP.

**Capital Projects** - Expenditures that have a value of \$25,000 or more which result in the acquisition of, construction of, rehabilitation of or additions to, infrastructure and fixed assets with a useful life of at least 5 years at a fixed location.

**Depreciation** – The process of allocating the total cost of fixed assets over each period of their usefulness to the government.

**Capital Projects Fund** - In governmental accounting, a fund that accounts for financial resources to be used for the acquisition or construction of capital facilities. The total cost of a capital project is accumulated in a single expenditure account which accumulates until the project is completed, at which time the fund ceases to exist.

**Cash Basis Accounting** - A basis of accounting under which transactions are recognized only when cash is received or disbursed.

**Certificate of Participation (COP)** - A type of financing in which investors purchase a share of the lease revenues of a program rather than the bond being secured by those revenues. The authority usually uses the proceeds to construct a facility that is leased to the municipality, releasing the municipality from restrictions on the amount of debt that they can incur.

**Community Development Block Grant (CDBG)** - Federal grant funds distributed from the U.S. Department of Housing and Urban Development that are passed through to the Town. The Town primarily uses these funds for housing rehabilitation, public improvements and local social programs.

**Comprehensive Annual Financial Report (CAFR)** - The official financial report of the Town. It includes an audit opinion as well as basic financial statements and supporting schedules necessary to demonstrate compliance with finance-related legal and contractual provisions.

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contingent Liabilities** - Items which may become liabilities of the Town but are undetermined at a given date, such as pending lawsuits, unsettled disputed claims, unfilled purchase orders and uncompleted contracts.

**Contract Services** - Services provided to the Town from the private sector or other public agencies.

**Debt Service** - Payment of the principal and interest on an obligation resulting from the issuance of bonds, notes, or Certificates of Participation (COPs).

**Debt Service Fund** - A fund established to account for the accumulation of resources for, and the payment of, general long-term debt principal and interest.

**Deficit** - The excess of liabilities over assets.



## ☞ GLOSSARY ☞

**Department** - A major organizational unit of the Town, which has been assigned overall management responsibility for an operation, or a group of related operations within a functional area. In Los Gatos, Department Heads are the chief administrators within a department.

**Encumbrances** - Commitments against an approved budget for unperformed (executory) contracts for goods or services. They cease to be encumbrances when the obligations are paid or otherwise terminated.

**Enterprise Funds** - Established to account for the financing of self-supporting activities of governmental units, which render services on a user charge basis to the general public.

**Equipment Replacement Fund** - This fund is used to account for the replacement of existing fixed assets as equipment, machinery or building improvements become unserviceable or obsolete.

**Expenditure** - The outflow of funds paid or to be paid for an asset obtained or goods and services obtained. Note: An encumbrance is not expenditure; an encumbrance reserves funds to be expended. (See encumbrances.)

**Fiduciary Funds** - Used to account for assets held by the Town acting in a fiduciary capacity for other entities and individuals. Such funds are operated to carry out the specific actions of trust agreements, ordinances and other governing regulations. There are two categories of fiduciary funds: Trust and Agency.

**Fiscal Year** - A 12-month period to which the annual operating budget applies and at the end of which the Town determines its financial position and results of its operations. The Town's fiscal year runs from July 1<sup>st</sup> to June 30<sup>th</sup>.

**Fixed Assets** - Non-consumable assets of long-term nature such as land, buildings, machinery, furniture, and the other equipment. The Town has defined such assets as those with an expected life in excess of one year and value in excess of \$10,000.

**Franchise Fees** - Imposed on utility companies for the privilege of doing business in the Town. Fees are usually based upon a percentage of gross revenue derived from business conducted in the Town.

**Full-time Equivalents (FTE)** - The amount of time a position has been budgeted for in terms of the amount of time a regular, full-time employee normally works in a year. Full-time employees are paid for 2,080 hours in a year equating 1.0 FTE. Correspondingly, a part-time employee who worked 1,040 hours would equate to 0.5 FTE.

**Fund** - An independent fiscal and accounting entity with a self-balancing set of accounts in which cities record financial transactions relating to revenues, expenditures, assets and liabilities. Each fund type typically has a unique funding source and purpose. Establishing funds enables the town to account for the use of restricted revenue sources and carry on specific activities or pursue specific objectives.

**Fund Accounting** - System used by non-profit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements.



## ∞ GLOSSARY ∞

**Fund Balance** - Also known as financial position, fund balance is the excess of current assets over current liabilities, and represents the cumulative effect of revenues and other financing sources over expenditure and other financing uses.

**GAAP (Generally Accepted Accounting Principles)** - Uniform minimum standards for financial accounting and reporting. They govern the form and content of the basic financial statements of the Town.

**Gann Appropriation Limit** - This is the common name of Proposition 4, approved by voters on November 6, 1979 which mandated an appropriation limit on the amount of tax revenues that government jurisdictions may appropriate within a fiscal year. This bill was named after Paul Gann, who was a co-sponsor of the famous Proposition 13 initiative enacted by the voters of California on June 6, 1978 which resulted in a cap on property tax rates in the state, and a prominent author and advocate of this subsequent spending limitation bill.

**Gas Tax Fund** - The Gas Tax Fund is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the State of California. Expenditures may be made for any street related purpose in the Town's system of streets.

**General Fund** - In governmental accounting, fund used to account for all assets and liabilities of a non-profit entity, except those particularly assigned for other purposes in another more specialized fund. It is the primary operating fund of the Town.

**General Government** - Town Council, Town Manager, Town Clerk's Office, Town Attorney, Town Treasurer, Personnel, Finance, Planning, Police, Parks and Public Works, and Library.

**General Liability Self Insurance Fund** - The General Liability Self Insurance Fund is used to provide the Town with liability and property insurance. Coverage is provided through the Town's participation in a joint powers agreement through (ABAG) Associations of Bay Area Governments.

**General Obligation Bond** - A municipal bond backed by the credit and "taxing power" of the issuing jurisdiction rather than the revenue from a given project. General obligation bonds are issued with the belief that a municipality will be able to repay its debt obligation through taxation or revenue from projects. No assets are used as collateral.

**Government Finance Officers Association (GFOA)** - GFOA is the professional association of state/provincial and local finance officers in the United States and Canada, and has served the public finance profession since 1906. Approximately 16,000 GFOA members are dedicated to the sound management of government financial resources.

**Governmental Funds** - the fund used to account for all assets and liabilities of a government agency, except those particularly assigned for other purposes in another more specialized fund. There are five different types of governmental funds: the general fund (which is the primary operating fund), special revenue funds, debt service funds, capital project funds, and permanent funds.

**Grant** - External contributions, and/or gifts of cash, or other assets typically from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is Community Development Block grant funding from the Federal Government.



## ∞ GLOSSARY ∞

**Housing Fund (RDA)** - Fund is used to account for the 20% set aside property tax increment revenues and the associated expenditures to be used for increasing or improving low and moderate-income housing.

**Information Technology Fund** - The Information technology Fund is used to account for the costs associated with the Town's centralized computer system and to distribute these costs to departments using the system on a pro rata basis. Included are costs for hardware and software maintenance and development, and computer training.

**Infrastructure** - The basic facilities, services, and installations needed for the functioning of a community or society, such as streets and roads, sidewalks, bridges, communications systems, water and power lines, and public institutions including schools, police stations, libraries, and post offices.

**Interest Income** - The prudent investment of idle funds. The types of investments that can be made are limited by the Government Code to protect the safety of taxpayers' money.

**Intergovernmental Revenue** - Revenue received from other governmental agencies and municipalities, such as grants from the State or Federal government.

**Internal Services Fund** - The Internal Service Funds are used to finance and account for special activities and services performed by a designated Town department for other departments on a cost reimbursement basis.

**Inter-Fund Transfers** - When the Town moves money between its various funds, it makes an inter-fund transfer, referred to as transfers-in and transfers-out. In aggregate, transfers in and out offset each other for the fiscal year.

**Landscape and Lighting Fund** - The Town has formed six landscape and lighting district funds established by written consent of the property owners owning all of the property within the boundaries of the district.

**Levy** - To impose taxes, special assessments or service charges for the support of governmental activities. The total amount of taxes, special assessments or service charges imposed by Santa Clara County levying property taxes.

**Licenses and Permits** - Revenues earned by the issuance of licenses or permits levied in accordance with the benefits conferred by the license or permit.

**Limited Obligation Bond** - A bond sold by a municipality to finance projects which are secured by the revenue generated by those projects.

**Line-Item Budget** - A budget that lists detailed expenditure categories (salaries & benefits, office supplies, travel, dues, rents, etc.) separately, along with the amount budgeted for each specified category. The Summary Budget reflects the program rather than line item budgets. The Detail Budget reflects the line-item detail.

**Major Fund** – Major funds are funds whose revenues, expenditures/expenses, assets, or liabilities are at least 10 percent of corresponding totals for all governmental or enterprise funds and at least 5 percent of the aggregate amount for all governmental and enterprise funds for the same item The General Fund



## ∞ GLOSSARY ∞

is always a major fund. The Town may also select other funds it believes should be presented as major funds.

**Modified Accrual Basis** - Under this accounting method, revenues are recognized when they become both measurable and available to finance expenditures of the current period. Expenditures for the most part are recognized when the related fund liability is incurred except for prepayments, accumulated employee leave and long-term debt. All governmental funds and expendable trust funds are accounted for using the modified accrual basis of accounting.

**Motor Vehicle in Lieu Fee** - A State fee charged for the privilege of operating a vehicle on public streets. A VLF is levied annually against the market value of a motor vehicle and is imposed by the State "in lieu" of local property taxes.

**Non-Departmental** - This program has the sole purpose of accounting for all expenditures that the Town cannot specifically designate to any operating department within the General Fund.

**Non-major Fund** – Non-major funds are all governmental and enterprises funds that are not classified as major funds.

**Objective** - A statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program or service level.

**Ordinance** - A formal legislative enactment by the Town Council. It has the full force and effect of law within Town boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution and is typically codified in a Town's municipal code.

**Operating Budget** - The operating budget is the primary means by which most of the financing of acquisition, spending and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

**Other Revenues** - Revenues from sources other than those specifically identified that are too immaterial in amount to justify the creation of new revenue account line items

**Performance Measure** - Sets forth a performance objective and a goal for achieving the objective.

**Personnel Benefits** - Those benefits paid by the Town as conditions of employment.

**Personnel** - Town employees.

**Present Value** - The amount that a future sum of money is worth today given a specified rate of return.

**Proposition 218** - A statewide initiative passed by the voters of California on November 5, 1996. The initiative provided voters with the right to vote on new taxes.

**Program** - As subdivisions of departments, programs are budgetary or organizational units of government with limited sets of work responsibilities within their respective departments. Programs also serve to increase budgetary accountability. Los Gatos' budget is compiled on a program basis.



## ∞ GLOSSARY ∞

**Property Tax** - Imposed on real property (land and permanently attached improvements). The tax is based upon the assessed value of such property. The tax rate may not exceed 1% of assessed value.

**Proprietary Funds** - Funds that focus on the determination of operating income, changes in net assets (or cost recovery), financial position, and cash flows. There are two different types of proprietary funds: enterprise funds and internal service funds.

**Public Employees' Retirement System (PERS)** - Provided for the Town's employees, by the State of California.

**RDA** - Redevelopment Agency, while a component unit, the Agency is a legal entity separate from the Town.

**Redevelopment Agency Fund** - Fund is used to account for the proceeds of notes, advances and other forms of indebtedness, and the expenditure of these funds for improvement, reconstruction and redevelopment projects within the specified boundaries of the Town of Los Gatos Redevelopment Agency.

**Reserve** - An account used to indicate that a portion of fund equity is legally restricted for a specific purpose.

**Resolution** - A special order of the Town Council which has a lower legal standing than an ordinance.

**Resources** - Total amounts available for appropriation including estimated revenues, inter-fund transfers, and beginning fund balances.

**Revenue** - Sources of income, which the Town receives during a fiscal year. Examples of revenue include taxes, intergovernmental grants, charges for services, resources forward from the prior year, operating transfers for other funds, and other financing sources such as the proceeds derived from the sales of fixed assets.

**Road Impact Fees** - Pursuant to Article III of Chapter 15 of the Town Code, the Town collects road impact fees in order to finance road construction and maintenance projects throughout the Town. Article IX of Chapter 15 authorizes the establishment of special fund accounts known as Road Impact #1, Road Impact #2, and Road Impact #3, into which all such fees are deposited. Because the road systems generally follow drainage patterns, the existing drainage basin map boundaries are used to track and expend funds for road construction and maintenance. The amount of each fee collected is based on an estimate of the weight of the loads to be hauled to or from the project and the weight of heavy vehicles to be used in connection with the project. The fee is collected for: Building Permits, Grading and Landscape Permits, Improvement Contracts, and Encroachment permits. Money collected from such fees is to be used solely for design, construction, and repair of town streets and installation of sidewalk curb cut ramps when the level of work as triggers such a requirement provided by the Americans with Disabilities Act, within the prescribed area. Projects will be brought forward on an as needed basis.

**Sales Tax** - 1% is returned to the Town by the State Board of Equalization on a monthly direct deposit basis.



## ∞ GLOSSARY ∞

***Self-Insurance Fund*** - The Self-Insurance Fund (General Liability) is used to finance and account for the Town's general liability self-insurance program.

***Special Assessment Bonds*** - Bonds payable from the proceeds of special assessment.

***Special Revenue Fund*** - In governmental accounting, fund used to account for the proceeds of special revenue sources (other than special assessments, expandable trusts, or for major capital projects) that are legally restricted to expenditure for specified purpose.

***Service Charge*** - Charges for specific services rendered.

***Services and Supplies*** - Expenditures for services and supplies which are directly related to a department's primary service activities.

***Sewer Service Charge*** - Sanitary Sewer Taxes are collected by the West Valley Sanitation District to maintain the Sanitary Sewer Collection System in District's Service Area. The Parks, Forestry and Maintenance Department provide sanitary Sewer collection maintenance within the Town limits. These operating costs are reimbursed to the Town from Sanitary Sewer fees.

***Successor Agency to the Town of Los Gatos RDA*** – Effective February 1, 2012, all redevelopment agencies in the State of California were dissolved pursuant to AB 1X 26. Following the provisions of the Dissolution Act, the Town Council of the Town of Los Gatos adopted a resolution accepting for the Town role of Successor Agency to the Redevelopment Agency of the Town of Los Gatos.

***Supplies*** - An expenditure classification for articles and commodities purchased for consumption or resale.

***Taxes*** - Compulsory charges levied by the Town, County and State for the purpose of financing services performed for the common benefit.

***Town Code*** - A book that contains the Town Council approved ordinances currently in effect. The code defines Town policy with respect to areas such as planning, etc.

***Transient Occupancy Tax*** - Imposed on hotels, motels, inns or other lodging facilities. The rate in Los Gatos is 12%.

***Transfers In/Out*** - Money transferred from one Town fund to another. Differs from revenues and expenses - see definition of these terms.

***Workers' Compensation Fund*** - The Worker's Compensation Fund accounts for the cost to provide worker's compensation insurance coverage to all Town employees in compliance with State of California requirements.



# LIST OF ACRONYMS

Following is a list of acronyms common to local government terminology:

<b>AB</b>	Assembly Bill
<b>ADA</b>	Americans with Disabilities Act
<b>AFIS</b>	Automated Fingerprint Identification System
<b>AFSCME</b>	American Federation of State, County, and Municipal Employees Union
<b>ARS</b>	Automated Reporting System
<b>BMP</b>	Below Market Price (Housing)
<b>CAFR</b>	Comprehensive Annual Financial Report
<b>CDBG</b>	Community Development Block Grant
<b>CEQA</b>	California Environmental Quality Act
<b>CERT</b>	Community Emergency Response Team
<b>CLEEP</b>	California Law Enforcement Equipment Program
<b>CIP</b>	Capital Improvement Program
<b>COP</b>	Certificates of Participation
<b>COPS</b>	Community Oriented Policing Services
<b>CPUC</b>	California Public Utilities Commission
<b>CSMFO</b>	California Society of Municipal Finance Officers
<b>CSO</b>	Community Services Officer
<b>CY</b>	Current Year
<b>DARE</b>	Drug Awareness Resistance Education
<b>DART</b>	Disaster Aid Response Team
<b>DOJ</b>	Department of Justice
<b>DUI</b>	Driving Under the Influence
<b>EOC</b>	Emergency Operations Center
<b>ERAF</b>	Educational Revenue Augmentation Fund
<b>FEMA</b>	Federal Emergency Management Agency
<b>FTE</b>	Full-Time Equivalent (2080 annual work hours)
<b>FY</b>	Fiscal Year
<b>GAAP</b>	Generally Accepted Accounting Principles
<b>GASB</b>	Governmental Accounting Standards Board
<b>GFAR</b>	General Fund Appropriated Reserve
<b>GFOA</b>	Government Finance Officers Association
<b>GIS</b>	Geographical Information System
<b>GO</b>	General Obligation (Bond)
<b>HCD</b>	Housing and Community Development



## ❧ ACRONYMS ❧

<b>HHW</b>	Household Hazardous Waste
<b>HUD</b>	Housing & Urban Development
<b>HVAC</b>	Heating / Ventilation & Air Conditioning
<b>IT</b>	Information Technology
<b>JPA</b>	Joint Powers Authority
<b>LAIF</b>	Local Agency Investment Fund
<b>LAWCX</b>	Local Agency Workers Compensation Excess (JPA)
<b>LLD</b>	Landscaping & Lighting District
<b>LT</b>	Long-Term (as in Long-Term Notes Receivable)
<b>MIS</b>	Management Information Systems
<b>MOU</b>	Memorandum of Understanding
<b>MVLF</b>	Motor Vehicle in Lieu Fee (see also VLF)
<b>NPDES</b>	National Pollutant Discharge Elimination System
<b>OCJP</b>	Office of Criminal Justice Planning
<b>OES</b>	Office of Emergency Services
<b>OPEB</b>	Other Post-Employment Benefits
<b>PARS</b>	Public Agency Retirement Services
<b>PCI</b>	Pavement Condition Index
<b>PERS</b>	Public Employees' Retirement System
<b>PLAN JPA</b>	Pooled Liability Assurance Network Joint Powers Authority
<b>POA</b>	Police Officers Association
<b>POST</b>	Peace Officers Standard Training
<b>PPW</b>	Parks & Public Works Department
<b>PSAP</b>	Public Safety Answering Point
<b>PY</b>	Prior Year
<b>RATTF</b>	Regional Auto Theft Task Force
<b>RDA</b>	Redevelopment Agency
<b>SB</b>	Senate Bill
<b>SA</b>	Successor Agency
<b>SCC</b>	Santa Clara County
<b>SCCET</b>	Santa Clara County Enforcement Team
<b>SLESF</b>	Supplemental Law Enforcement Services Fund Grant
<b>SWAT</b>	Special Weapons and Tactics
<b>TDA</b>	Transportation Development Act
<b>TEA</b>	Town Employees Association
<b>TFCA</b>	Transportation Fund for Clean Air
<b>TOT</b>	Transient Occupancy Tax
<b>VLF</b>	Motor Vehicles In Lieu Fee (see also MVLF)
<b>VIP</b>	Volunteers in Policing
<b>VTA</b>	Valley Transportation Agency
<b>WVSD</b>	West Valley Sanitation District



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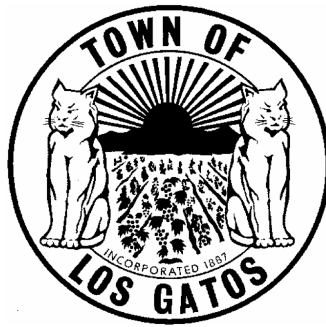
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# TOWN OF LOS GATOS

## CALIFORNIA



## Capital Improvement Program Budget

Fiscal Years 2020/21 — 2024/25 ATTACHMENT 2



**Cover Photos: Constantino, Evie Julian**



TOWN OF LOS GATOS



CALIFORNIA

PROPOSED  
Capital Improvement Program  
for  
Fiscal Years July 1, 2020 to June 30, 2025

Town Council

Marcia Jensen ..... Mayor  
Barbara Spector ..... Vice Mayor  
Rob Rennie ..... Council Member  
Marico Sayoc ..... Council Member

*Prepared under the direction of:*  
Laurel Prevetti..... Town Manager  
Stephen D. Conway..... Finance Director

110 E. Main Street, Los Gatos, CA 95030  
[www.losgatosca.gov](http://www.losgatosca.gov)







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# *Introduction*



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# TOWN OF LOS GATOS

CIVIC CENTER  
110 E. MAIN STREET  
LOS GATOS, CA 95030

May 6, 2020

Honorable Mayor and Town Council:

I am pleased to submit to you the Proposed Fiscal Year (FY) 2020/21 – 2024/25 Five-Year Capital Improvement Program (CIP) for the Town of Los Gatos. The CIP is a comprehensive five-year capital improvement plan designed to identify projects to develop and maintain the Town's infrastructure, consistent with the Town Council Core Goals of high quality infrastructure, community character, public safety, fiscal stability, good governance, and civic enrichment.

This CIP budget message contains:

- Town's Core Goals and Strategic Priorities
- CIP Financial Summary - Funding Sources
- Proposed FY 2020/21 – 2024/25 CIP Overview
- Proposed FY 2020/21 CIP Overview
- FY 2019/20 Completed or Withdrawn Projects
- Budget Process Overview

Guidance for determining capital improvement projects is also derived from key plans, including the General Plan, Bicycle and Pedestrian Master Plan, and the Council's Strategic Priorities. Specifically, in January 2020, the Town Council established the 2020-22 Strategic Priorities (see page A-2). The Core Goals and Strategic Priorities guide the preparation of both the Capital and Operating Budgets. In terms of capital projects, the Town Council stated its priorities to begin to implement the Comprehensive Parking Study, continue mobility improvements for all transportation modes, manage the vegetation on Town lands to protect against wildfire, and advance other needed improvements. All of these efforts support improving and enhancing traffic/transportation, public safety, and quality of life within the context of prudent fiscal management.

In addition to the aforementioned guidance, on December 9, 2019, the Town's Sales Tax Oversight Committee convened its first meeting. Per the Measure G Sales Tax Ordinance, the Committee's role is to review the revenues and potential expenditures and advise the Town Council on whether such expenditures meet the Town Council's objectives as stated in the Ordinance. After reviewing example expenditures from the FY 2019/20 CIP, the Committee's recommendation to Council was to expend Measure G funds on capital projects associated with road repair and maintenance.

All proposed capital projects are described in this document. The reserves and operating expenditures are discussed in more detail in the Proposed FY 2020/21 Operating Budget.



# STRATEGIC PRIORITIES FY 2020-2022



**CORE GOALS: COMMUNITY CHARACTER • GOOD GOVERNANCE • FISCAL STABILITY • QUALITY PUBLIC INFRASTRUCTURE • CIVIC ENRICHMENT • PUBLIC SAFETY**

## ONGOING PRIORITIES

### SAFETY

#### *Emergency Preparedness*

- CERT Recruitment and Training
- Community communication

#### *Fire Protection*

- Vegetation management on Town properties
- Enhanced community education

### QUALITY OF LIFE

#### *Community Vitality*

- Events and Other Efforts Town-wide
- Community Engagement

#### *Economic Vitality*

- Policies and Ordinances

#### *Land Use Planning*

- *Housing Element*
- *Potential Area Plans and rezoning to implement General Plan*

### TRAFFIC/TRANSPORTATION

#### *Comprehensive Parking Study*

- Short, Medium, and Long Term Actions

#### *Transportation Demand Management*

- Summer/Rush Hour/School Traffic
- Develop Measure B Transportation Projects
- Install Bicycle and Pedestrian Improvements
- Community Shuttle

### PRUDENT FINANCIAL MANAGEMENT

#### *Address Pension and OPEB Obligations*

- Additional Discretionary Payments (ADPs)
- Reduced Amortization Strategies
- Pension Contribution Management Strategies

#### *Sell or Lease Certain Town Properties*

## NEW

#### *Regional Housing Needs Allocation Process*

#### *Updating Town Ordinances in Alignment with New State Housing Legislation*

#### *Regional Transportation*

## IN PROGRESS

#### *General Plan 2040*

- Objective Standards
- Environmental Sustainability/Climate Resiliency

#### *Vehicle Miles Travelled Policy*

#### *Streamline regulations to enhance Town businesses*

#### *School Bus Pilot*

#### *EOC Upgrades*

## RECENTLY COMPLETED

#### *Almond Grove Streets*

#### *Measure G (Sales Tax) Implementation*

#### *\$8.9 M CalPERS Pension Payment*

#### *Short Term Rentals*

#### *Complete Streets Policy*

#### *One-Way Downtown Street Pilot*

#### *Annexation of Small County Pockets*

**SMALL TOWN SERVICE, COMMUNITY STEWARDSHIP, FUTURE FOCUS**



**CIP FINANCIAL SUMMARY – FUNDING SOURCES**

As in the past, the Town continues to be challenged in its attempts to secure a reliable ongoing source of revenue for the Capital Improvements Program. The proposed five-year CIP reflects \$6.0 million in ongoing Gas Tax dedicated sources to help fund the proposed \$38 million of planned capital improvements. The balance of CIP funding of \$32 million is funded by one-time appropriations from the General Fund Appropriated Reserve (GFAR), Utility Undergrounding Funds, Traffic Mitigation Funds, Grant Funds, and Storm Drain Funds as follows:

<b>Funding Sources for the FY 2020/21 - 2024/25 CIP</b>		
<b>Ongoing</b>	Gas Tax	\$ 6,050,270
<b>One-Time</b>	GFAR	16,067,108
	Utility Underground Funds	4,436,000
	Traffic Mitigation Funds	415,027
	Grant Funds	11,114,483
	Storm Drain Funds	240,000
<b>Total Funding Available</b>		<b>\$ 38,322,888</b>

***GAS TAX***

State Gasoline Tax revenue is distributed to the Town from the State of California and recorded in the Gas Tax Fund. This tax is also known as the “Highway Users Tax” or the “Motor Vehicle Fuel License Tax.” The gasoline tax is an 18-cent per gallon tax on fuel used to propel a motor vehicle or aircraft. Gas Tax revenue is allocated to the Town based on a per gallon of gas purchased within the Town limits and based on population. The estimated Gas Tax revenue totals approximately \$1.2 million for FY 2019/20 due to the Road Recovery and Repair Act of 2017 (SB1). These funds can only be used for new construction and reconstruction of Town streets.

***LOCAL 2010 AND 2016 MEASURE B***

As part of a voter-approved measure from 2010, the Santa Clara Valley Transportation Agency (VTA) assesses a \$10 per vehicle registration surcharge to repair and rehabilitate streets. This funding source is expected to generate approximately \$180,000 annually for Los Gatos, which will be used for street rehabilitation Town-wide.

In 2016, Santa Clara County voters approved Measure B, a transportation focused sales tax measure. After several years of legal challenges, the funding from Measure B has begun to flow. The most important element of this measure is ongoing road maintenance funding to the Town of \$580,663. Additional funds may be distributed to local projects on a competitive basis.

***GFAR***

The primary source of funding for the Town’s capital program is the Town’s General Fund Appropriated Reserve (GFAR). By Council direction, this fund receives transfers from the General Fund’s designated Reserve for Future and Special Projects, which receives most of the Town’s annual revenues above operating expenditures after funding all legally restricted reserves at their required levels, including receipt of one-time funds from grants, property sales, and other reserves. Because of the availability of



**Introduction Section**

General Fund “one-time” funding sources in recent years, the Council approved a General Fund transfer to the GFAR fund in the amount of \$2.7 million for FY 2013/14, an additional “one-time” source allocation of \$6.6 million for FY 2014/15, and additional funding of \$6.9 million for the Almond Grove Street Rehabilitation project in FY 2016/17, \$2.8 million funding in FY 2017/18, \$2.4 million transfer in FY 2018/19, and \$5.8 million transfer in FY 2019/20. For FY 2020/21, the transfer to GFAR is proposed to be \$3.4 million.

After these allocations, the Reserve for Future Capital and Special Projects forecasted June 30, 2020 balance is \$3.3 million. Sufficient balances are anticipated for the following four years of the Plan to allocate approximately \$550,000 from the General Fund Reserve for Capital and Special Projects for FY 2021/22 through FY 2024/25.

The other revenue source for GFAR is the Construction Impact Fee and a Refuse Vehicle Road Impact Fee. This Construction impact fee is assessed on construction projects based on the square foot size of the project at a rate of \$1.14 per square foot. These fees are intended to recover the damage caused to Town streets by construction traffic. Construction Impact fees generate at least \$110,000 annually. Refuse Vehicle Road impact Fee estimated to generate \$610,000 for FY 2020/21.

The funding from GFAR greatly enhances the Town’s ability to implement the CIP; however, it is not enough to support future annual infrastructure maintenance or construct new facilities. Establishing a reliable, dedicated source of funding for basic capital improvements beyond the use of accumulated reserves remains a long-term need and important goal for the Town.

***UTILITY UNDERGROUND FUNDS***

The Utility Undergrounding Fund serves as a funding source for activities generally undertaken in conjunction with street improvement projects. The Town receives approximately \$30,000 annually in Utility Undergrounding funding which is derived from a Town construction tax of 18 cents charged for each square foot of building addition or alteration within the Town. Total cash balances currently on hand from the utility undergrounding construction tax are approximately \$3.1 million at FY 2019/20 year-end. In addition, the Town may have access to over \$3.8 million in Rule 20A funds allocated from a percentage of electric bills. PG&E retains and tracks these monies. The Town has identified a project to underground utilities along Los Gatos Boulevard south of Lark Avenue. These projects rely on PG&E for scheduling and have long lead times. Staff expects a six year project design timeline, and is expecting project construction in FY 2020/21.

***TRAFFIC MITIGATION FUNDS***

The traffic impact mitigation fee assures that each new development or expansion of use pays its fair share of the transportation improvements needed to accommodate the cumulative traffic impacts. The fee is paid in full prior to issuance of the building permit for new development or expansion of use. This fee continues to play an important role in the Town’s ability to fund roadway improvements. Traffic Mitigation Funds must be used solely for construction of identified traffic and transportation improvement projects.

***GRANT FUNDS***

The Town receives grant funds from various sources that help address some of the maintenance and improvement costs associated with Town infrastructure. Grants include federally funded Surface Transportation Program (STP) funds which pay for general roadway capital improvements, and a combination of Federal Innovative Deployment to Enhance Arterials (IDEA) grant funds and State



## Introduction Section

Vehicle Registration Fee (VRF) grant funds are contributing to the Traffic Signal Modernization project. In addition, the Town utilizes Community Development Block Grant funds for specific qualifying projects, usually focused on accessibility. Total grant funding for FY 2020/21 is estimated at \$1,479,200.

*STORM DRAIN FUNDS*

The Town also receives funding from its Storm Drain Fund, which relies on an established charge of \$0.75 per square foot of impervious surface created by new development. Depending on development activity, this fee produces approximately \$100,000 in revenue annually. This fee has not been adjusted for several years and should be evaluated in the future as part of the NPDES storm water permit process and as part of a continuous review of development related fees.

The remaining sources are primarily one-time funds from State or Federal government or from special revenue funds that have often fluctuated in tandem with the economy and the state budget. Examples of one-time funds include Valley Transportation Authority/Transportation Fund for Clean Air (VTA/TFCA) funds and State Proposition 42 Gas Tax funds.

**PROPOSED FY 2020/21 – 2024/25 CIP OVERVIEW**

The Capital Improvement Program is broadly grouped into the following categories:

- Streets Program, which maintains and ensures functional streets, pedestrian, and bike systems.
- Parks Program, which repairs or improves parks, park buildings, trails, and urban forestry.
- Public Facilities Program, which constructs and repairs public buildings, and purchases equipment.

The proposed CIP projects include both new and carry-forward projects from the prior year as part of the multi-year programming of \$33.5 million. Approximately \$28.7 million (85.8%) is allocated to the streets, retaining walls, sidewalks, and curbs category; \$1.6 million (4.7%) is allocated to parks and trails projects; and \$3.2 million (9.5%) is allocated to public facility projects. Allocations are summarized below by type of major improvements within the program categories.

FY 2020/21 - 2024/25 CIP by Program									
Five Year CIP Summary	Carry-forward from 2019/20	2020/21	Carry-forward and New FY 2020/21	2021/22	2022/23	2023/24	2024/25	Total By Category	Total By Program
<b>Streets</b>									
Reconstruct/Resurfacing	\$ 3,305,576	\$ 2,211,715	5,517,291	\$ 2,836,393	\$ 2,962,517	\$ 2,962,517	\$ 2,962,517	\$ 17,241,235	
Maintenance & Safety	3,413,980	2,435,000	5,848,980	435,000	435,000	435,000	435,000	7,588,980	
Street Improvements	8,870,133	8,195,786	17,065,919	1,546,250	1,162,390	-	65,000	19,839,559	
Bridges	235,087	50,000	285,087	5,430,303	-	-	-	5,715,390	\$ 50,385,165
<b>Parks</b>									
Park Improvements	850,247	25,000	875,247	-	25,000	-	25,000	\$ 925,247	
Trail Improvements	683,812	-	683,812	3,262,500	-	-	-	3,946,312	\$ 4,871,560
<b>Public Facilities</b>									
Infrastructure Projects	1,975,285	285,000	2,260,285	35,000	35,000	35,000	35,000	\$ 2,400,285	
Equipment Projects	921,291	-	921,291	-	-	-	-	921,291	\$ 3,321,576
<b>TOTALS</b>	<b>\$ 20,255,412</b>	<b>\$ 13,202,501</b>	<b>\$ 33,457,913</b>	<b>\$ 13,545,446</b>	<b>\$ 4,619,907</b>	<b>\$ 3,432,517</b>	<b>\$ 3,522,517</b>		<b>\$ 58,578,300</b>

Total funding for street reconstruction and resurfacing for the next five years is planned at \$17.2 million with approximately \$5.5 million allocated in FY 2020/21 including carryovers. Over the five-year period, the CIP proposes \$33.1 million for various other street-related infrastructure improvements including street maintenance and resurfacing; curb, gutter and sidewalk maintenance; street intersection improvements; retaining wall reconstruction; crosswalk ramps and safety devices; and storm drain improvements.



## Introduction Section

Total funding for parks and trail improvements for the next five years is planned at \$4.8 million with approximately \$1.5 million allocated in FY 2020/21 including carryovers.

Total funding for public facilities infrastructure improvements and equipment projects for the next five years is planned at \$3.2 million with approximately \$3.8 million allocated in FY 2020/21 including carryovers.

Although the Proposed FY 2020/21-2024/25 CIP is a five-year plan, only the first year of the plan is formally adopted with funds appropriated by the Town Council as part of the budget process. Future year projects are funded with designated cash reserves on hand, supplemented by estimated annual revenues for capital funding purposes such as Gas Tax funds and state transportation funds. The scope and funding estimates may change based on the Town's fiscal situation and evolving priorities.

**PROPOSED FY 2020/21 OVERVIEW**

\$33.4 million is being proposed in the first year of the CIP and is comprised of approximately \$20.2 million in carryover funds from FY 2019/20 and approximately \$13.2 million in new funding.

The first year of the five year plan (FY 2020/21) continues funding for the Town Council Strategic Priorities, including basic infrastructure needs. Street maintenance remains high Council priority as the Town is making progress to improve its Pavement Condition Index (PCI), a standard rating of street conditions. The PCI reached a recent high rating of 74 in 2008 due to concentrated investments and is now at the level of 70 (2019 survey data). With the new County and State Transportation Funds, the investment in street maintenance of \$2,962,517 per year will allow the Town's PCI to increase to 72 within the next five years. This investment continues to leave a deferred maintenance backlog in excess of \$10M.

The complete list of the proposed FY 2020/21 carry-forward and proposed projects (categorized by funds and programs) can be found on page A-7. Projects are listed in the Financial Summary section and further described in the project detail pages by category. Below is a summary by category. The total FY 2020/21 CIP is \$33.5 million.

Carry-forward & New FY 2020/21 CIP Projects					
	GFAR	Grant and Awards	Gas Tax	Other *	Total Estimated
Street Projects	\$ 14,349,805	\$ 4,228,718	\$ 1,210,054	\$ 8,928,701	\$ 28,717,278
Park Projects	1,483,841	75,218	-	-	1,559,060
Public Facilities Projects	3,114,576	67,000	-	-	3,181,576
<b>TOTAL OF CARRY-FORWARD &amp; NEW PROJECTS</b>	<b>\$ 18,948,222</b>	<b>\$ 4,370,936</b>	<b>\$ 1,210,054</b>	<b>\$ 8,928,701</b>	<b>\$ 33,457,913</b>

\* Other Funds include Storm Drain Fund, Traffic Mitigation Funds, Utility Underground Funds



Carry-forward & FY 2020/21 CIP Projects						
CARRY-FORWARD PROJECTS		GFAR	Grants and Awards	Gas Tax	Other	Total
Streets	* Street Repair & Resurfacing	\$ 4,307,237	\$ -	\$ 1,210,054	\$ -	\$ 5,517,291
	* Annual Street Restriping	169,772	-	-	-	169,772
	* Traffic Calming Projects	19,250	-	-	-	19,250
	* Curb, Gutter & Sidewalk Maintenance	1,667,395	-	-	-	1,667,395
	* Retaining Wall Repairs	536,486	-	-	-	536,486
	* Quito Road - Bridge Replacement	285,087	-	-	-	285,087
	Guardrail Replacement Projects	92,809	980,100	-	-	1,072,909
	Downtown Parking Lots Seal Coat & Restriping	52,585	-	-	-	52,585
	Hernandez Avenue Storm Drain Improvements	-	-	-	-	-
	* Shannon Road Class 1 Multi-use Path	109,896	940,100	-	70,204	1,120,200
	Sidewalk Improvements - Multiple Locations	60,000	-	-	-	60,000
	Hwy 17 Bicycle & Pedestrian Bridge-Design	-	-	-	-	-
	Pilot School Busing Program	355,056	87,000	-	-	442,056
	* Utility Undergrounding Improvements	-	-	-	6,766,000	6,766,000
	* Traffic Signal Modernization	-	1,769,418	-	978,289	2,747,707
	Bicycle & Pedestrian Improvements	272,095	-	-	33,650	305,745
	* Bicknell Road Storm Drain Improvements	-	-	-	60,258	60,258
	Stormwater Master Plan	180,000	-	-	-	180,000
	* Annual Storm Drain Improvement Prj	-	-	-	420,300	420,300
	Stormwater System - Pollution Prevention Compliance	298,578	-	-	-	298,578
	* Public Art Gateway	25,004	-	-	-	25,004
	Downtown Streetscape Revitalization	1,972,384	-	-	-	1,972,384
	Massol Intersection Improvements	383,167	-	-	-	383,167
	ADA Transition Plan	110,000	-	-	-	110,000
	Highway 17/9 Interchange and Capacity Improvements	-	-	-	600,000	600,000
	Winchester Boulevard Complete Streets (Final Design)	79,948	-	-	-	79,948
Parks	Open Space Trail Upgrades	152,000	-	-	-	152,000
	* Parks Playground Fibar Project	61,540	-	-	-	61,540
	Charter Oaks Trail Repair Project	364,891	75,218	-	-	440,109
	Forbes Mill Footbridge Improvements	61,224	-	-	-	61,224
	Town Plaza Turf Repairs	28,000	-	-	-	28,000
	Creek Trail & Parks Path & Parking Lot Seal & Striping	225,000	-	-	-	225,000
	Outdoor Fitness Equipment	60,000	-	-	-	60,000
	Trailhead Connector	30,479	-	-	-	30,479
	Vegetation Management - Town-wide	500,707	-	-	-	500,707
	Audio/Video System Upgrade	42,552	-	-	-	42,552
Public Facilities	Information System Upgrade	77,026	-	-	-	77,026
	Town-wide Document Imaging Project	16,990	-	-	-	16,990
	* Building Replacement at Corporation Yard	977,613	-	-	-	977,613
	Police Headquarters Roof Repair	2,248	-	-	-	2,248
	Library Carpet Replacement	56,500	-	-	-	56,500
	Engineering Document Archiving	11,716	-	-	-	11,716
	Facilities Assessment	80,000	-	-	-	80,000
	* Town Beautification	16,924	-	-	-	16,924
	Silicon Valley Regional Interoperability Project (SVRIP) Service	62,967	-	-	-	62,967
	IT Disaster Recovery Improvements	169,845	-	-	-	169,845
	EOC Communications Upgrade	29,382	-	-	-	29,382
	ADA Upgrade Public Restrooms - Adult Recreation Bldg.	183,000	67,000	-	-	250,000
	Fire Suppression (Halon) for Server Rooms	200,000	-	-	-	200,000
	Plaza Level Railings - Code Upgrade	30,000	-	-	-	30,000
	Waterproofing Town-wide	75,000	-	-	-	75,000
	ADA Restrooms and HR Offices	450,000	-	-	-	450,000
	Sound Mitigation in Library Lobby	22,000	-	-	-	22,000
	Computer-Aided Dispatch and Records Management System	510,814	-	-	-	510,814
TOTAL OF CARRY-FORWARD PROJECTS (INCLUDES NEW ALLOCATIONS)		\$ 15,475,167	\$ 3,918,836	\$ 1,210,054	\$ 8,928,701	\$ 29,532,758
* These carry-forward projects include new money for FY 2019/20 in the amount of \$20,255,412.						
NEW PROJECTS						
Streets	Roadside Fire Fuel Reduction	\$ 250,000	\$ -	\$ -	\$ -	\$ 250,000
	Parking Lot 4 Repair/Waterproofing	250,000	-	-	-	250,000
	Shannon Road Repair	1,500,000	-	-	-	1,500,000
	Blossom Hill Road Traffic Study	125,000	-	-	-	125,000
	E. Main St. Speed Table/Raised Crosswalk	83,000	86,200	-	-	169,200
	Local Road Safety Plan	28,000	72,000	-	-	100,000
	Winchester Class IV Bikeway	688,555	293,900	-	-	982,455
	VMT Mitigation Program	250,000	-	-	-	250,000
	Parking Program Implementation	198,500	-	-	-	198,500
	Adult Recreation - Floor Repair	100,000	-	-	-	100,000
TOTAL OF NEW PROJECTS		\$ 3,473,055	\$ 452,100	\$ -	\$ -	\$ 3,925,155
TOTAL OF CARRY-FORWARD & NEW PROJECTS		\$ 18,948,222	\$ 4,370,936	\$ 1,210,054	\$ 8,928,701	\$ 33,457,913



## Introduction Section

## FY 2019/20

## COMPLETED, CONSOLIDATED, OR WITHDRAWN PROJECTS

Several projects are expected to be completed by the end of FY 2019/20. The table below outlines the projects, funding sources, and total expenses of the completed projects, which is estimated to be \$0.6 million. More details about the completed projects can be found beginning on page A-9.

Projects Completed or Withdrawn in FY 2019/20								
		GFAR		Grant & Awards		Traffic Mitigation	Other *	Total Estimated
<b>Street Program</b>								
Cut-Through Traffic/Wood Road Roundabout	<i>Not Proceeding</i>	\$ 222,284		\$ -		\$ 211,772	\$ -	\$ 434,056
Downtown Parking Study	<i>Completed</i>	158,892		-		-	-	158,892
One-Way Downtown Street Pilot	<i>Completed</i>	216,368		-		-	-	216,368
224 W. Main Street Property Acquisition (Parking Lot 6)	<i>Withdrawn</i>	7,813		-		-	-	7,813
Almond Grove Street Rehabilitation	<i>Completed</i>	12,328,275		-		-	-	12,328,275
<b>Park Program</b>								
Fence Replacement - Shire Court	<i>Completed</i>	996		-		-	-	996
<b>Public Facilities Program</b>								
Neighborhood Emergency Preparedness (CERT)	<i>Completed</i>	49,928		-		-	-	49,928
Energy Efficiency Upgrade - Town-wide	<i>Completed</i>	1,699,247		-		-	-	1,699,247
<b>TOTAL OF COMPLETED PROJECTS</b>		<b>\$ 14,683,803</b>		<b>\$ -</b>		<b>\$ 211,772</b>	<b>\$ -</b>	<b>\$ 14,895,575</b>

\* Other Funds include Storm Drain Fund, Gas Tax Funds, Utility Underground Funds

## CONCLUSION

The challenge of finding a reliable ongoing revenue stream available for capital projects continues to be a Town priority. Recognizing the realities of funding challenges and uncertain local economic trends, the Town's FY 2020/21 – 2024/25 Capital Improvement Plan continues a strategy of funding the Town's most urgent capital needs.

I wish to thank all of the Departments, in particular Department Directors and members of their management and support staff, for their many hours of work and tireless efforts to present this Capital Improvement Program to the Town Council, as well as the following staff members:

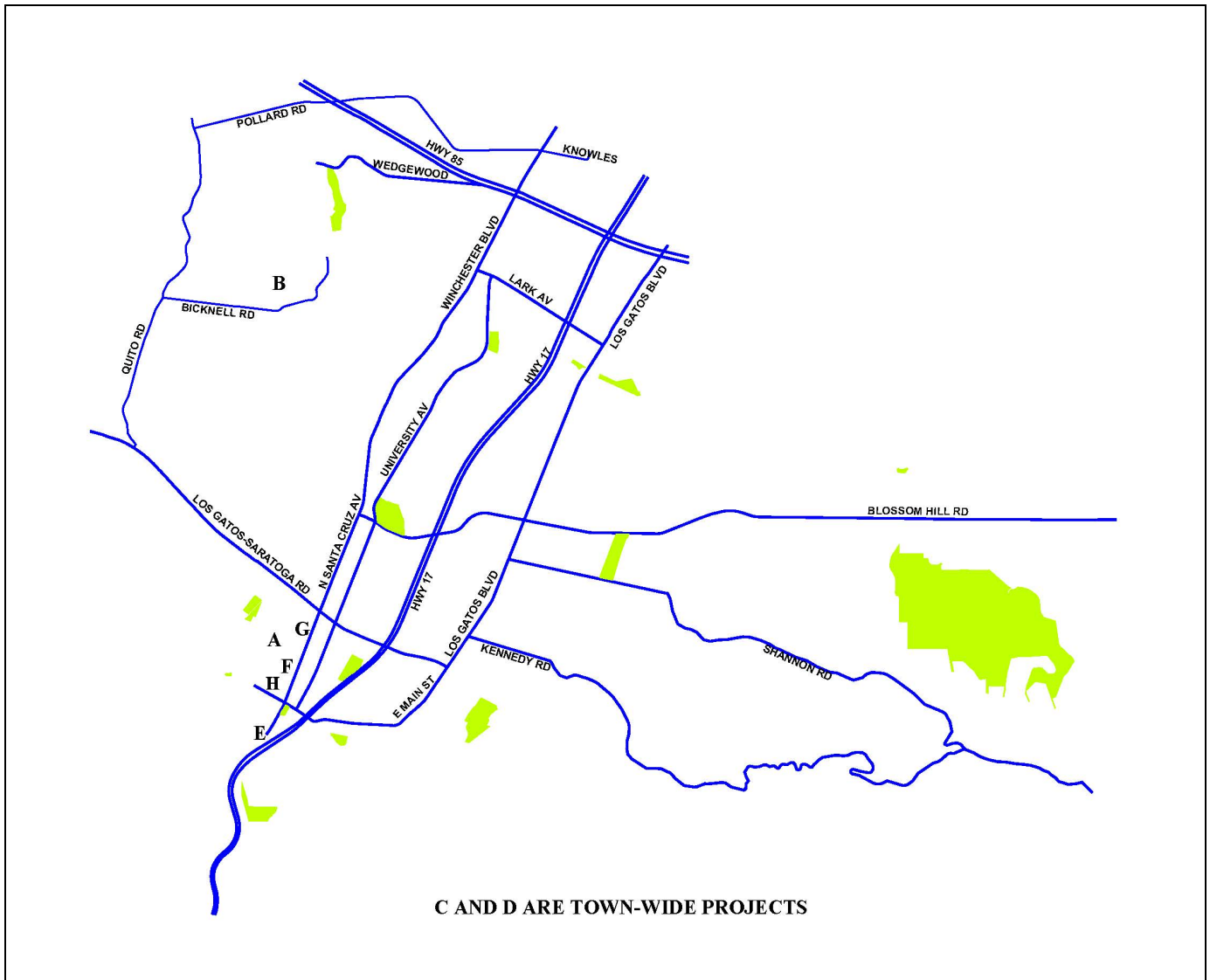
Stephen Conway, Finance Director  
 Gitta Ungvari, Finance and Budget Manager  
 Matt Morley, Parks and Public Works Director  
 Lisa Petersen, Assistant Parks and Public Works Director/Town Engineer  
 Mark Gaeta, Accountant  
 Maurice de Castro, Accountant  
 Bobby Gonzalez, Senior Administrative Analyst  
 Melissa Ynegas, Administrative Analyst  
 Dorrie Romeo, Administrative Technician  
 Kinjal Buch, Senior Engineering Technician

Respectfully submitted,



Laurel Prevetti  
 Town Manager





A	Almond Grove Rehabilitation	E	Cut-Through Traffic/Wood Road Roundabout – Not Proceeding
B	Fence Replacement – Shire Court	F	Downtown Parking Study
C	Energy Efficiency Upgrade – Town-wide	G	One-Way Downtown Street Pilot
D	Neighborhood Emergency Preparedness – Town-wide	H	224 West Main Property Acquisition (Parking Lot 6) – Withdrawn





A Almond Grove Street Rehabilitation Project

#### Almond Grove Street Rehabilitation Project

This project rehabilitated ten streets, providing safe and functional streets and sidewalks. Given the magnitude of this project, the street rehabilitations were phased over several years to minimize construction impacts to the community. Phase 1 completed two streets in 2017 and Phase 2 completed eight streets over three years with construction completion in early 2020.

The total project cost was approximately \$13,000,000.



B Fence Replacement – Shire Court

#### Fence Replacement – Shire Court

This project replaced the existing 2x4 wood fence on Shire Court due to rotting. It is an essential safety barrier as it sits above a retaining wall and borders open space.

The total project cost was approximately \$55,000.



C Energy Efficiency Upgrade – Town-wide

#### Energy Efficiency Upgrade – Town-wide

This project completed various improvements in Town-owned facilities, which improves energy efficiency and provides cost savings over the long term. Many of the previous fixtures and equipment throughout Town-owned facilities were outdated. While these items were functional, they were not the most energy efficient option. The budget for this project included the energy audit that was completed in FY 18/19 and the installation of energy-saving devices in Town facilities. This project also absorbed past capital projects, including HVAC Chiller Repair (2115), Mechanic Bay Heater (2307), Youth Recreation Center HVAC Replacement (2205), Civic Center Building Energy Efficiency Measures (2110), and Civic Center Exterior Light Replacement (2112).

The total project cost was approximately \$1,664,000.





D Neighborhood Emergency Preparedness

### Neighborhood Emergency Preparedness

This project added new Neighborhood Incident Command Posts (NICPs) and enhanced existing Posts throughout the Town's Community Emergency Response Team (CERT) neighborhoods. The NICPs were upgraded with critical medical, safety, communication and other necessary equipment for use in the event of an emergency.

The total project cost was approximately \$50,000.



E Cut-Through Traffic/Wood Road Roundabout

### Cut-Through Traffic/Wood Road Roundabout

This project implemented various measures such as the deployment of portable message signs, messages on Caltrans changeable message signs, signal modifications, and temporary street closures to reduce cut-through traffic among other measures.

Staff explored advancing the design of a permanent traffic circle at Santa Cruz Avenue at Wood Road, but it was ultimately decided to not proceed with this project.

The total project cost was approximately \$970,000.



F Downtown Parking Study

### Downtown Parking Study

This project funded a consultant to examine parking holistically in the downtown and high school areas.

The project scope included analyzing existing parking capacity, providing a recommendation for residential parking around Los Gatos High School, providing recommendations for parking management for time limited parking, analyzing paid parking, and more. The findings will be implemented in the new Parking Program Implementation project.

The total project cost was approximately \$110,000.





G One-Way Downtown Street Pilot

#### One-Way Downtown Street Pilot

This project funded the implementation of a one-way streets pilot for North Santa Cruz and University Avenue between Highway 9 and Main Street.

The total project cost was approximately \$233,000.



H 224 West Main Property Acquisition

#### 224 West Main Property Acquisition (Parking Lot 6)

In 2009, the Town purchased a property next to Parking Lot 6 to expand the existing parking lot. This property was purchased by Town Housing/Redevelopment Agency (RDA) funds. Because the State dissolved redevelopment agencies, it is necessary that the Town use an alternative funding source for this purchase if affordable housing is not constructed at this site. This acquisition is withdrawn and reserve funds in the amount of \$1,460,210.00 for GFAR are available for future consideration.



## BUDGET PROCESS OVERVIEW

The Town of Los Gatos adopts an annual Operating and Capital Budget and an annual budget update of the five year Capital Improvement Program (CIP) for the Town of Los Gatos. The budgets contain summary level information for revenue and expenditure appropriations for the fiscal year beginning July 1st and ending June 30th. The budget documents are prepared in accordance with generally accepted accounting principles (GAAP).

### ***Budget Purpose***

The Operating and Capital Summary Budget and the Capital Improvement Program serve as the Town's financial plan, as well as a policy document, a communications tool, and an operations guide. Developed with an emphasis on long range planning, service delivery, and program management, a fundamental purpose of these documents is to provide a linkage between the services and projects the Town intends to accomplish, and the resources committed to get the work done.

The format of the budget facilitates this linkage by clearly identifying the program purpose, key projects, and work plan goals in relation to revenue and expenditures appropriations.

### ***CIP Purpose***

In particular, the CIP is designed to identify projects and funds required to adequately develop and maintain the Town's infrastructure, which is consistent with the Town Council strategic goal of maintaining the condition and availability of public facilities. The following plans provide additional guidance in developing priorities for capital improvement projects:

- General Plan
- Street Improvement Program
- Bicycle and Pedestrian Master Plan

In addition, project prioritization criteria such as health and safety issues, infrastructure or system condition, short term versus long term impacts, and availability of external funding sources are assessed as part of the process that staff uses to rank projects from high to low in preparing the proposed CIP. As it develops and matures in its application, the Town's Infrastructure Assessment Program will further support the Town's long-range Capital Improvement Program, focusing attention on the current and future infrastructure needs of the community and balancing the community's needs with funding requirements and financial resources. Other technology tools used in CIP development include the use of the geographic information system, the traffic monitoring system, electronic files for tracking unfunded projects and replacement schedules, and an asset management program to track work requests.

The Town's capital projects are categorized as follows:

*The Streets Program* provides funding for maintaining a functional street and pedestrian system. Proposed projects are consistent with the General Plan, provide for a safe and efficient traffic flow through intersections while minimizing unnecessary traffic movement and noise through residential neighborhoods, and provide street lighting for traffic safety at intersections and on public streets. Also included are sidewalk and bicycle lane improvements.

*The Public Facilities Program* includes projects for constructing and repairing public buildings and purchasing equipment. Town buildings include the Civic Center, the Library, Adult Recreation Center, Tait



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**Introduction Section**

Avenue and Forbes Mill properties, and other assets. Although the Town owns the three fire stations within Town limits, the Santa Clara County Fire District maintains them under contract.

*The Parks Program* includes projects for parks, park buildings, urban forestry, trails, and urban beautification.

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***Basis of Budgeting and Accounting***

Developed on a program basis with fund level authority, the Operating and Capital Budgets represent services and functions provided by the Town in alignment with the resources allocated during the fiscal year.

The Town's Governmental Funds consist of the General Fund, Special Revenue Funds, Debt Service Funds, and Capital Project Funds for both the Town and the Successor Agency of the Town of Los Gatos Redevelopment Agency (RDA). RDA debt is continuing to be paid for the Certificate of Participation (COPs) used to finance the Library. Basis of Accounting and Budget refers to the timing factor concept in recognizing transactions. This basis is a key component of the overall financial system because the budget determines the accounting system. For example, if the budget anticipates revenues on a cash basis, the accounting system must record only cash revenues as receipts. If the budget uses an accrual basis, accounting must do likewise. The Town's budgeting and accounting systems both use a combination of modified accrual and full accrual basis in the accounting and budget systems.

Governmental Fund and Successor Agency Fund budgets are developed using the modified accrual basis of accounting. Under this basis, revenues are estimated for the period if they are susceptible to accrual, e.g. amounts can be determined and will be collected within the current period. Principal and interest on general long-term debt are budgeted as expenditures when due, whereas other expenditures are budgeted for liabilities expected to be incurred during the current period.

Proprietary Fund budgets are adopted using the full accrual basis of accounting whereby revenue budget projections are developed recognizing revenues expected to be earned during the period, and expenditures are developed for expenses anticipated to be incurred in the fiscal year. The Town maintains one type of proprietary fund: Internal Service Funds.

The Town's Fiduciary Funds are also budgeted under the modified accrual basis. The Town administers five trust funds. Trust funds are subject to trust agreement guidelines.

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***Summary of Budget Development***

The Town develops its budgets with a team-based approach. Town Management and the Finance Department guide the process through budget development; however, program budgets and workplans are developed with each Department's Director, Analyst, and Program Manager's oversight and expertise. This approach allows for hands-on planning and creates a clearer understanding for both management and staff of a program's goals and functions to be accomplished in the next budget year.

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***The Development Process***

Typically, both the Operating and Capital Budget and Capital Improvement Program processes begin early in the calendar year with the Town Council and Town Manager's collaborative development and refinement of initiatives and directives for the upcoming budget year as reflected in the Council adopted strategic priorities.



**Introduction Section**

In January, the budget preparation process begins officially for staff with a budget kickoff meeting. Budget assumptions, directives, and initiatives developed by Town Council and management are provided to set the Town's overall objectives and goals. Department staff identifies and analyzes program revenue and expenditure projections in coordination with Finance/Budget staff and Town Management. Town staff also consults with Town Commissions for their input on specific investments. Capital improvement projects are assessed and refined, and CIP funding and appropriation requirements are finalized.

Through rounds of budget briefings and revisions, final proposed program budget and work plans are developed by the end of April. Operational and capital workplans are finalized and the Finance/Budget staff prepares financial summary information. Per the Town Code, the Town Manager submits the entire proposed budget package to the Town Council for its consideration, including Departmental budgets and work plans.

***CIP Development Process***

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The long term Capital Improvement Program includes projects that have a value of \$25,000 or more with a minimum useful life of 5 years at a fixed location. Equipment, operating, and maintenance costs associated with the CIP projects are identified where feasible, and will be included in future operating budgets. Cost estimates for new projects are based on 2017 dollars; however, engineering estimates for carryover projects from the prior year are updated to reflect current industry costs.

Under direction from the Town Manager's Office, the Parks and Public Works Department took the lead in the preparation of the proposed projects for consideration in the FY 2020/21 – 2024/25 Capital Improvement Program. In coordination with other Town Departments, projects were reviewed to ensure that the Town's priorities are addressed within available resources. In some cases, previously approved projects have been deferred due to reallocation of funding to other priorities and thus have been noted as unfunded projects in each program section of the CIP.

The Town Manager's Office reviews the prioritized list of proposed capital improvement projects and funding sources in conjunction with the preparation of the FY 2018/19 Operating Budget. The Proposed CIP is then presented by the Town Manager to the Town Council. The Proposed CIP is also submitted to the Planning Commission for review to ensure that the proposed projects are consistent with the Town's General Plan as required by State law (Government Code Section 65401). The Planning Commission will review the CIP to make sure it consistent with the General Plan on May 13, 2020.

The CIP is reviewed during this time to determine funding capabilities and project priorities, and to refine project work plans. Although the CIP budget document is prepared separately from the Operating and Capital Budget, CIP program information is incorporated into the Operating and Capital Summary Budget document through the resulting financial appropriations and service level requirements.

***Budget Adoption***

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During the month of May, the Town Council reviews the proposed Operating and Capital Summary Budget, and the Capital Improvement Program for the five-year period at a public hearing. Notice of the hearing is published in a local newspaper at least ten days prior to the Council's public hearing date. The public is invited to participate and copies of the proposed budgets are available for review in the Clerk Department, on the Town website, and at the budget hearing.

Final Council-directed revisions to the proposed budget are made and the budget documents are resubmitted to the Town Council for final adoption consistent with Los Gatos Town Code Section



**Introduction Section**

2.30.295(b), which requires the Town Manager to annually prepare and submit a budget to the Town Council. This is accomplished in June at a noticed public hearing.

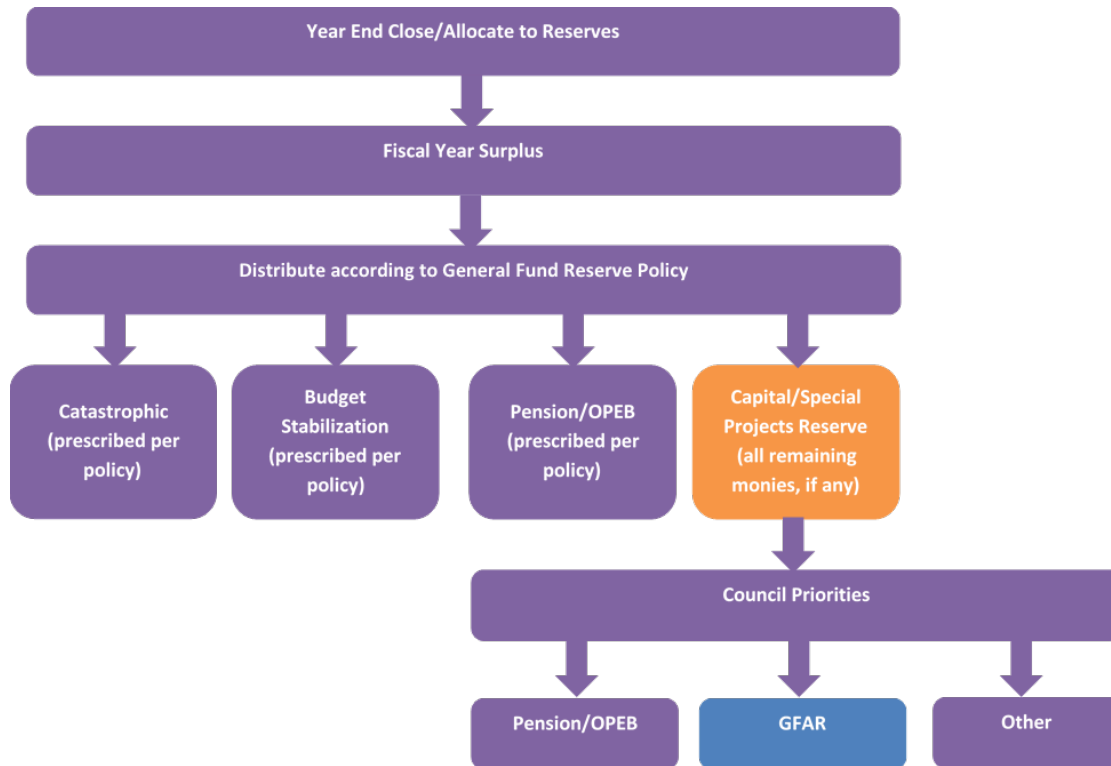
***Budget Amendments***

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During the course of the fiscal year, workplan changes and unanticipated needs necessitate adjustments to the adopted budgets. The Town Manager is authorized to transfer appropriations between categories, departments, projects, and programs within a fund in the adopted budget, whereas the Town Council holds the authority for budget increases and decreases, and transfers between funds that may be approved at any Town Council meeting.

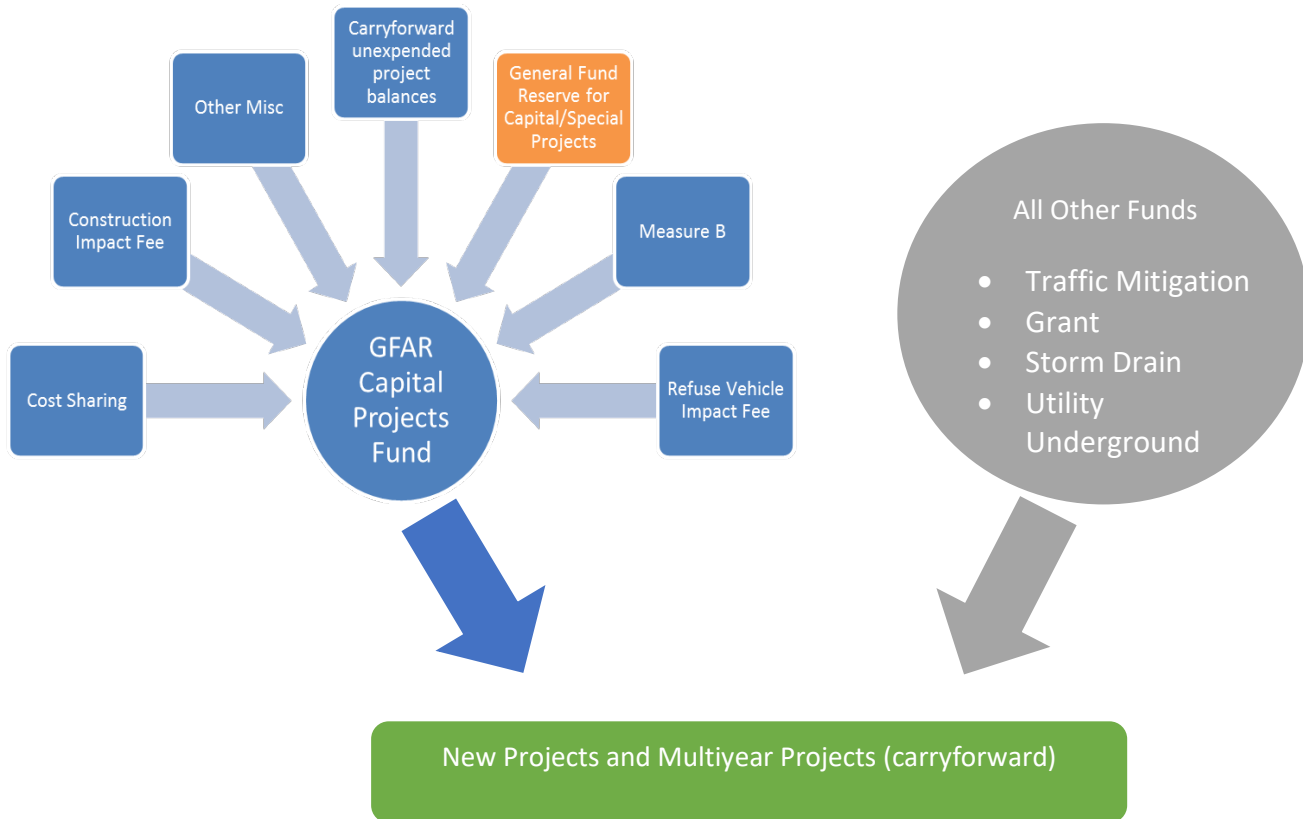


# FISCAL YEAR SURPLUS FLOW OF FUNDS





# CAPITAL IMPROVEMENT PROGRAM





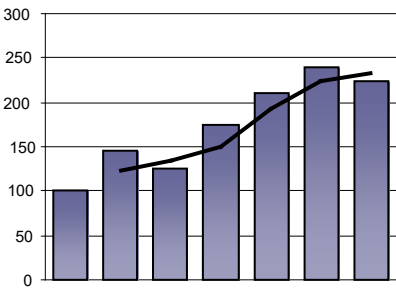


## *Financial Summaries*



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FINANCIAL SUMMARIES

PROGRAM SUMMARIES

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FUND SUMMARIES

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Traffic Mitigation Fund ..... B – 12

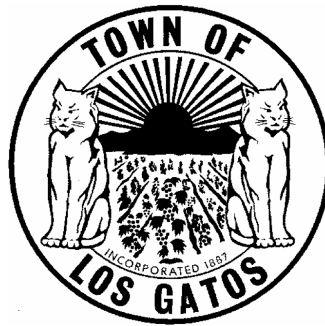
Grants and Awards Project Fund ..... B – 14

Storm Basin Funds..... B – 16

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Gas Tax Fund ..... B – 20



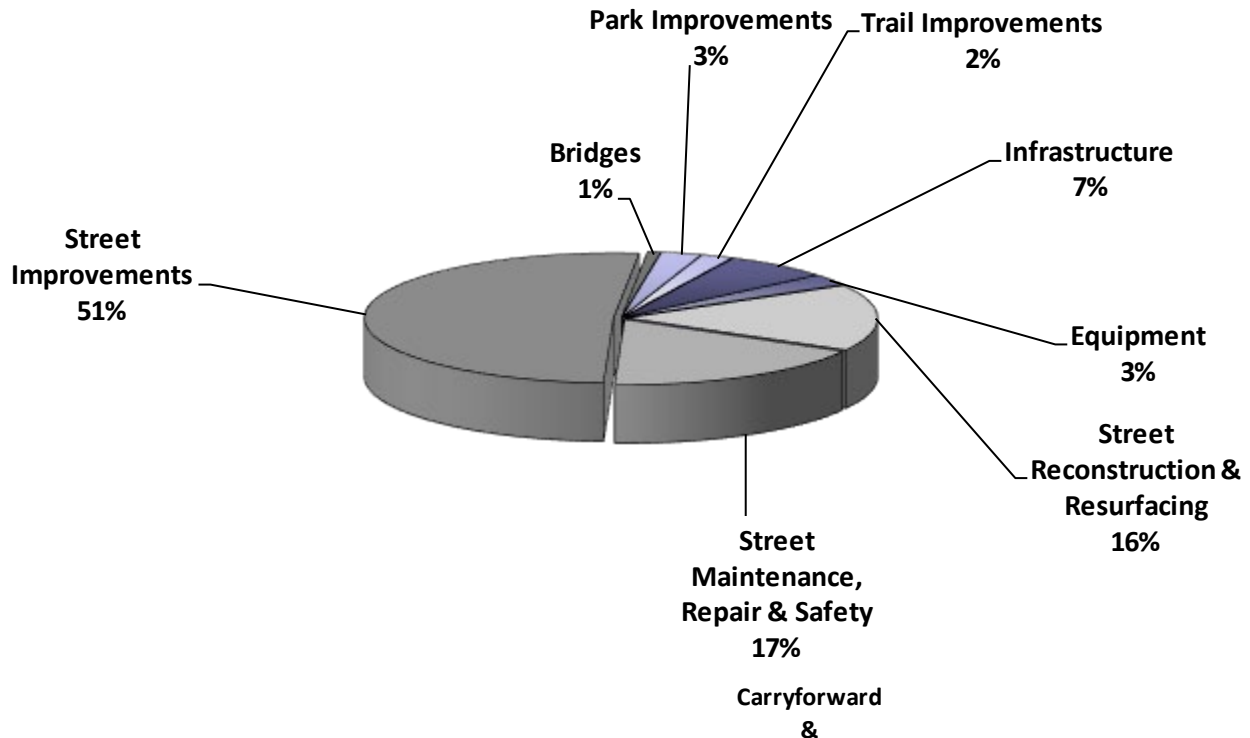




**FINANCIAL SUMMARIES  
BY PROGRAM**



**FY 2020/21**  
**BUDGET BY PROGRAM CATEGORY**  
(Includes Carryforward and FY 2020/21 Budget)



Budget by Program Category	FY 2020/21	Category %
<b>Streets Program</b>		
Street Reconstruction	\$ 5,517,291	16%
Maintenance, Repair & Safety Projects	5,848,980	17%
Street Improvements	17,065,919	51%
Bridges	285,087	1%
<b>Streets Program</b>	<b>\$ 28,717,278</b>	<b>86%</b>
<b>Parks and Trails Program</b>		
Park Improvements	\$ 875,247	3%
Trail Improvements	683,812	2%
<b>Parks Program</b>	<b>\$ 1,559,060</b>	<b>5%</b>
<b>Public Facilities Program</b>		
Infrastructure	\$ 2,260,285	7%
Equipment	921,291	3%
<b>Public Facilities</b>	<b>\$ 3,181,576</b>	<b>10%</b>
<b>TOTAL PROJECT FUNDING</b>	<b>\$ 33,457,913</b>	<b>100%</b>



Financial Summaries

STREETS PROGRAM SUMMARY									
	Expended Through 2018/19	2019/20 Estimated Actuals	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Street Reconstruction &amp; Resurfacing</i>									
9901 Street Repair & Resurfacing	\$ 16,008,551	\$ 2,302,980	\$ 3,305,576	\$ 2,211,715	\$ 2,836,393	\$ 2,962,517	\$ 2,962,517	\$ 2,962,517	\$ 35,552,766
<i>Street Maintenance, Repair &amp; Safety</i>									
9910 Traffic Calming Projects	195,301	20,449	9,250	10,000	10,000	10,000	10,000	10,000	275,000
9921 Curb, Gutter & Sidewalk Maintenance	2,856,864	6,539	1,367,395	300,000	300,000	300,000	300,000	300,000	5,730,798
9930 Retaining Wall Repairs	1,422,178	4,113	436,486	100,000	100,000	100,000	100,000	100,000	2,362,777
9902 Annual Street Restriping	180,228	-	144,772	25,000	25,000	25,000	25,000	25,000	450,000
0120 Guardrail Replacement Projects	136,986	205	1,072,909	-	-	-	-	-	1,210,100
0236 Massol Intersection Improvements	31,250	35,583	383,167	-	-	-	-	-	450,000
0008 Shannon Road Repair	-	-	-	1,500,000	-	-	-	-	1,500,000
0130 Roadside Fire Fuel Reduction	-	-	-	250,000	-	-	-	-	250,000
0708 Parking Lot 4 Repair/Waterproofing	-	-	-	250,000	-	-	-	-	250,000
<i>Street Improvements</i>									
0705 Downtown Parking Lots Seal Coat & Restriping	24,915	22,500	52,585	-	-	-	-	-	100,000
0409 Hernandez Avenue Storm Drain Improvements	17,180	-	-	-	-	-	-	65,000	82,180
0218 Shannon Road Class 1 Multi-use Path	104	69,000	180,100	940,100	-	-	-	-	1,189,304
0221 Sidewalk Improvements - Multiple Locations	-	-	60,000	-	-	-	-	-	60,000
0225 Utility Undergrounding Improvements	-	-	2,330,000	4,436,000	-	-	-	-	6,766,000
0227 Traffic Signal Modernization	63,975	118,007	2,332,680	415,027	-	-	-	-	2,929,689
0410 Bicknall Avenue Storm Drain Improvements	145,432	15,500	35,258	25,000	-	-	-	-	221,190
0231 Bicycle & Pedestrian Improvements	249,293	291,489	305,745	-	-	-	-	-	846,527
0413 Stormwater Master Plan	3,060	16,940	180,000	-	-	-	-	-	200,000
2009 Public Art Gateway	-	4,500	20,500	4,504	-	-	-	-	29,504
0414 Stormwater System - Pollution Prevention Compliance	1,422	-	298,578	-	-	-	-	-	300,000
0420 Annual Storm Drain Improvements	29,700	-	270,300	150,000	-	-	-	-	450,000
0128 Pilot School Busing Program	148,683	224,035	42,056	400,000	87,000	-	-	-	901,774
0129 ADA Transition Plan	-	-	110,000	-	-	-	-	-	110,000
0237 Highway 17/9 Interchange and Capacity Improvements	-	-	600,000	-	-	-	-	-	600,000
0235 Downtown Streetscape Revitalization	-	-	1,972,384	-	-	-	-	-	1,972,384
0238 Winchester Boulevard Completer Streets (Final Design)	-	200,053	79,948	-	1,459,250	-	-	-	1,739,250
0131 E. Main St. Speed Table/Raised Crosswalk	-	-	-	169,200	-	-	-	-	169,200
0132 Local Road Safety Plan	-	-	-	100,000	-	-	-	-	100,000
0239 Blossom Hill Road Traffic Study	-	-	-	125,000	-	-	-	-	125,000
0240 Winchester Class IV Bikeway	-	-	-	982,455	-	-	-	-	982,455
0133 VMT Mitigation Program	-	-	-	250,000	-	-	-	-	250,000
0241 Kennedy Sidewalk - LGB to Englewood	-	-	-	-	-	1,162,390	-	-	1,162,390
0242 Parking Program Implementation	-	-	-	198,500	-	-	-	-	198,500
<i>Bridges</i>									
0801 Quito Road - Bridge Replacement	64,594	-	235,087	50,000	-	-	-	-	349,681
0803 Hwy 17 Bicycle & Pedestrian Bridge-Design	-	234,000	-	-	5,430,303	-	-	-	5,664,303
<b>Total Streets Projects</b>	<b>\$ 21,579,715</b>	<b>\$ 3,565,894</b>	<b>\$ 15,824,777</b>	<b>\$ 12,892,501</b>	<b>\$ 10,247,946</b>	<b>\$ 4,559,907</b>	<b>\$ 3,397,517</b>	<b>\$ 3,462,517</b>	<b>\$ 75,530,773</b>

PARKS AND TRAILS PROGRAM SUMMARY									
	Expended Through 2018/19	2019/20 Estimated Actuals	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Park Improvements</i>									
4605 Parks Playground Fibar Project	\$ 63,460	\$ -	\$ 36,540	\$ 25,000	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 175,000
4609 Creek Trail & Parks Path & Parking Lot Seal & Striping	-	-	225,000	-	-	-	-	-	225,000
4202 Town Plaza Turf Repairs	8,116	-	28,000	-	-	-	-	-	36,116
4006 Outdoor Fitness Equipment	-	-	60,000	-	-	-	-	-	60,000
4508 Vegetation Management - Town-wide	-	-	500,707	-	-	-	-	-	500,707
<i>Trail Improvements</i>									
4504 Open Space Trail Upgrades	-	-	152,000	-	-	-	-	-	152,000
4503 Charter Oaks Trail Repair Project	72,942	-	440,109	-	-	-	-	-	513,051
4507 Forbes Mill Footbridge Improvements	27,397	3,207	61,224	-	-	-	-	-	91,828
4505 Trailhead Connector	214	486,747	30,479	-	3,262,500	-	-	-	3,779,940
<b>Total Parks Projects</b>	<b>\$ 172,128</b>	<b>\$ 489,954</b>	<b>\$ 1,534,060</b>	<b>\$ 25,000</b>	<b>\$ 3,262,500</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 5,533,641</b>



Financial Summaries

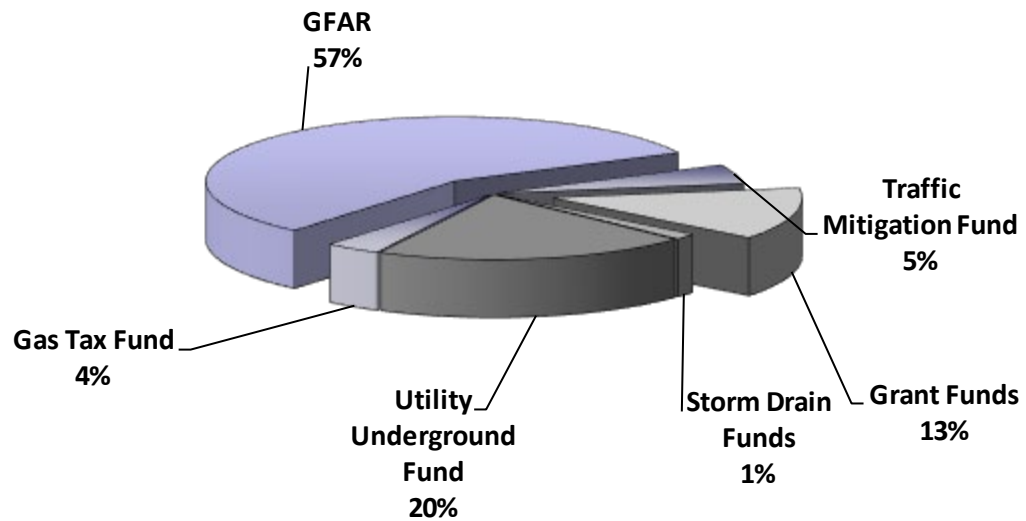
PUBLIC FACILITIES PROGRAM									
	Expended Through 2018/19	2019/20 Estimated Actuals	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Infrastructure</i>									
2302 Building Replacement at Corporation Yard	75,942	112,245	952,613	25,000	25,000	25,000	25,000	25,000	1,265,800
2001 Facilities Assessment	24,142	-	80,000	-	-	-	-	-	104,142
2503 Library Carpet Replacement	-	-	56,500	-	-	-	-	-	56,500
2002 Town Beautification	94,240	8,462	6,924	10,000	10,000	10,000	10,000	10,000	159,625
2117 ADA Restrooms and HR Offices	-	-	300,000	150,000	-	-	-	-	450,000
2116 Plaza Level Railings - Code Upgrade	-	-	30,000	-	-	-	-	-	30,000
2010 Waterproofing Town-wide	-	-	75,000	-	-	-	-	-	75,000
2504 Sound Mitigation in Library Lobby	-	-	22,000	-	-	-	-	-	22,000
6004 Fire Suppression (Halon) for Server Rooms	-	-	200,000	-	-	-	-	-	200,000
2601 ADA Upgrade Public Restrooms - Adult Recreation Bldg.	51,882	-	250,000	-	-	-	-	-	301,882
2118 Police Headquarters Roof Repair	-	47,752	2,248	-	-	-	-	-	50,000
2206 Adult Recreation - Floor Repair	-	-	-	100,000	-	-	-	-	100,000
<i>Equipment</i>									
6101 Information System Upgrade	188,975	103,553	77,026	-	-	-	-	-	369,554
6001 Audio/Video System Upgrade	68,048	-	42,552	-	-	-	-	-	110,600
6003 Town-wide Document Imaging Project	198,011	-	16,990	-	-	-	-	-	215,000
2305 Engineering Document Archiving	8,284	40,000	11,716	-	-	-	-	-	60,000
6305 Silicon Valley Regional Interoperability Project (SVRIP) Service	395,176	486	62,967	-	-	-	-	-	458,628
6103 EOC Communications Upgrade	19,618	1,000	29,382	-	-	-	-	-	50,000
6104 IT Disaster Recovery Improvements	7,942	22,213	169,845	-	-	-	-	-	200,000
6301 Computer-Aided Dispatch and Records Management System	10,290	14,186	510,814	-	-	-	-	-	535,290
<b>Total Facilities Projects</b>	<b>\$ 1,142,549</b>	<b>\$ 349,897</b>	<b>\$ 2,896,576</b>	<b>\$ 285,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 4,814,022</b>
<b>Total Streets, Parks and Trails, and Public Facilities Projects</b>	<b>\$ 22,894,392</b>	<b>\$ 4,405,745</b>	<b>\$ 20,255,412</b>	<b>\$ 13,202,501</b>	<b>\$ 13,545,446</b>	<b>\$ 4,619,907</b>	<b>\$ 3,432,517</b>	<b>\$ 3,522,517</b>	<b>\$ 85,878,436</b>



**FINANCIAL SUMMARIES  
BY FUND**



**FY 2020/21  
PROJECT SUMMARY BY FUND**  
(Includes Carryforward and FY 2020/21 Budget)



<b>Budget by Fund</b>	<b>Carryforward &amp; FY 2020/21</b>	<b>Fund %</b>
GFAR	\$ 18,948,222	57%
Traffic Mitigation Fund	1,611,939	5%
Grant Funds	4,370,936	13%
Storm Drain Funds	480,558	1%
Utility Underground Fund	6,836,204	20%
Gas Tax Fund	1,210,054	4%
<b>Total Budget by Fund</b>	<b>\$ 33,457,913</b>	<b>100.0%</b>



**Source and Use Summary Schedule**  
**All Capital Improvement Program Funds**

SOURCE of FUNDS	Adjusted Budget FY 2019/20	Estimated FY 2019/20	Carryfwd & FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
<b>Beginning Fund Balance</b>							
411 GFAR	\$ 4,295,606	\$ 8,518,983	\$13,417,762	\$ 2,789,898	\$ 1,130,822	\$ 499,506	\$ 249,890
411 Reserved for Parking	1,460,210	-	2,920,420	1,460,210	1,460,210	1,460,210	1,460,210
411 Reserved for Comcast PEG	50,000	-	100,000	50,000	50,000	50,000	50,000
411 Reserved for Almond Grove	2,579,997	-	-	-	-	-	-
411 VTA Vehicle Registration Fees	133,169	-	-	-	-	-	-
471 Traffic Mitigation	304,648	304,648	304,648	304,648	304,648	304,648	304,648
421 Grant Fund	124,615	124,615	(415,876)	(210,038)	(297,038)	(297,038)	(297,038)
461 Storm Basin #1	932,416	932,416	993,373	892,843	943,203	994,741	1,047,465
462 Storm Basin #2	1,800,548	1,800,548	1,820,150	1,749,278	1,803,928	1,859,766	1,916,821
463 Storm Basin #3	(104,407)	(104,407)	(119,883)	(297,465)	(296,405)	(295,284)	(294,111)
472 Underground Utilities	3,079,685	3,079,685	3,062,696	110,019	140,569	171,269	202,129
481 Gas Tax	853,821	853,821	311,158	228,422	282,586	336,750	390,914
<b>Total Beginning Fund Balance</b>	<b>\$ 15,510,308</b>	<b>\$15,510,308</b>	<b>\$22,394,449</b>	<b>\$ 7,077,815</b>	<b>\$ 5,522,523</b>	<b>\$ 5,084,568</b>	<b>\$ 5,030,928</b>
<b>Revenues</b>							
411 GFAR	\$ 13,177,383	\$11,285,571	\$ 7,227,765	\$ 2,264,339	\$ 2,390,463	\$ 2,390,463	\$ 2,390,463
471 Traffic Mitigation	2,246,440	293,234	1,621,939	10,000	10,000	10,000	10,000
421 Grant Fund	3,211,080	74,006	4,576,774	8,742,593	805,690	-	-
461 Storm Basin #1	49,150	60,957	49,470	50,360	51,538	52,724	53,949
462 Storm Basin #2	53,770	19,602	79,128	54,650	55,838	57,054	58,289
463 Storm Basin #3	1,620	24	2,976	1,060	1,121	1,173	1,236
472 Underground Utilities	52,490	32,011	3,883,527	30,550	30,700	30,860	31,010
481 Gas Tax	1,364,620	1,364,620	1,233,317	1,370,218	1,370,218	1,370,218	1,370,218
<b>Total Revenues</b>	<b>\$ 20,156,552</b>	<b>\$13,130,025</b>	<b>\$18,674,895</b>	<b>\$12,523,770</b>	<b>\$ 4,715,568</b>	<b>\$ 3,912,493</b>	<b>\$ 3,915,166</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 35,666,861</b>	<b>\$28,640,334</b>	<b>\$41,069,344</b>	<b>\$19,601,585</b>	<b>\$10,238,091</b>	<b>\$ 8,997,061</b>	<b>\$ 8,946,094</b>
USE of FUNDS	Adjusted Budget FY 2019/20	Estimated FY 2019/20	Carryfwd & FY 2020/21	FY 2021/22	FY 2022/23	FY 2023/24	FY 2024/25
<b>Capital Program Expenditures</b>							
411 GFAR	\$ 19,744,392	\$ 2,948,755	\$18,948,222	\$ 3,505,799	\$ 2,604,163	\$ 2,222,463	\$ 2,247,463
471 Traffic Mitigation	2,228,282	283,234	1,611,939	-	-	-	-
421 Grant Fund	3,472,206	614,496	4,370,936	8,829,593	805,690	-	-
461 Storm Basin #1	100,000	-	150,000	-	-	-	-
462 Storm Basin #2	100,000	-	150,000	-	-	-	-
463 Storm Basin #3	121,058	15,500	180,558	-	-	-	65,000
472 Underground Utilities	2,449,204	49,000	6,836,204	-	-	-	-
481 Gas Tax	1,801,282	1,801,282	1,210,054	1,210,054	1,210,054	1,210,054	1,210,054
<b>Total Capital Program Expenditures</b>	<b>\$ 30,016,424</b>	<b>\$ 5,712,269</b>	<b>\$33,457,913</b>	<b>\$13,545,446</b>	<b>\$ 4,619,907</b>	<b>\$ 3,432,517</b>	<b>\$ 3,522,517</b>
<b>Transfers Out &amp; Other Sources</b>							
411 GFAR	417,616	417,616	417,616	417,616	417,616	417,616	417,616
411 GFAR Designated for Parking	\$ 1,460,210	\$ -	\$ 2,920,420	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210
411 Reserved for Comcast PEG	50,000	-	100,000	50,000	50,000	50,000	50,000
471 Traffic Mitigation	10,000	10,000	10,000	10,000	10,000	10,000	10,000
481 Gas Tax	106,000	106,000	106,000	106,000	106,000	106,000	106,000
<b>Total Transfers Out &amp; Designated</b>	<b>\$ 2,043,826</b>	<b>\$ 533,616</b>	<b>\$ 3,554,036</b>	<b>\$ 2,043,826</b>	<b>\$ 2,043,826</b>	<b>\$ 2,043,826</b>	<b>\$ 2,043,826</b>
<b>Unrestricted</b>	<b>\$ 3,606,611</b>	<b>\$22,394,449</b>	<b>\$ 4,057,395</b>	<b>\$ 4,012,313</b>	<b>\$ 3,574,358</b>	<b>\$ 3,520,718</b>	<b>\$ 3,379,751</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 35,666,861</b>	<b>\$28,640,334</b>	<b>\$41,069,344</b>	<b>\$19,601,585</b>	<b>\$10,238,091</b>	<b>\$ 8,997,061</b>	<b>\$ 8,946,094</b>



## Financial Summaries

GENERAL FUND APPROPRIATED RESERVES (GFAR)  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Designated for Parking	\$ 1,460,210	\$ -	\$ 2,920,420	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210
Reserved for Comcast PEG	50,000	-	100,000	50,000	50,000	50,000	50,000
Reserved for Almond Grove	2,579,997	-	-	-	-	-	-
VTA Vehicle Registration Fees	133,169	-	-	-	-	-	-
Unrestricted	4,295,606	8,518,983	13,417,762	2,789,898	1,130,822	499,506	249,890
<b>Total Beginning Fund Balance</b>	<b>\$ 8,518,983</b>	<b>\$ 8,518,983</b>	<b>\$ 16,438,182</b>	<b>\$ 4,300,108</b>	<b>\$ 2,641,032</b>	<b>\$ 2,009,716</b>	<b>\$ 1,760,100</b>
<b>Revenues</b>							
Use of Reserves - Parking	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Construction Impact Fees	110,000	86,915	110,000	110,000	110,000	110,000	110,000
Refuse Vehicle Road Impact Fee	619,553	619,553	619,553	745,676	871,800	871,800	871,800
School Busing Fare Revenue	46,500	16,935	46,500	-	-	-	-
Developers Contributions	428,000	350,000	78,000	78,000	78,000	78,000	78,000
Cost Sharing - Curbs & Gutters	10,000	58,188	10,000	10,000	10,000	10,000	10,000
Cost Sharing - Traffic Calming	10,000	-	10,000	10,000	10,000	10,000	10,000
Slurry Seal	-	49,075	-	-	-	-	-
Pavement Rehab-Crack & Seal - Measure B Funding	180,000	-	360,000	180,000	180,000	180,000	180,000
Other Contributions	-	27,370	-	-	-	-	-
One-way Downtown Street	-	910	-	-	-	-	-
Other Contributions - City of San Jose	275,000	208,831	66,169	-	-	-	-
Misc CIP refund	-	64,865	-	-	-	-	-
2016 Measure B Funding	1,741,989	1,507,338	815,314	580,663	580,663	580,663	580,663
PG&E Financing for Energy Efficiency Upgrades (2008)	1,439,995	-	1,439,995	-	-	-	-
Library Lobby Sound Mit	20,755	-	20,755	-	-	-	-
<b>Operating Transfers In</b>							
From General Fund	5,858,207	5,858,207	3,401,479	550,000	550,000	550,000	550,000
From Open Space Reserve	152,000	152,000	-	-	-	-	-
From General Plan Update	-	-	250,000	-	-	-	-
From Stores and Vehicle Maintenance Funds	972,384	972,384	-	-	-	-	-
From Equipment Replacement	525,000	525,000	-	-	-	-	-
From Facility Maintenance	788,000	788,000	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 13,177,383</b>	<b>\$ 11,285,571</b>	<b>\$ 7,227,765</b>	<b>\$ 2,264,339</b>	<b>\$ 2,390,463</b>	<b>\$ 2,390,463</b>	<b>\$ 2,390,463</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 21,696,366</b>	<b>\$ 19,804,553</b>	<b>\$ 23,665,947</b>	<b>\$ 6,564,447</b>	<b>\$ 5,031,495</b>	<b>\$ 4,400,179</b>	<b>\$ 4,150,563</b>
<b>USE OF FUNDS</b>							
<b>Total Completed Projects</b>	\$ 4,607,713	\$ 1,273,078	\$ -	\$ -	\$ -	\$ -	\$ -
<b>Carryforward Projects</b>							
Open Space Trail Upgrades	152,000	-	152,000	-	-	-	-
Parks Playground Fiber Project	36,540	-	61,540	-	25,000	-	25,000
Forbes Mill Footbridge Improvements	64,431	3,207	61,224	-	-	-	-
Charter Oaks Trail Repair Project	364,891	-	364,891	-	-	-	-
Creek Trail & Parks Path & Parking Lot Seal & Striping	225,000	-	225,000	-	-	-	-
Town Plaza Turf Repairs	28,000	-	28,000	-	-	-	-
Outdoor Fitness Equipment	60,000	-	60,000	-	-	-	-
Trailhead Connector	174,226	143,747	30,479	-	-	-	-
Vegetation Management - Town-wide	500,707	-	500,707	-	-	-	-
Building Replacement at Corporation Yard	1,064,858	112,245	977,613	25,000	25,000	25,000	25,000
Library Carpet Replacement	56,500	-	56,500	-	-	-	-
Facilities Assessment	80,000	-	80,000	-	-	-	-
Information System Upgrade	180,579	103,553	77,026	-	-	-	-
Audio/Video System Upgrade	42,552	-	42,552	-	-	-	-
Town-wide Document Imaging Project	16,990	-	16,990	-	-	-	-
Engineering Document Archiving	51,716	40,000	11,716	-	-	-	-
Police Headquarters Roof Repair	50,000	47,752	2,248	-	-	-	-
Town Beautification	15,386	8,462	16,924	10,000	10,000	10,000	10,000
Silicon Valley Regional Interoperability Project (SVRIP) Service	63,452	486	62,967	-	-	-	-
EOC Communications Upgrade	30,382	1,000	29,382	-	-	-	-
IT Disaster Recovery Improvements	192,058	22,213	169,845	-	-	-	-
ADA Upgrade for Public Restrooms - Rec Building	183,000	-	183,000	-	-	-	-
Fire Suppression (Halon) for Server Rooms	200,000	-	200,000	-	-	-	-
Plaza Level Railings - Code Upgrade	30,000	-	30,000	-	-	-	-
Waterproofing Town-wide	75,000	-	75,000	-	-	-	-
ADA Restrooms and HR Offices	300,000	-	450,000	-	-	-	-
Sound Mitigation in Library Lobby	22,000	-	22,000	-	-	-	-
Computer-Aided Dispatch and Records Management System	525,000	14,186	510,814	-	-	-	-
Street Repair & Resurfacing	3,807,274	501,698	4,307,237	1,626,339	1,752,463	1,752,463	1,752,463
Annual Street Restriping	144,772	-	169,772	25,000	25,000	25,000	25,000
Traffic Calming Projects	29,699	20,449	19,250	10,000	10,000	10,000	10,000
Curb, Gutter & Sidewalk Maintenance	1,373,934	6,539	1,667,395	300,000	300,000	300,000	300,000
Retaining Wall Repairs	440,599	4,113	536,486	100,000	100,000	100,000	100,000
Quito Road - Bridge Replacement	235,087	-	285,087	-	-	-	-
Guardrail Replacement Projects	93,015	205	92,809	-	-	-	-
Downtown Parking Lots Seal Coat & Restriping	75,085	22,500	52,585	-	-	-	-
Shannon Road Class 1 Multi-use Path	129,896	20,000	109,896	-	-	-	-
Sidewalk Improvements - Multiple Locations	60,000	-	60,000	-	-	-	-
Pilot School Busing Program	266,091	224,035	355,056	-	-	-	-
Bicycle & Pedestrian Improvements	394,306	122,211	272,095	-	-	-	-
Stormwater Master Plan	196,940	-	16,940	-	-	-	-
Stormwater System - Pollution Prevention Compliance	298,578	-	298,578	-	-	-	-
Public Art Gateway	25,000	4,500	25,004	-	-	-	-
Winchester Boulevard Complete Streets (Final Design)	280,000	200,053	79,948	463,250	-	-	-
Downtown Streetscape Revitalization	1,972,384	-	1,972,384	-	-	-	-
Massol Intersection Improvements	418,750	35,583	383,167	-	-	-	-
ADA Transition Plan	110,000	-	110,000	-	-	-	-
<b>New Projects</b>							
Adult Recreation - Floor Repair	-	-	100,000	-	-	-	-
Kennedy Sidewalk - LGB to Englewood	-	-	-	-	356,700	-	-
Roadside Fire Fuel Reduction	-	-	250,000	-	-	-	-
Parking Lot 4 Repair/Waterproofing	-	-	250,000	-	-	-	-
Shannon Road Repair	-	-	1,500,000	-	-	-	-
Blossom Hill Road Traffic Study	-	-	125,000	-	-	-	-
E. Main St. Speed Table/Raised Crosswalk	-	-	83,000	-	-	-	-
Local Road Safety Plan	-	-	28,000	-	-	-	-
Winchester Class IV Bikeway	-	-	688,555	-	-	-	-
BPOC over Highway 17 (final design)	-	-	-	946,210	-	-	-
VMT Mitigation Program	-	-	250,000	-	-	-	-
Parking Program Implementation	-	-	198,500	-	-	-	-
<b>Total Project Expenditures</b>	<b>\$ 19,744,392</b>	<b>\$ 2,948,755</b>	<b>\$ 18,948,222</b>	<b>\$ 3,505,799</b>	<b>\$ 2,604,163</b>	<b>\$ 2,222,463</b>	<b>\$ 2,247,463</b>
<b>Operating Transfers Out</b>							
Transfer to Equipment Replacement	-	-	-	-	-	-	-
Transfer to GF	417,616	417,616	417,616	417,616	417,616	417,616	417,616
<b>Total Operating Transfers Out</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>	<b>\$ 417,616</b>
Designated for Parking	\$ 1,460,210	\$ -	\$ 2,920,420	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210
Reserved for Comcast PEG	50,000	-	100,000	50,000	50,000	50,000	50,000
Reserved for VTA Vehicle Registration Fees	133,169	-	-	-	-	-	-
Unrestricted	24,148	16,438,182	1,279,688	1,130,822	499,506	249,890	(24,726)
<b>Total Ending Fund Balance</b>	<b>\$ 1,534,358</b>	<b>\$ 16,438,182</b>	<b>\$ 4,300,108</b>	<b>\$ 2,641,032</b>	<b>\$ 2,009,716</b>	<b>\$ 1,760,100</b>	<b>\$ 1,485,484</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 21,696,366</b>	<b>\$ 19,804,553</b>	<b>\$ 23,665,947</b>	<b>\$ 6,564,447</b>	<b>\$ 5,031,495</b>	<b>\$ 4,400,179</b>	<b>\$ 4,150,563</b>



GFAR FUND PROJECT SUMMARY								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>								
4504 Open Space Trail Upgrades	\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 152,000
1605 Parks Playground Fibar Project	63,460	36,540	25,000	-	25,000	-	25,000	175,000
3104 Charter Oaks Trail Repair Project	109	364,891	-	-	-	-	-	365,000
4507 Forbes Mill Footbridge Improvements	30,603	61,224	-	-	-	-	-	91,828
4202 Town Plaza Turf Repairs	8,116	28,000	-	-	-	-	-	36,116
4609 Creek Trail & Parks Path & Parking Lot Seal & Striping	-	225,000	-	-	-	-	-	225,000
4006 Outdoor Fitness Equipment	-	60,000	-	-	-	-	-	60,000
4505 Trailhead Connector	143,961	30,479	-	-	-	-	-	174,440
4508 Vegetation Management - Town-wide	-	500,707	-	-	-	-	-	500,707
6001 Audio/Video System Upgrade	68,048	42,552	-	-	-	-	-	110,600
6101 Information System Upgrade	292,528	77,026	-	-	-	-	-	369,554
6003 Town-wide Document Imaging Project	198,011	16,990	-	-	-	-	-	215,000
2302 Building Replacement at Corporation Yard	188,187	952,613	25,000	25,000	25,000	25,000	25,000	1,265,800
2118 Police Headquarters Roof Repair	47,752	2,248	-	-	-	-	-	50,000
2503 Library Carpet Replacement	-	56,500	-	-	-	-	-	56,500
2305 Engineering Document Archiving	48,284	11,716	-	-	-	-	-	60,000
2001 Facilities Assessment	24,142	80,000	-	-	-	-	-	104,142
2002 Town Beautification	102,702	6,924	10,000	10,000	10,000	10,000	10,000	159,625
6305 Silicon Valley Regional Interoperability Project (SVRIP) Servi	395,661	62,967	-	-	-	-	-	458,628
6104 IT Disaster Recovery Improvements	30,155	169,845	-	-	-	-	-	200,000
6103 EOC Communications Upgrade	20,618	29,382	-	-	-	-	-	50,000
2601 ADA Upgrade Public Restrooms - Adult Recreation Bldg.	-	183,000	-	-	-	-	-	183,000
6004 Fire Suppression (Halon) for Server Rooms	-	200,000	-	-	-	-	-	200,000
2116 Plaza Level Railings - Code Upgrade	-	30,000	-	-	-	-	-	30,000
2010 Waterproofing Town-wide	-	75,000	-	-	-	-	-	75,000
2117 ADA Restrooms and HR Offices	-	300,000	150,000	-	-	-	-	450,000
2504 Sound Mitigation in Library Lobby	-	22,000	-	-	-	-	-	22,000
6301 Computer-Aided Dispatch and Records Management System	24,476	510,814	-	-	-	-	-	535,290
9901 Street Repair & Resurfacing	8,629,582	3,305,576	1,001,661	1,626,339	1,752,463	1,752,463	1,752,463	19,820,547
9902 Annual Street Restriping	180,228	144,772	25,000	25,000	25,000	25,000	25,000	450,000
9910 Traffic Calming Projects	215,750	9,250	10,000	10,000	10,000	10,000	10,000	275,000
9921 Curb, Gutter & Sidewalk Maintenance	2,863,403	1,367,395	300,000	300,000	300,000	300,000	300,000	5,730,798
9930 Retaining Wall Repairs	1,426,291	436,486	100,000	100,000	100,000	100,000	100,000	2,362,777
0801 Quito Road - Bridge Replacement	64,594	235,087	50,000	-	-	-	-	349,681
0120 Guardrail Replacement Projects	137,191	92,809	-	-	-	-	-	230,000
0705 Downtown Parking Lots Seal Coat & Restriping	47,415	52,585	-	-	-	-	-	100,000
0218 Shannon Road Class 1 Multi-use Path	20,104	109,896	-	-	-	-	-	130,000
0221 Sidewalk Improvements - Multiple Locations	-	60,000	-	-	-	-	-	60,000
0803 Hwy 17 Bicycle & Pedestrian Bridge-Design	-	-	-	946,210	-	-	-	946,210
0128 Pilot School Busing Program	372,718	42,056	313,000	-	-	-	-	727,774
0231 Bicycle & Pedestrian Improvements	217,906	272,095	-	-	-	-	-	490,000
0413 Stormwater Master Plan	20,000	180,000	-	-	-	-	-	200,000
0414 Stormwater System - Pollution Prevention Compliance	1,422	298,578	-	-	-	-	-	300,000
2009 Public Art Gateway	4,500	20,500	4,504	-	-	-	-	29,504
0235 Downtown Streetscape Revitalization	-	1,972,384	-	-	-	-	-	1,972,384
0236 Massol Intersection Improvements	66,833	383,167	-	-	-	-	-	450,000
0129 ADA Transition Plan	-	110,000	-	-	-	-	-	110,000
0238 Winchester Boulevard Complete Streets (Final Design)	200,053	79,948	-	463,250	-	-	-	743,250
<i>New Projects</i>								
2206 Adult Recreation - Floor Repair	-	-	100,000	-	-	-	-	100,000
4509 Kennedy Sidewalk - LGB to Englewood	-	-	-	-	356,700	-	-	356,700
0130 Roadside Fire Fuel Reduction	-	-	250,000	-	-	-	-	250,000
6004 Parking Lot 4 Repair/Waterproofing	-	-	250,000	-	-	-	-	250,000
2116 Shannon Road Repair	-	-	1,500,000	-	-	-	-	1,500,000
2010 Blossom Hill Road Traffic Study	-	-	125,000	-	-	-	-	125,000
2117 E. Main St. Speed Table/Raised Crosswalk	-	-	83,000	-	-	-	-	83,000
2504 Local Road Safety Plan	-	-	28,000	-	-	-	-	28,000
6301 Winchester Class IV Bikeway	-	-	688,555	-	-	-	-	688,555
0235 VMT Mitigation Program	-	-	250,000	-	-	-	-	250,000
0236 Parking Program Implementation	-	-	198,500	-	-	-	-	198,500
<b>Total GFAR Projects</b>	<b>\$ 16,154,801</b>	<b>\$ 13,461,002</b>	<b>\$ 5,487,220</b>	<b>\$ 3,505,799</b>	<b>\$ 2,604,163</b>	<b>\$ 2,222,463</b>	<b>\$ 2,247,463</b>	<b>\$ 45,682,911</b>



TRAFFIC MITIGATION FUND  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Unrestricted	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648
Deferred Traffic Mitigation							
<b>Total Beginning Fund Balance</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>
<b>Revenues</b>							
Deferred Revenue	\$ 2,130,313	\$ 293,234	\$ 1,621,939	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
In-Lieu Fees	116,126	-	-	-	-	-	-
<b>Total Revenues</b>	<b>\$ 2,246,440</b>	<b>\$ 293,234</b>	<b>\$ 1,621,939</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 2,551,087</b>	<b>\$ 597,882</b>	<b>\$ 1,926,587</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>
<b>USE OF FUNDS</b>							
<b>Completed Projects</b>							
TLG / Shannon Improvement	\$ 20,000	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Cut-Through Traffic/Wood Road Roundabout	261,581	33,446	-	-	-	-	-
Blossom Hill/Cherry Blossom Intersection Improve	500,000	-	-	-	-	-	-
<b>Carryforward Projects</b>							
Hwy 17 Bicycle & Pedestrian Bridge-Design	\$ 147,005	\$ 147,005	\$ -	\$ -	\$ -	\$ -	\$ -
Bike & Pedestrian Improvements	34,028	378	33,650	-	-	-	-
Traffic Signal Modernization	665,668	102,406	978,289	-	-	-	-
Highway 17/9 Interchange and Capacity Improve	600,000	-	600,000	-	-	-	-
<b>Proposed Projects</b>							
<b>Total Project Expenditures</b>	<b>\$ 2,228,282</b>	<b>\$ 283,234</b>	<b>\$ 1,611,939</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000
<b>Total Operating Transfers</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>
<b>Ending Fund Balance</b>							
Unrestricted	\$ 312,805	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648	\$ 304,648
<b>Total Ending Fund Balance</b>	<b>\$ 312,805</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>	<b>\$ 304,648</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 2,551,087</b>	<b>\$ 597,882</b>	<b>\$ 1,926,587</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>	<b>\$ 314,648</b>



TRAFFIC MITIGATION FUND PROJECTS								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>								
0803 Hwy 17 Bicycle & Pedestrian Bridge-Design	147,005	-	-	-	-	-	-	147,005
0227 Traffic Signal Modernization	125,000	563,262	415,027	-	-	-	-	1,103,289
0231 Bicycle & Pedestrian Improvements	41,350	33,650	-	-	-	-	-	75,000
0237 Highway 17/9 Interchange and Capacity Improvements	-	600,000	-	-	-	-	-	600,000
<i>New Projects</i>								
<b>Total Traffic Mitigation Projects</b>	<b>\$ 313,355</b>	<b>\$ 1,196,912</b>	<b>\$ 415,027</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,925,294</b>



GRANT FUND  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Unrestricted	\$ 124,615	\$ 124,615	\$ (415,876)	\$ (210,038)	\$ (297,038)	\$ (297,038)	\$ (318,413)
<b>Total Beginning Fund Balance</b>	<b>\$ 124,615</b>	<b>\$ 124,615</b>	<b>\$ (415,876)</b>	<b>\$ (210,038)</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>
<b>Revenues</b>							
Traffic Signal Modernization	1,387,596	60,258	1,327,339	-	-	-	-
Charter Oaks Trail Repair Project	98,889	12,290	86,599	-	-	-	-
Trailhead Connector	343,000	1,458	341,542	3,262,500	-	-	-
Hwy 17 Bicycle & Pedestrian Bridge-Design	52,995	-	52,995	4,484,093	-	-	-
Bike & Ped Improvements (BHR East & West)	281,500	-	242,000	-	-	-	-
Guardrail Replacement Projects	980,100	-	980,100	-	-	-	-
ADA Upgrade Public Restrooms - Adult Recreation Bldg	67,000	-	67,000	-	-	-	-
Sidewalk Improvements Shannon/LGB/Cherry Blossom	-	-	940,100	-	-	-	-
E. Main St. Speed Table/ Raised Crosswalk	-	-	86,200	-	-	-	-
Winchester Class IV Bikeway	-	-	293,900	-	-	-	-
Local Road Safety Program	-	-	72,000	-	-	-	-
Kennedy Sidewalk between LGB and Engelwood	-	-	-	-	805,690	-	-
Winchester Blvd. Complete Streets (Final Design)	-	-	-	996,000	-	-	-
School Bus Pilot Program	-	-	87,000	-	-	-	-
<b>Total Revenues</b>	<b>\$ 3,211,080</b>	<b>\$ 74,006</b>	<b>\$ 4,576,774</b>	<b>\$ 8,742,593</b>	<b>\$ 805,690</b>	<b>\$ -</b>	<b>\$ -</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 3,335,695</b>	<b>\$ 198,621</b>	<b>\$ 4,160,898</b>	<b>\$ 8,532,555</b>	<b>\$ 508,652</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>
<b>USE OF FUNDS</b>							
<b>Completed Projects</b>							
<b>Carryforward Projects</b>							
Charter Oaks Trail Repair Project	\$ 75,218	\$ -	\$ 75,218	\$ -	\$ -	\$ -	\$ -
Trailhead Connector	343,000	343,000	-	3,262,500	-	-	-
ADA Upgrade Public Restrooms - Adult Recreation Bldg	67,000	-	67,000	-	-	-	-
School Bus Pilot Program	-	-	87,000	87,000	-	-	-
Traffic Signal Modernization	1,785,019	15,601	1,769,418	-	-	-	-
Hwy 17 Bicycle & Pedestrian Bridge-Design	52,995	86,995	-	4,484,093	-	-	-
Bike & Ped Improvements	168,873	168,900	-	-	-	-	-
Winchester Blvd. Complete Streets (Final Design)	-	-	-	996,000	-	-	-
Guardrail Replacement Projects	980,100	-	980,100	-	-	-	-
Sidewalk Improvements Shannon/LGB/Cherry Blossom	-	-	940,100	-	-	-	-
<b>Proposed Projects</b>							
E. Main St. Speed Table/ Raised Crosswalk	-	-	86,200	-	-	-	-
Winchester Class IV Bikeway	-	-	293,900	-	-	-	-
Local Road Safety Program	-	-	72,000	-	-	-	-
Kennedy Sidewalk between LGB and Engelwood	-	-	-	-	805,690	-	-
<b>Total Expenditures</b>	<b>\$ 3,472,206</b>	<b>\$ 614,496</b>	<b>\$ 4,370,936</b>	<b>\$ 8,829,593</b>	<b>\$ 805,690</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>							
Unrestricted	\$ (136,511)	\$ (415,876)	\$ (210,038)	\$ (297,038)	\$ (297,038)	\$ (297,038)	\$ (297,038)
<b>Total Ending Fund Balance</b>	<b>\$ (136,511)</b>	<b>\$ (415,876)</b>	<b>\$ (210,038)</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 3,335,695</b>	<b>\$ 198,621</b>	<b>\$ 4,160,898</b>	<b>\$ 8,532,555</b>	<b>\$ 508,652</b>	<b>\$ (297,038)</b>	<b>\$ (297,038)</b>

Note: The grants function primarily on a reimbursement basis.



GRANT FUNDED PROJECTS								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>								
4503 Charter Oaks Trail Repair Project	72,833	75,218	-	-	-	-	-	148,051
4505 Trailhead Connector	343,000	-	-	3,262,500	-	-	-	3,605,500
2601 ADA Upgrade Public Restrooms - Adult Recreation Bldg.	51,882	67,000	-	-	-	-	-	118,882
0120 Guardrail Replacement Projects	-	980,100	-	-	-	-	-	980,100
0218 Shannon Road Class 1 Multi-use Path	-	-	940,100	-	-	-	-	940,100
0803 Hwy 17 Bicycle & Pedestrian Bridge-Design	86,995	-	-	4,484,093	-	-	-	4,571,088
0128 Pilot School Busing Program	-	-	87,000	87,000	-	-	-	174,000
0227 Traffic Signal Modernization	56,982	1,769,418	-	-	-	-	-	1,826,400
0231 Bicycle & Pedestrian Improvements	281,527	-	-	-	-	-	-	281,527
0238 Winchester Boulevard Complete Streets (Final Design)	-	-	-	996,000	-	-	-	996,000
<i>New Projects</i>								
0241 Kennedy Sidewalk - LGB to Englewood	-	-	-	-	805,690	-	-	805,690
0131 E. Main St. Speed Table/Raised Crosswalk	-	-	86,200	-	-	-	-	86,200
0132 Local Road Safety Plan	-	-	72,000	-	-	-	-	72,000
0240 Winchester Class IV Bikeway	-	-	293,900	-	-	-	-	293,900
<b>Total Grant Funded Projects</b>	<b>\$ 893,219</b>	<b>\$ 2,891,736</b>	<b>\$ 1,479,200</b>	<b>\$ 8,829,593</b>	<b>\$ 805,690</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 14,899,438</b>



STORM BASIN FUNDS  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Unrestricted	\$ 2,628,557	\$ 2,628,557	\$ 2,693,640	\$ 2,344,656	\$ 2,450,726	\$ 2,559,223	\$ 2,670,175
<b>Total Beginning Fund Balance</b>	<b>\$ 2,628,557</b>	<b>\$ 2,628,557</b>	<b>\$ 2,693,640</b>	<b>\$ 2,344,656</b>	<b>\$ 2,450,726</b>	<b>\$ 2,559,223</b>	<b>\$ 2,670,175</b>
<b>Revenues</b>							
Drainage Fees	\$ 92,500	\$ 80,583	\$ 120,374	\$ 94,350	\$ 96,237	\$ 98,162	\$ 100,125
Interest	12,040	-	11,200	11,720	12,260	12,790	13,350
<b>Total Revenues</b>	<b>\$ 104,540</b>	<b>\$ 80,583</b>	<b>\$ 131,574</b>	<b>\$ 106,070</b>	<b>\$ 108,497</b>	<b>\$ 110,952</b>	<b>\$ 113,475</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 2,733,097</b>	<b>\$ 2,709,140</b>	<b>\$ 2,825,214</b>	<b>\$ 2,450,726</b>	<b>\$ 2,559,223</b>	<b>\$ 2,670,175</b>	<b>\$ 2,783,650</b>
<b>USE OF FUNDS</b>							
<b>Completed Projects</b>							
<b>Carryforward Projects</b>							
Hernandez Ave Storm Drain Improvements	-	-	-	-	-	-	65,000
Bicknall Avenue Storm Drain Improvements	50,758	15,500	60,258	-	-	-	-
Annual Storm Drain Improvement Prj	270,300	-	420,300	-	-	-	-
<b>Proposed Projects</b>							
<b>Total Expenditures</b>	<b>\$ 321,058</b>	<b>\$ 15,500</b>	<b>\$ 480,558</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 65,000</b>
<b>Ending Fund Balance</b>							
Unrestricted	\$ 2,412,039	\$ 2,693,640	\$ 2,344,656	\$ 2,450,726	\$ 2,559,223	\$ 2,670,175	\$ 2,718,650
<b>Total Ending Fund Balance</b>	<b>\$ 2,412,039</b>	<b>\$ 2,693,640</b>	<b>\$ 2,344,656</b>	<b>\$ 2,450,726</b>	<b>\$ 2,559,223</b>	<b>\$ 2,670,175</b>	<b>\$ 2,718,650</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 2,733,097</b>	<b>\$ 2,709,140</b>	<b>\$ 2,825,214</b>	<b>\$ 2,450,726</b>	<b>\$ 2,559,223</b>	<b>\$ 2,670,175</b>	<b>\$ 2,783,650</b>



## Financial Summaries

STORM BASIN FUNDS PROJECTS								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>								
0409 Hernandez Avenue Storm Drain Improvements	\$ 17,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 82,180
0410 Bicknell Road Storm Drain Improvements	160,932	35,258	25,000	-	-	-	-	221,190
0420 Annual Storm Drain Improvement Prj	29,700	270,300	150,000	-	-	-	-	450,000
<i>New Projects</i>								
<b>Total Storm Basin Funds Projects</b>	<b>\$ 207,812</b>	<b>\$ 305,558</b>	<b>\$ 175,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 65,000</b>	<b>\$ 753,370</b>



UTILITY UNDERGROUND FUND  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Unrestricted	\$ 3,079,685	\$ 3,079,685	\$ 3,062,696	\$ 110,019	\$ 140,569	\$ 171,269	\$ 202,129
<b>Total Beginning Fund Balance</b>	<b>\$ 3,079,685</b>	<b>\$ 3,079,685</b>	<b>\$ 3,062,696</b>	<b>\$ 110,019</b>	<b>\$ 140,569</b>	<b>\$ 171,269</b>	<b>\$ 202,129</b>
<b>Revenues</b>							
Construction Tax	\$ 30,000	\$ 9,521	\$ 50,479	\$ 30,000	\$ 30,000	\$ 30,000	\$ 30,000
Interest	22,490	22,490	22,490	550	700	860	1,010
Balance from PG&E	-	-	3,810,558	-	-	-	-
<b>Total Revenues</b>	<b>\$ 52,490</b>	<b>\$ 32,011</b>	<b>\$ 3,883,527</b>	<b>\$ 30,550</b>	<b>\$ 30,700</b>	<b>\$ 30,860</b>	<b>\$ 31,010</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 3,132,175</b>	<b>\$ 3,111,696</b>	<b>\$ 6,946,223</b>	<b>\$ 140,569</b>	<b>\$ 171,269</b>	<b>\$ 202,129</b>	<b>\$ 233,139</b>
<b>USE OF FUNDS</b>							
<b>Completed Projects</b>							
<b>Carryforward Projects</b>							
PG&E Undergrounding	\$ 2,330,000	\$ -	\$ 6,766,000	\$ -	\$ -	\$ -	\$ -
Sidewalk Improve Shannon/LGB/Cherry Bl	119,204	49,000	70,204	-	-	-	-
<b>New Projects</b>							
<b>Total Expenditures</b>	<b>\$ 2,449,204</b>	<b>\$ 49,000</b>	<b>\$ 6,836,204</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Operating Transfers</b>							
<b>Total Operating Transfers</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>Ending Fund Balance</b>							
Unrestricted	682,971	3,062,696	110,019	140,569	171,269	202,129	233,139
<b>Total Ending Fund Balance</b>	<b>\$ 682,971</b>	<b>\$ 3,062,696</b>	<b>\$ 110,019</b>	<b>\$ 140,569</b>	<b>\$ 171,269</b>	<b>\$ 202,129</b>	<b>\$ 233,139</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 3,132,175</b>	<b>\$ 3,111,696</b>	<b>\$ 6,946,223</b>	<b>\$ 140,569</b>	<b>\$ 171,269</b>	<b>\$ 202,129</b>	<b>\$ 233,139</b>



UTILITY UNDERGROUND FUND PROJECTS								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>								
0225 Utility Undergrounding Improvements	\$ -	\$ 2,330,000	\$ 4,436,000	\$ -	\$ -	\$ -	\$ -	\$ 6,766,000
0218 Shannon Road Class 1 Multi-use Path	49,000	70,204	-	-	-	-	-	\$ 119,204
<i>New Projects</i>								
<b>Total Utility Undergrounding Projects</b>	<b>\$ 49,000</b>	<b>\$ 2,400,204</b>	<b>\$ 4,436,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,885,204</b>



GAS TAX FUND  
STATEMENT OF SOURCE AND USE OF FUNDS

	Adjusted Budget 2019/20	Estimated 2019/20	Budget & Carryfwd 2020/21	Proposed 2021/22	Proposed 2022/23	Proposed 2023/24	Proposed 2024/25
<b>SOURCE OF FUNDS</b>							
<b>Beginning Fund Balance</b>							
Unrestricted	\$ 853,821	\$ 853,821	\$ 311,158	\$ 228,422	\$ 282,586	\$ 336,750	\$ 390,914
<b>Total Beginning Fund Balance</b>	<b>\$ 853,821</b>	<b>\$ 853,821</b>	<b>\$ 311,158</b>	<b>\$ 228,422</b>	<b>\$ 282,586</b>	<b>\$ 336,750</b>	<b>\$ 390,914</b>
<b>Revenues</b>							
Gas Tax	\$ 500,722	\$ 500,722	\$ 458,122	\$ 509,024	\$ 509,024	\$ 509,024	\$ 509,024
Gas Tax - Traffic Congestion	257,284	257,284	247,247	274,719	274,719	274,719	274,719
Loan Repayment	34,509	34,509	-	-	-	-	-
Road Maintenance Rehabilitation	570,895	570,895	526,739	585,265	585,265	585,265	585,265
Interest	1,210	1,210	1,210	1,210	1,210	1,210	1,210
<b>Total Revenues</b>	<b>\$ 1,364,620</b>	<b>\$ 1,364,620</b>	<b>\$ 1,233,317</b>	<b>\$ 1,370,218</b>	<b>\$ 1,370,218</b>	<b>\$ 1,370,218</b>	<b>\$ 1,370,218</b>
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 2,218,441</b>	<b>\$ 2,218,441</b>	<b>\$ 1,544,476</b>	<b>\$ 1,598,640</b>	<b>\$ 1,652,804</b>	<b>\$ 1,706,968</b>	<b>\$ 1,761,132</b>
<b>USE OF FUNDS</b>							
<b>Carryforward Projects</b>							
St Repair & Resurfacing	1,801,282	1,801,282	1,210,054	1,210,054	1,210,054	1,210,054	1,210,054
<b>Proposed Projects</b>							
<b>Total Expenditures</b>	<b>\$ 1,801,282</b>	<b>\$ 1,801,282</b>	<b>\$ 1,210,054</b>	<b>\$ 1,210,054</b>	<b>\$ 1,210,054</b>	<b>\$ 1,210,054</b>	<b>\$ 1,210,054</b>
<b>Operating Transfers</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>
<b>Total Operating Transfers</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>	<b>\$ 106,000</b>
<b>Ending Fund Balance</b>							
Unrestricted	\$ 311,158	\$ 311,158	\$ 228,422	\$ 282,586	\$ 336,750	\$ 390,914	\$ 445,078
<b>Total Ending Fund Balance</b>	<b>\$ 311,158</b>	<b>\$ 311,158</b>	<b>\$ 228,422</b>	<b>\$ 282,586</b>	<b>\$ 336,750</b>	<b>\$ 390,914</b>	<b>\$ 445,078</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 2,218,441</b>	<b>\$ 2,218,441</b>	<b>\$ 1,544,476</b>	<b>\$ 1,598,640</b>	<b>\$ 1,652,804</b>	<b>\$ 1,706,968</b>	<b>\$ 1,761,132</b>



GAS TAX FUND PROJECTS								
	Expended Through 2019/20	Estimated Carryfwd to 2020/21	2020/21 Budget	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
Carryforward Projects								
9901 Street Repair & Resurfacing	\$ 9,681,949	\$ -	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 15,732,219
New Projects								
Total Gas Tax Fund Projects	\$ 9,681,949	\$ -	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 15,732,219









## *Streets Program*



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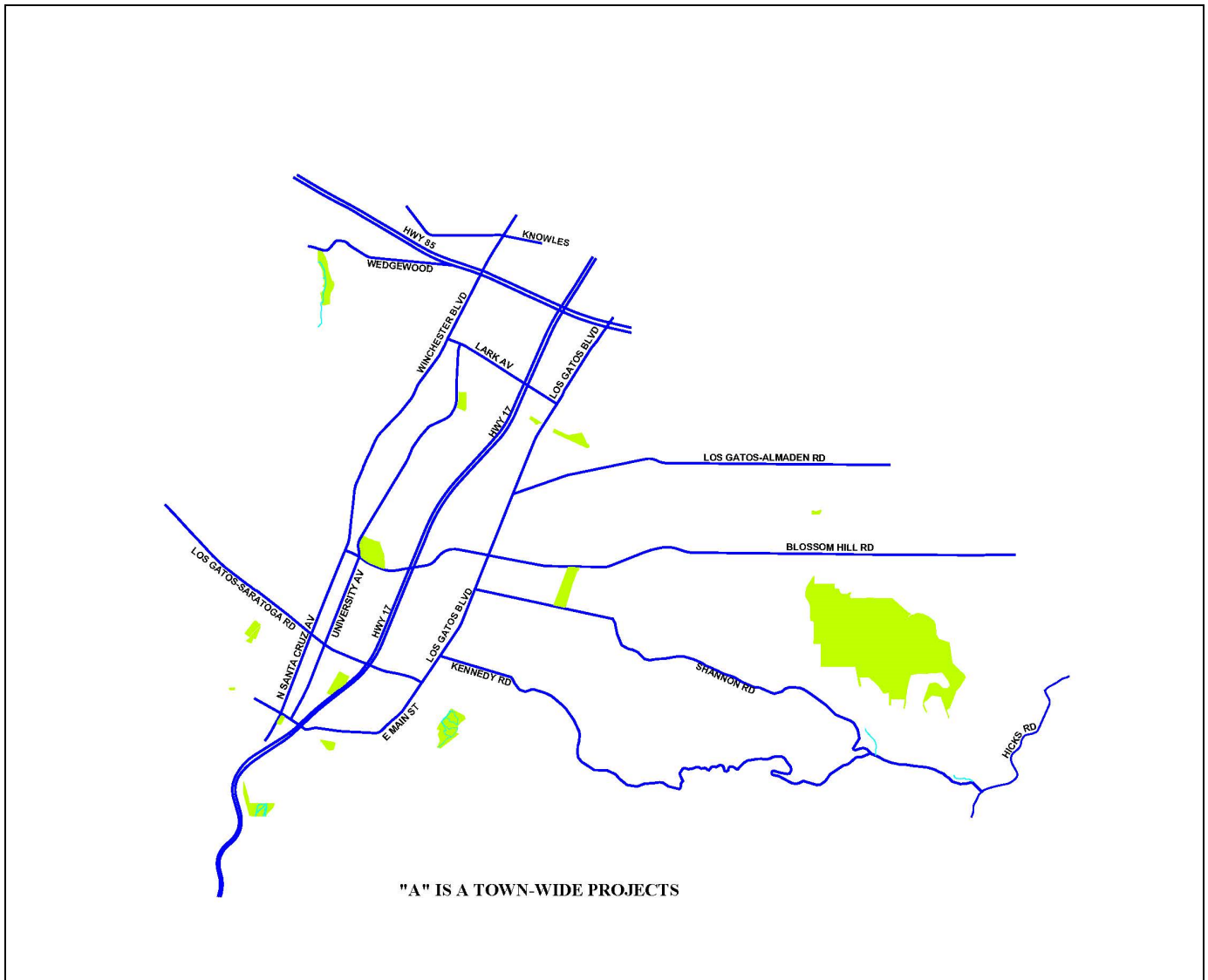
STREET RECONSTRUCTION AND RESURFACING PROJECTS		PAGE
9901	Street Repair & Resurfacing	C – 6
<b>STREET REPAIRS, MAINTENANCE &amp; SAFETY PROJECTS</b>		
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0227	Traffic Signal Modernization	C – 44
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0239	Blossom Hill Road Traffic Study	C – 72
0240	Winchester Class IV Bikeway	C – 74
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<b>BRIDGE PROJECTS</b>		
0801	Quito Road – Bridge Replacement	C – 86
0803	Highway 17 Bicycle & Pedestrian Bridge – Design	C – 88







Street Reconstruction & Resurfacing



PROJECT LOCATIONS	
A	Street Repair & Resurfacing



Street Reconstruction & Resurfacing

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## Street Reconstruction &amp; Resurfacing

The Streets Program's *Street Reconstruction & Resurfacing* section contains Capital Improvement Program projects that resurface or repave the Town's streets as the primary scope of work. Projects may also encompass minor components of streetscape or street improvements; however, to be categorized in the Street Reconstruction & Resurfacing section, projects must have pavement rehabilitation as their main purpose. Safety issues, traffic levels, the Pavement Condition Index, available funding sources, project costs, and community impacts are all considerations in prioritizing Street Reconstruction & Resurfacing projects in the five-year Capital Improvement Program.

This section contains an annual ongoing street rehabilitation project. The dedicated ongoing funding sources for street repair are the Gas Tax, which was increased by SB 1, and Proposition 42, which total approximately \$1.2 million for FY 2020/21. In addition, Countywide Measure B (Nov 2016) increased the sales tax by ½ cent for 30 years to fund transportation related projects. One part of 2016 Measure B is a formulaic distribution of funds for roadway maintenance. The Los Gatos annual allocation will be \$580,633. Additional sources include grant funding, if secured, such as state programs that focus on funding specific street categories or that funds rehabilitation of specific arterial or collector streets.

Other than the funds mentioned above, Los Gatos has limited designated funding sources for maintaining the Town's roadway system. The Town has a Construction Impact Fee (approximately \$110,000 annually) and a Refuse Vehicle Road Impact Fee (approximately \$610,000 annually). Both of these sources recover costs for additional street and roadway repairs due to the disproportionate amount of wear and tear caused by construction and other heavy vehicles.

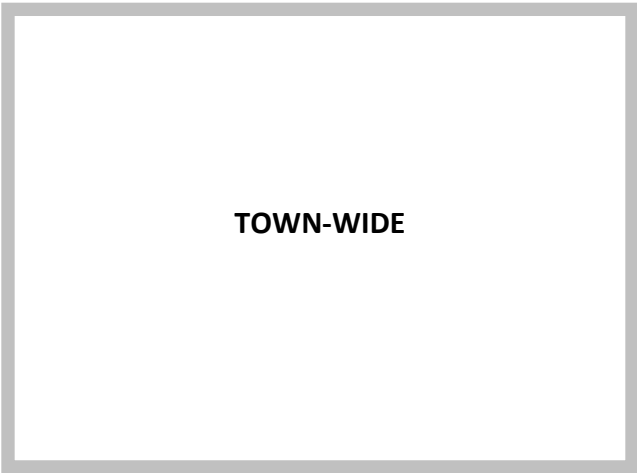
## STREET RECONSTRUCTION &amp; RESURFACING PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM							
STREET RECONSTRUCTION PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
9901 Street Repair & Resurfacing	\$ 18,311,531	\$ 5,517,291	\$ 2,836,393	\$ 2,962,517	\$ 2,962,517	\$ 2,962,517	\$ 35,552,766
<i>New Projects</i>							
<b>Total Street Reconstruction Projects</b>	<b>\$ 18,311,531</b>	<b>\$ 5,517,291</b>	<b>\$ 2,836,393</b>	<b>\$ 2,962,517</b>	<b>\$ 2,962,517</b>	<b>\$ 2,962,517</b>	<b>\$ 35,552,766</b>

\* Total FY 2019/20 Carryforward \$3,305,576



Street Reconstruction & Resurfacing



Project Name	Street Repair & Resurfacing	Project Number	811-9901
Department	Parks & Public Works	Project Manager	Assistant Director/Town Engineer: Lisa Petersen

Description	This is an ongoing annual project for street rehabilitation throughout Town to enhance vehicle safety and to maintain the Town’s roadway infrastructure.
Location	This project occurs in various locations including Town-wide arterials, collectors, and neighborhood streets. To meet the SB1 requirements, every year the Council adopts a resolution identifying the streets needing repair. The final streets for the current construction season are identified at the time the specifications are brought forward for Council approval, which generally occurs in the spring.
Project Background	<p>Street rehabilitation projects are identified and prioritized according to pavement quality reflected by the Pavement Condition Index (PCI), field inspection, traffic level, and safety issues. Every three years, the Town conducts a full assessment on the condition of the streets through a consultant who specializes in the field. This assessment is funded through a grant from the Metropolitan Transportation Commission. The PCI information that results from the survey feeds into a street maintenance software program called StreetSaver. Every jurisdiction in the Bay Area uses the same program and methodology, making it the best practice in the industry.</p> <p>With the PCI information in the StreetSaver database, the program can provide future high-level maintenance programs for the Town. The program emphasizes maintaining streets that have a good (above 70) PCI at that level as ongoing preventive maintenance is more cost efficient than allowing streets to reach lower PCI levels. As with many computer-generated reports, the output requires some validation and adjustment. Staff conducts this element of the work through field observations and consideration of project proximity, all with an eye towards maximizing the value to the Town. The resulting list, sized to the available budget, creates the annual list of streets for this project.</p> <p>Streets in good condition should be maintained with slurry seals. Streets in worse condition can often be treated with a rubber cape seal, which is a cost effective solution for these streets, and is especially suited for residential streets and lower speed collector streets. For arterial streets with a lower PCI, an asphalt overlay is often the preferred solution with the best return on investment over time. Costs are much higher for this approach. Streets in the poor condition category often need to be reconstructed. Reconstruction is the highest cost solution for fixing streets. The Town has focused its resources on</p>



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**Street Reconstruction & Resurfacing**

arterials and collector streets and has used asphalt overlays, rubber cape seal and slurry seal. Residential streets are typically treated with rubber cape seal and slurry seal.

The dedicated ongoing funding sources for street repair are the Gas Tax, which was increased by SB 1, and Proposition 42, which total approximately \$1,200,000 for FY 2020/21.

In November 2016, voters passed Countywide Measure B. This Measure increased the sales tax by ½ cent for 30 years to fund transportation related projects. One part of 2016 Measure B is a formulaic distribution of funds for roadway maintenance. The Los Gatos annual allocation is \$580,633.

As part of a voter-approved measure from 2010, the Santa Clara Valley Transportation Agency (VTA) assesses a \$10 per vehicle registration surcharge to repair and rehabilitate streets. Eighty percent of the revenues collected by the VTA are returned to the local municipality in which they were generated. The remaining twenty percent is used for regional and County-wide projects. This funding source is expected to generate approximately \$180,000 annually for Los Gatos, which will be used for street rehabilitation Town-wide.

Other than the annual revenues mentioned above, Los Gatos has limited designated funding sources for maintaining the Town's roadway system. The Town has a Construction Impact Fee (approximately \$110,000 annually) and a Refuse Vehicle Road Impact Fee (approximately \$610,000 annually). Both of these sources recover costs for additional street and roadway repairs due to the disproportionate amount of wear and tear caused by construction and other heavy vehicles.

**Operating  
Budget Impacts**

Conducting preventive maintenance on the Town's roadways extends the life of the streets and reduces the need for extensive reconstruction in the future, reducing staff time spent on road maintenance. Engineering staff time for project design and oversight is addressed in the FY 2020/21 Operating Budget.



Street Reconstruction & Resurfacing

<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Prepare plans and specifications
	Winter 2021	Bid Process	Council approves plans and authorizes bidding the project
	Summer 2021	Construction	Council awards the contract and construction process begins
	Fall 2021	Completion	Project completed

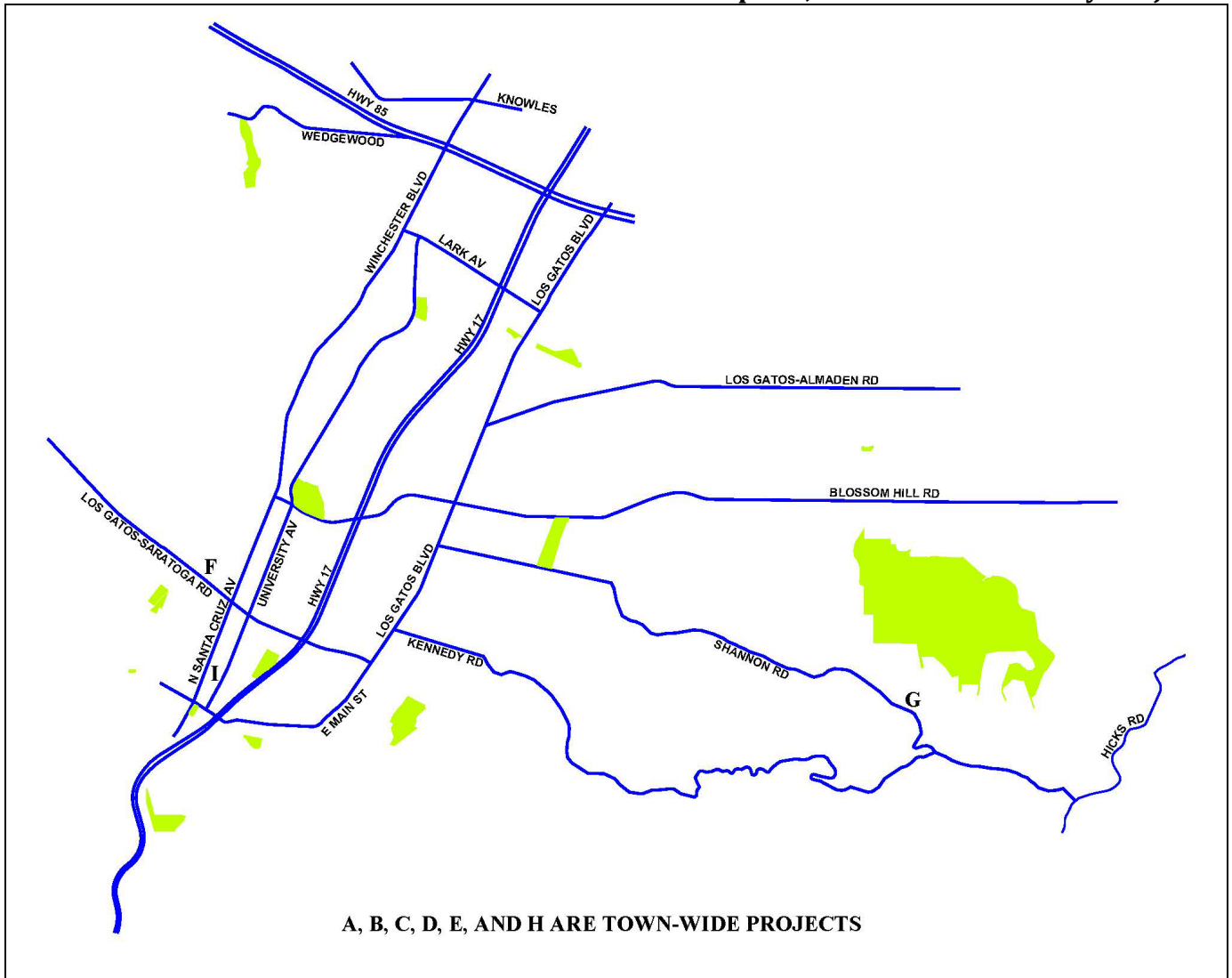
STREET REPAIR & RESURFACING										Project 811-9901
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR										
Vehicle License Fee - 2010 Measure B	\$ 1,173,355	\$ 8,185	\$ 255,088	\$ 180,000	\$ 435,088	\$ 180,000	\$ 180,000	\$ 180,000	\$ 180,000	\$ 2,336,628
VTA Allocation - 2016 Measure B	-	1,507,338	234,651	580,663	815,314	580,663	580,663	580,663	580,663	4,645,304
Other GFAR	6,954,529	(1,013,825)	2,815,837	240,998	3,056,835	865,676	991,800	991,800	991,800	12,838,615
Total GFAR	\$ 8,127,884	\$ 501,698	\$ 3,305,576	\$ 1,001,661	\$ 4,307,237	\$ 1,626,339	\$ 1,752,463	\$ 1,752,463	\$ 1,752,463	\$ 19,820,547
GAS TAX & PROP 42										
Road Maintenance and Rehabilitation Account (RMRA)	\$ -	\$ 570,895	\$ -	\$ 585,265	\$ 585,265	\$ 585,265	\$ 585,265	\$ 585,265	\$ 585,265	\$ 3,497,220
Other Gas Tax & Prop 42	7,880,666	1,230,387	-	624,789	624,789	624,789	624,789	624,789	624,789	12,234,999
TOTAL GAS TAX & PROP 42	\$ 7,880,666	\$ 1,801,282	\$ -	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 15,732,219
TOTAL SOURCE OF FUNDS	\$ 16,008,551	\$ 2,302,980	\$ 3,305,576	\$ 2,211,715	\$ 5,517,291	\$ 2,836,393	\$ 2,962,517	\$ 2,962,517	\$ 2,962,517	\$ 35,552,766
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	8,127,884	501,698	3,305,576	1,001,661	4,307,237	1,626,339	1,752,463	1,752,463	1,752,463	19,820,547
Total GFAR	\$ 8,127,884	\$ 501,698	\$ 3,305,576	\$ 1,001,661	\$ 4,307,237	\$ 1,626,339	\$ 1,752,463	\$ 1,752,463	\$ 1,752,463	\$ 19,820,547
GAS TAX & PROP 42										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	7,880,666	1,801,282	-	1,210,054	1,210,054	1,210,054	1,210,054	1,210,054	1,210,054	15,732,219
TOTAL GAS TAX & PROP 42	\$ 7,880,666	\$ 1,801,282	\$ -	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 1,210,054	\$ 15,732,219
TOTAL USE OF FUNDS	\$ 16,008,551	\$ 2,302,980	\$ 3,305,576	\$ 2,211,715	\$ 5,517,291	\$ 2,836,393	\$ 2,962,517	\$ 2,962,517	\$ 2,962,517	\$ 35,552,766

Senate Bill 1 (2017-2018, Beall) Road Repair and Accountability Act project list:

Location	Description	Scheduled Completion	Estimated Useful Life
Winchester from Lark to Santa Cruz	Placement of rubber cape seal or overlay to maintain pavement surface. These are arterial roads and are critical for transit needs in the Town.	Fall 2021	10 - 25 years
Union Avenue from Blossom Hill Road to Los Gatos-Almaden Road	Placement of rubber cape seal or overlay to maintain pavement surface. This is an arterial road and is critical for transit needs in the Town.	Fall 2022	10 - 25 years
Quito Road from Bicknell to Woodbank	Placement of rubber cape seal or overlay to maintain pavement surface. This is an arterial road and is critical for transit needs in the Town.	Fall 2023	10 - 25 years
Santa Cruz Avenue from Blossom Hill Road to Highway 9	Placement of rubber cape seal or overlay to maintain pavement surface. This is a collector road and is critical for transit needs in the Town.	Fall 2024	10 - 25 years



Street Repairs, Maintenance & Safety Projects



PROJECT LOCATIONS			
A	Traffic Calming Projects	F	Massol Intersection Improvements
B	Curb, Gutter, & Sidewalk Maintenance	G	Shannon Road Repair
C	Retaining Wall Repairs	H	Roadside Fire Fuel Reduction
D	Annual Street Restriping	I	Parking Lot 4 Repair & Waterproofing
E	Guardrail Replacement Project		



**Street Repairs, Maintenance & Safety Projects**

<b>PROGRAM SECTION DIRECTORY</b>	<b>PAGE</b>
<b>9910</b> Traffic Calming Projects	C – 12
<b>9921</b> Curb, Gutter, & Sidewalk Maintenance	C – 14
<b>9930</b> Retaining Wall Repairs	C – 16
<b>9902</b> Annual Street Restriping	C – 18
<b>0120</b> Guardrail Replacement Project	C – 20
<b>0236</b> Massol Intersection Improvements	C – 22
<b>0008</b> Shannon Road Repair	C – 24
<b>0130</b> Roadside Fire Fuel Reduction	C - 26
<b>0708</b> Parking Lot 4 Repair & Waterproofing	C – 28



## Street Repairs, Maintenance &amp; Safety Projects

The Streets Program's *Street Repair, Maintenance & Safety Projects* section contains Capital Improvement Program projects that repair, maintain, or enhance safety features of the Town's streets and parking lots as the primary scope of work. Projects may also encompass minor components of streetscape or street improvements; however, to be categorized in this section, street repair, maintenance, or safety enhancements must be the project's main purpose. Safety issues, available funding sources, project costs, and community impacts are all considerations in prioritizing Street Repair, Maintenance & Safety projects in the five-year Capital Improvement Program.

This section contains annual ongoing projects as well as one-time projects. GFAR funding is utilized for the Traffic Calming Projects, which are funded at \$10,000 annually. The Annual Street Restriping Project is funded at \$25,000 per year. The Curb, Gutter, and Sidewalk Maintenance Project is funded at \$300,000 per year. The Retaining Wall Repairs Project is typically funded with an ongoing GFAR stream of \$100,000 per year. While annual appropriations are planned for these ongoing projects, funding adjustments may occur from year to year to align with changing priorities and schedules.

One-time projects are prioritized by safety factors, community impacts, and the availability of grant funding. GFAR funds may also be utilized to fund a portion of grant driven projects as a grant's local "match requirement."

Los Gatos does not have an ongoing designated funding source for projects in this section.

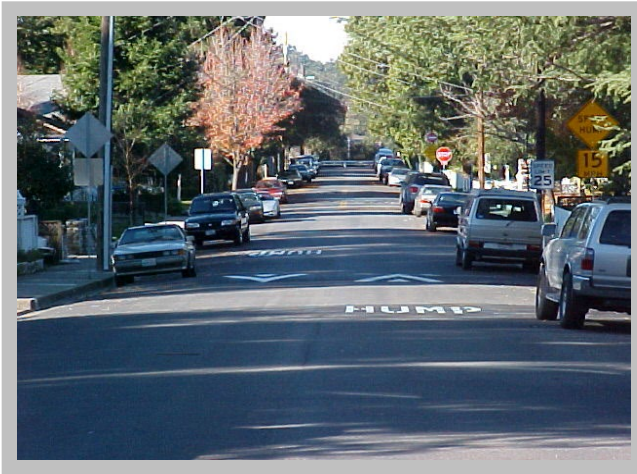
## STREET REPAIRS, MAINTENANCE &amp; SAFETY PROJECTS SUMMARY

	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
9910 Traffic Calming Projects	\$ 215,750	\$ 19,250	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 275,000
9921 Curb, Gutter & Sidewalk Maintenance	2,863,403	1,667,395	300,000	300,000	300,000	300,000	5,730,798
9930 Retaining Wall Repairs	1,426,291	536,486	100,000	100,000	100,000	100,000	2,362,777
9902 Annual Street Restriping	180,228	169,772	25,000	25,000	25,000	25,000	450,000
0120 Guardrail Replacement Projects	137,191	1,072,909	-	-	-	-	1,210,100
0125 Massol Intersection Improvements	66,833	383,167	-	-	-	-	450,000
<i>New Projects</i>							
0008 Shannon Road Repair	-	1,500,000	-	-	-	-	1,500,000
0130 Roadside Fire Fuel Reduction	-	250,000	-	-	-	-	250,000
0708 Parking Lot 4 Repair/Waterproofing	-	250,000	-	-	-	-	250,000
<b>Total Maintenance &amp; Safety Projects</b>	<b>\$ 4,889,696</b>	<b>\$ 5,848,980</b>	<b>\$ 435,000</b>	<b>\$ 435,000</b>	<b>\$ 435,000</b>	<b>\$ 435,000</b>	<b>\$ 12,478,676</b>

\* Total FY 2019/20 Carryforward \$3,413,980



## Street Repairs, Maintenance &amp; Safety Projects



## TOWN-WIDE

<b>Project Name</b>	Traffic Calming Projects	<b>Project Number</b>	812-9910
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen

<b>Description</b>	In accordance with the Town's Traffic Calming Policy, this project involves conducting minor traffic studies, developing and implementing traffic improvements, and installing roadway devices to further enhance school pedestrian and roadway safety near high-use crosswalks.
<b>Location</b>	In FY 2020/21, funds will be used to develop a traffic calming project for Shannon Road between Los Gatos Boulevard and Short Road. The process begins with neighborhood meetings for staff to work with residents to develop a temporary traffic calming plan (TTCP). Staff will then poll the residents to determine if the devices should be installed as temporary devices. If a super majority supports the TTCP, staff will have the proposed devices installed. Four to six months after installation, staff will conduct another traffic study in the area to determine the effectiveness of these devices. Upon the completion of this study, staff will poll the residents to determine if the devices should be made permanent. If necessary, funds will be used to remove these devices.
<b>Project Background</b>	In 2002, the Town implemented a Traffic Calming Policy to address and mitigate neighborhood traffic and pedestrian safety issues, such as speeding and cut-through traffic. This program relies on residents to bring projects forward at the neighborhood level. At the time the Policy was adopted, twelve project areas were under review for traffic calming improvements. To date, 14 projects have been processed, completed, or closed. Traffic calming improvements such as speed bumps, traffic circles, center medians, and bulb-outs were installed where appropriate to slow vehicles or enhance pedestrian safety.
<b>Operating Budget Impacts</b>	Engineering staff time associated with these projects will be charged to the project as they are identified and delivered.



## Street Repairs, Maintenance &amp; Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Construct the speed hump for Massol Avenue removed by the Almond Grove Roadway Project. Schedule, notify residents and hold Neighborhood Traffic Calming meetings for Shannon Road.
	Fall 2020	Hold Neighborhood Traffic Calming meeting(s) for Shannon Road
	Winter 2020	Poll Shannon Road residents
	Spring 2021	Install temporary traffic calming devices for Shannon Road

TRAFFIC CALMING PROJECTS											Project 812-9910
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ 195,301	\$ 20,449	\$ 9,250	\$ 10,000	\$ 19,250	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 275,000	
TOTAL SOURCE OF FUNDS	\$ 195,301	\$ 20,449	\$ 9,250	\$ 10,000	\$ 19,250	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 275,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	195,301	20,449	9,250	10,000	19,250	10,000	10,000	10,000	10,000	275,000	
TOTAL GFAR	\$ 195,301	\$ 20,449	\$ 9,250	\$ 10,000	\$ 19,250	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 275,000	
TOTAL USE OF FUNDS	\$ 195,301	\$ 20,449	\$ 9,250	\$ 10,000	\$ 19,250	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 275,000	



## Street Repairs, Maintenance &amp; Safety Projects



## TOWN-WIDE

<b>Project Name</b>	Curb, Gutter, & Sidewalk Maintenance	<b>Project Number</b>	813-9921
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This is an ongoing annual project for the repair and replacement of hazardous curbs, gutters, and sidewalks throughout Town to enhance pedestrian and bicyclist safety and to improve water runoff infrastructure.		
<b>Location</b>	Curb, gutter, and sidewalk repair projects occur throughout the Town based on priority needs.		
<b>Project Background</b>	Curb, gutter, and sidewalk improvements in public parking lots and rights-of-way have historically been funded by the Town. The intent of this project is to keep pace with the deterioration of sidewalks and curbs. Specific project locations are identified and prioritized based on the level of damage and accompanying potential safety issues.		
	<p>The primary source of damage to sidewalks, curbs and gutters is tree root intrusion. Most of the streets in Town have mature trees in the planter areas between the sidewalks and curbs. These trees were planted many years ago without consideration of root growth and its impacts to the sidewalk, curb, and street. Over time, the tree roots cause cracks and raised concrete, leading to uneven surfaces. Staff develops an annual plan for sidewalk repair based on the level of damage as observed and reported by staff and residents, confirmed by staff inspection. The level of repair and maintenance performed in any given year has been limited by available annual funding. Funds are utilized predominantly to address locations where paving projects create a requirement for curb ramps and curb and gutter repair.</p> <p>In addition to sidewalk, curb and gutter maintenance, this project is used for installing Americans with Disabilities Act (ADA) accessible curb ramps on Town streets as required by federal law following Town street maintenance projects. Title II of the ADA obligates a jurisdiction to provide compliant curb ramps whenever streets are resurfaced from one intersection to another. ADA compliance has required a substantial portion of the annual funding allocation.</p>		
<b>Operating Budget Impacts</b>	Potential trip and fall injuries and lawsuits against the Town should be reduced by eliminating hazardous curb, gutter, and sidewalk conditions. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



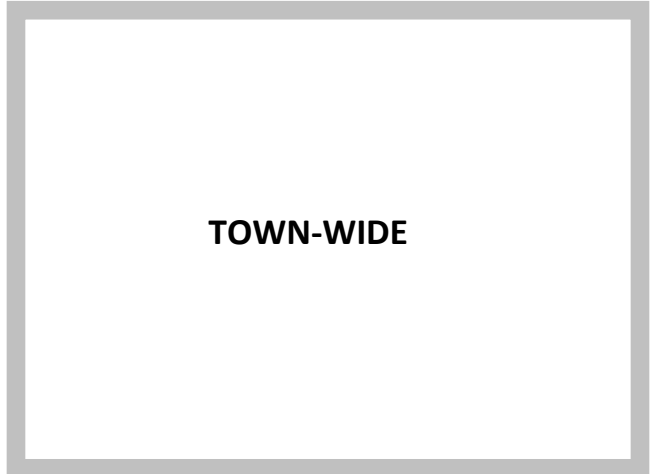
Street Repairs, Maintenance & Safety Projects

Project Components & Estimated Timeline	Fall 2020	Design	Project design & development
	Winter 2021	Bid Process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Summer 2021	Completion	Project completion

CURB, GUTTER & SIDEWALK MAINTENANCE										Project 813-9921
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ 2,856,864	\$ 6,539	\$1,367,395	\$ 300,000	\$ 1,667,395	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$5,730,798
TOTAL SOURCE OF FUNDS	\$ 2,856,864	\$ 6,539	\$1,367,395	\$ 300,000	\$ 1,667,395	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$5,730,798
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	2,856,864	6,539	1,367,395	300,000	1,667,395	300,000	300,000	300,000	300,000	5,730,798
TOTAL GFAR	\$ 2,856,864	\$ 6,539	\$1,367,395	\$ 300,000	\$ 1,667,395	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$5,730,798
TOTAL USE OF FUNDS	\$ 2,856,864	\$ 6,539	\$1,367,395	\$ 300,000	\$ 1,667,395	\$ 300,000	\$ 300,000	\$ 300,000	\$ 300,000	\$5,730,798



Street Repairs, Maintenance & Safety Projects



**Project Name** Retaining Wall Repairs

**Project Number** 815-9930

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town  
Engineer: Lisa Petersen

**Description** The Retaining Wall Repair and Replacement Program focuses on the repair and/or replacement of retaining walls that have become structurally deficient.

**Location** Retaining wall repair projects are identified throughout the Town and are prioritized in order of repair based on safety issues, roadway impacts, retaining wall damage, and project costs.

**Project Background** Retaining walls are installed to hold a hillside from sliding and are placed alongside a street at strategic locations where hillside erosion is anticipated. If the retaining wall fails, the street subsequently fails; therefore, it is important to maintain the retaining walls as they are an integral part of the hillside roadway system. Some existing retaining walls have reached the end of their serviceable life and require replacement. Hillside locations are prioritized over smaller roadside embankments in accordance with the potential impacts from failures.

Retaining walls are visually inspected annually; however, unanticipated weather events can quickly erode a wall's integrity and cause failure. Town staff continues to monitor and schedule retaining wall installation and replacement as needed. Due to limited yearly funding for this project, projects are typically bid every two or three years.

**Operating Budget Impacts** Once repaired, improved retaining walls reduce ongoing operating costs associated with maintenance and emergency response. Engineering staff time associated with these projects will be charged to the project as it is delivered.



Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2021	Design	Project design & development
	Winter 2022	Bid Process	Project bidding & contract award
	Summer 2022	Construction	Project construction
	Fall 2022	Completion	Project completion

RETAINING WALL REPAIRS										Project 815-9930
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$1,422,178	\$ 4,113	\$ 436,486	\$ 100,000	\$ 536,486	\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$2,362,777
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$1,422,178</b>	<b>\$ 4,113</b>	<b>\$ 436,486</b>	<b>\$ 100,000</b>	<b>\$ 536,486</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$2,362,777</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	1,422,178	4,113	436,486	100,000	536,486	100,000	100,000	100,000	100,000	2,362,777
<b>TOTAL GFAR</b>	<b>\$1,422,178</b>	<b>\$ 4,113</b>	<b>\$ 436,486</b>	<b>\$ 100,000</b>	<b>\$ 536,486</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$2,362,777</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$1,422,178</b>	<b>\$ 4,113</b>	<b>\$ 436,486</b>	<b>\$ 100,000</b>	<b>\$ 536,486</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$ 100,000</b>	<b>\$2,362,777</b>



## Street Repairs, Maintenance &amp; Safety Projects



## TOWN-WIDE

<b>Project Name</b>	Annual Street Restriping	<b>Project Number</b>	811-9902
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project is an annual program that restripes a portion of the Town's streets, ensuring the safety of vehicles and pedestrians.		
<b>Location</b>	Roadway restriping work is done at various locations throughout the Town based on conditions and available funds.		
<b>Project Background</b>	<p>The Town initiated Town-wide striping in FY 2006/07. Due to deferred striping and marking of the Town's public streets, any striping that had been accomplished previously was done in conjunction with the resurfacing of specific streets in the Town's annual street paving project.</p> <p>This annual street restriping program installs new striping and marking for center lanes, bicycle lanes, crosswalks, stop sign and signal light markings, and other roadway signage as needed. Roadway stripes wear out due to traffic and weather which creates a safety concern. The goal is to have Town streets that are properly striped for safe operation and use by the public.</p> <p>Under this project, locations that are not scheduled for street repaving will be prioritized for restriping. The restriping of repaved streets will continue to occur in conjunction with paving contracts.</p> <p>Since FY 2007/08, the ongoing annual GFAR appropriation has been \$25,000.</p>		
<b>Operating Budget Impacts</b>	Engineering staff time associated with these projects will be charged to the project as the project is delivered.		



Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2021	Design	Project Design & development
	Spring 2021	Bid Process	Project bidding & contract award
	Summer 2021	Construction	Project construction
	Fall 2021	Completion	Project completion

ANNUAL STREET RESTRIPIING										Project 811-9902
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 180,228	\$ -	\$ 144,772	\$ 25,000	\$ 169,772	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 450,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 180,228</b>	<b>\$ -</b>	<b>\$ 144,772</b>	<b>\$ 25,000</b>	<b>\$ 169,772</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 450,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	180,228	-	144,772	25,000	169,772	25,000	25,000	25,000	25,000	450,000
<b>TOTAL GFAR</b>	<b>\$ 180,228</b>	<b>\$ -</b>	<b>\$ 144,772</b>	<b>\$ 25,000</b>	<b>\$ 169,772</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 450,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 180,228</b>	<b>\$ -</b>	<b>\$ 144,772</b>	<b>\$ 25,000</b>	<b>\$ 169,772</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 25,000</b>	<b>\$ 450,000</b>



## Street Repairs, Maintenance &amp; Safety Projects



## TOWN-WIDE

<b>Project Name</b>	Guardrail Replacement Project	<b>Project Number</b>	812-0120
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	The project will construct a new metal beam guardrail and replace old and damaged guardrails along sections of Town roadways.		
<b>Location</b>	This project will take place in various locations where guardrails are present and are in need of repair. The list of guardrails will be identified and will be brought forward to Council for approval.		
<b>Project Background</b>	<p>There are many roadways throughout Town that are located near hillside areas where guardrails are present. Guardrails are often located on narrow stretches of roadway and protect vehicles and pedestrians from steep hillside embankments. Over the years, due to hillside erosion and years of deferred maintenance, the guardrails have worn out and are in need of repair or replacement. Staff will assess guardrails and determine which ones are in the most need of repair, budget permitting.</p> <p>In FY 2018/19, the Town was awarded \$980,100 in grant funds for additional guardrail work throughout the Town, which is being carried forward to FY 2020/21.</p>		
<b>Operating Budget Impacts</b>	Engineering staff time associated with these projects will be charged to the project as they are identified and delivered.		



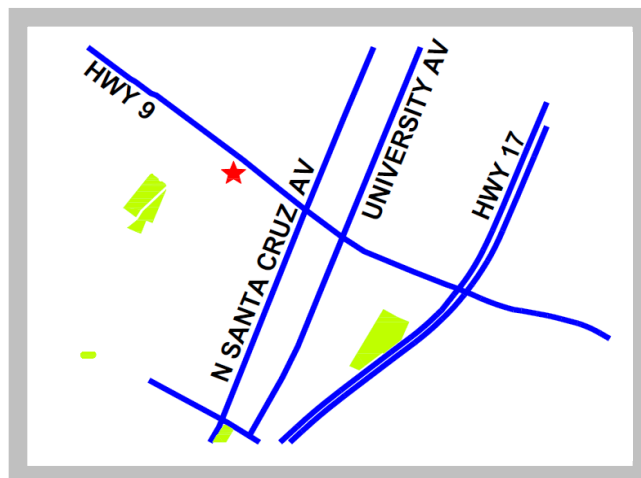
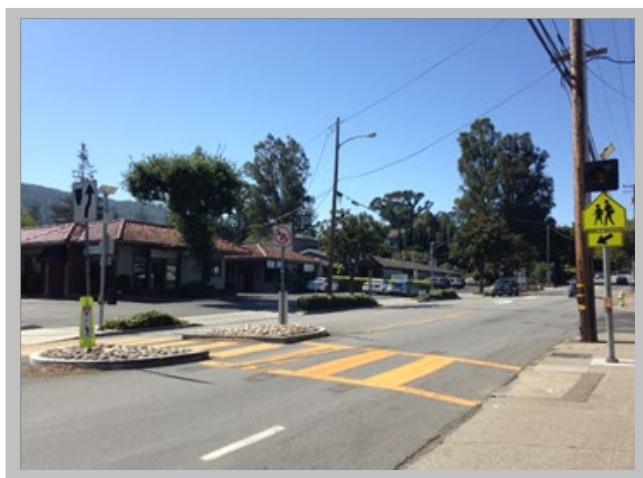
Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Design	Project design & development
	Fall 2020	Bid Process	Project bidding & contract award
	Winter 2021	Construction	Project construction
	Spring 2021	Completion	Project completion

GUARDRAIL REPLACEMENT PROJECTS										Project 812-0120
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ 136,986	\$ 205	\$ 92,809	\$ -	\$ 92,809	\$ -	\$ -	\$ -	\$ -	\$ 230,000
GRANTS & AWARDS	-	-	980,100	-	980,100	-	-	-	-	980,100
TOTAL SOURCE OF FUNDS	\$ 136,986	\$ 205	\$ 1,072,909	\$ -	\$ 1,072,909	\$ -	\$ -	\$ -	\$ -	\$ 1,210,100
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	136,986	205	92,809	-	92,809	-	-	-	-	230,000
TOTAL GFAR	\$ 136,986	\$ 205	\$ 92,809	\$ -	\$ 92,809	\$ -	\$ -	\$ -	\$ -	\$ 230,000
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	980,100	-	980,100	-	-	-	-	980,100
TOTAL GFAR	\$ -	\$ -	\$ 980,100	\$ -	\$ 980,100	\$ -	\$ -	\$ -	\$ -	\$ 980,100
TOTAL USE OF FUNDS	\$ 136,986	\$ 205	\$ 1,072,909	\$ -	\$ 1,072,909	\$ -	\$ -	\$ -	\$ -	\$ 1,210,100



Street Repairs, Maintenance & Safety Projects



**Project Name** Massol Intersection Improvements

**Project Number** 813-0236

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will add intersection safety improvements.

**Location** This project will take place at the intersection of Massol Avenue and Highway 9.

**Project Background** The intersection as Massol Avenue currently has no traffic control but does have a pedestrian activated flashing beacon that is intended to alert drivers when a pedestrian is crossing. Looking at accident history, this intersection experiences collisions at a higher level than other uncontrolled intersections, including a pedestrian fatality on September 1, 2017.

This project will provide green bike lanes approaching the crosswalk from both directions to alert drivers of the changing conditions and help to reduce speeds. In addition, the project will upgrade the existing flashing beacon to a LED rectangular rapidly flashing beacon (RRFB), which are utilized at many of the Town's other crosswalks. These beacons are much more intense than the existing beacon and would greatly improve the visibility of the crosswalk for drivers. This improvement has the advantage of improving safety while not impacting the flow of traffic.

**Operating Budget Impacts** There will be no Operating Budget impact as a result of this project. Project delivery costs for this project are included in the CIP project's total cost, which is approximately 12%.



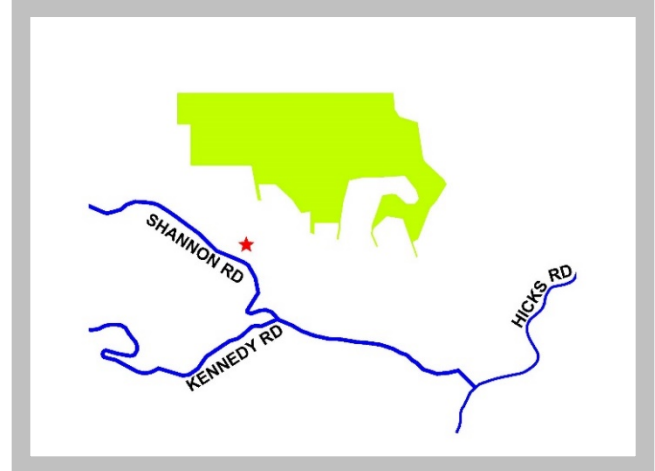
Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2019	Design	Project design & development
	Spring 2020	Bid process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Winter 2021	Completion	Project completion

MASSOL INTERSECTION IMPROVEMENTS										Project 813-0236
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 31,250	\$ 35,583	\$ 383,167	\$ -	\$ 383,167	\$ -	\$ -	\$ -	\$ -	\$ 450,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 31,250</b>	<b>\$ 35,583</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	31,250	35,583	383,167	-	383,167	-	-	-	-	450,000
<b>TOTAL GFAR</b>	<b>\$ 31,250</b>	<b>\$ 35,583</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 31,250</b>	<b>\$ 35,583</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ 383,167</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>



Street Repairs, Maintenance & Safety Projects



**Project Name** Shannon Road Repair

**Project Number** 811-0008

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will repair the roadway on Shannon Road.

**Location** This project will take place on Shannon Road between Santa Rosa Drive and Diduca Way.

**Project Background** This portion of Shannon road has experienced long-term pavement cracking and settlement issues related to the downslope portion of approximately 1,300 linear feet of the paved road along Shannon Road between Santa Rosa Drive and Diduca Way. The section of the road was recently annexed into the Town of Los Gatos from unincorporated Santa Clara County. Routine maintenance undertaken by the County had typically consisted of sealing of asphalt pavement cracks and placement of additional asphalt concrete along the settling portions of the roadway to relevel the driving surface. There is reportedly up to 12 feet of asphalt along the outer edge of the road in some locations. Approximately two years ago, measures were undertaken by the County to stabilize the problematic areas of the roadway by injecting polyurethane foam below the outer half of the road embankment within the areas of historic settlement and cracking. The road was annexed to the Town from the County shortly after the completion of this repair. Despite the foam injection work, the road embankment has continued to move downslope and significant pavement distress has re-developed. The settlement has caused some of the injection pipes that were left following injection to protrude up through the pavement surface.

**Operating Budget Impacts** Engineering staff time associated with this project will be charged to the project as they are identified and delivered.



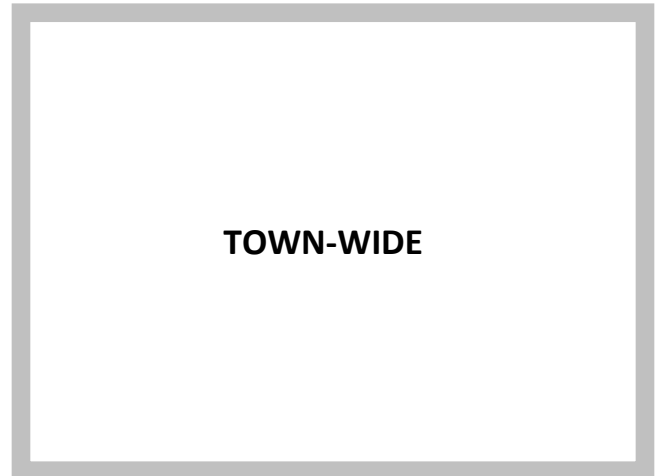
Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Project design & development
	Fall 2020	Bid process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Summer 2021	Completion	Project completion

SHANNON ROAD REPAIR											Project 811-0008
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	1,500,000	1,500,000	-	-	-	-	-	
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 1,500,000	\$ 1,500,000	\$ -	\$ -	\$ -	\$ -	\$ 1,500,000	



Street Repairs, Maintenance & Safety Projects



<b>Project Name</b>	Roadside Fire Fuel Reduction	<b>Project Number</b>	812-0130
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Superintendent: Jim Harbin

<b>Description</b>	This project will perform brush/vegetation management work along hillside roadways.
<b>Location</b>	This project will take place on hillside roadways in Town.
<b>Project Background</b>	The Town will award a contract to perform brush/vegetation management work along hillside roadways to reduce the fuel risk in Town. These roadways are critical as ingress and egress routes in the Town, essential for both resident evacuation and emergency first responders. Fuel reduction will provide enhanced safety on these routes this project will benefit approximately 1,300 structures and will involve 11 miles of roadside clearing.
<b>Operating Budget Impacts</b>	Staff time associated with this project will be charged to the project as they are identified and delivered.



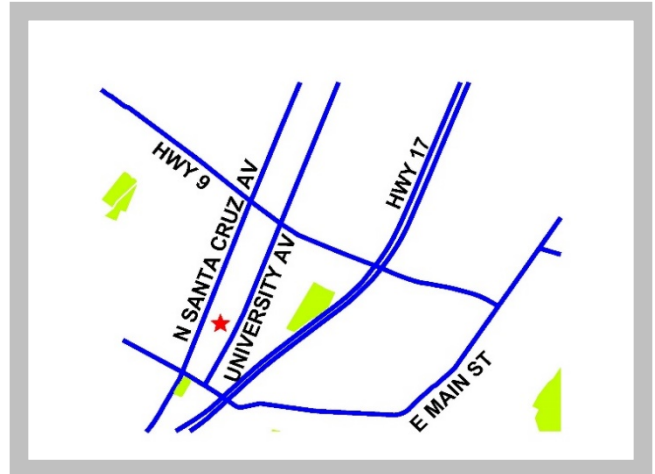
Street Repairs, Maintenance & Safety Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Project design & development
	Fall 2020	Bid process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Spring 2021	Completion	Project completion

ROADSIDE FIRE FUEL REDUCTION										Project 812-0130
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	250,000	250,000	-	-	-	-	250,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 250,000</b>



Street Repairs, Maintenance & Safety Projects



<b>Project Name</b>	Parking Lot 4 Repair & Waterproofing	<b>Project Number</b>	817-0708
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Superintendent: Jim Harbin
<b>Description</b>	This project will remove and replace sections of concrete, waterproof the upper deck, and rework the planters of Parking Lot 4.		
<b>Location</b>	This project is located at Parking Lot 4 which is located on Railroad Way between Elm Street and Gray's Lane		
<b>Project Background</b>	Parking Lot 4, which includes an underground parking garage, was constructed nearly 25 years ago and there have not been any major infrastructure improvements to this facility since then. The concrete deck has deteriorated to the point that has caused water leaking from the upper section to the underground garage below. This project will replace sections of concrete, waterproof the upper deck, and rehabilitate the planting areas.		
<b>Operating Budget Impacts</b>	Staff time associated with this project will be charged to the project as they are identified and delivered.		

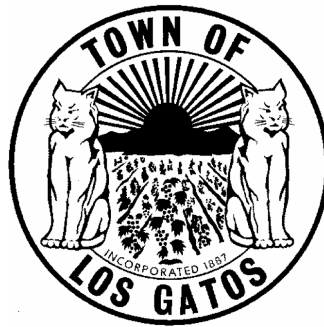


Street Repairs, Maintenance & Safety Projects

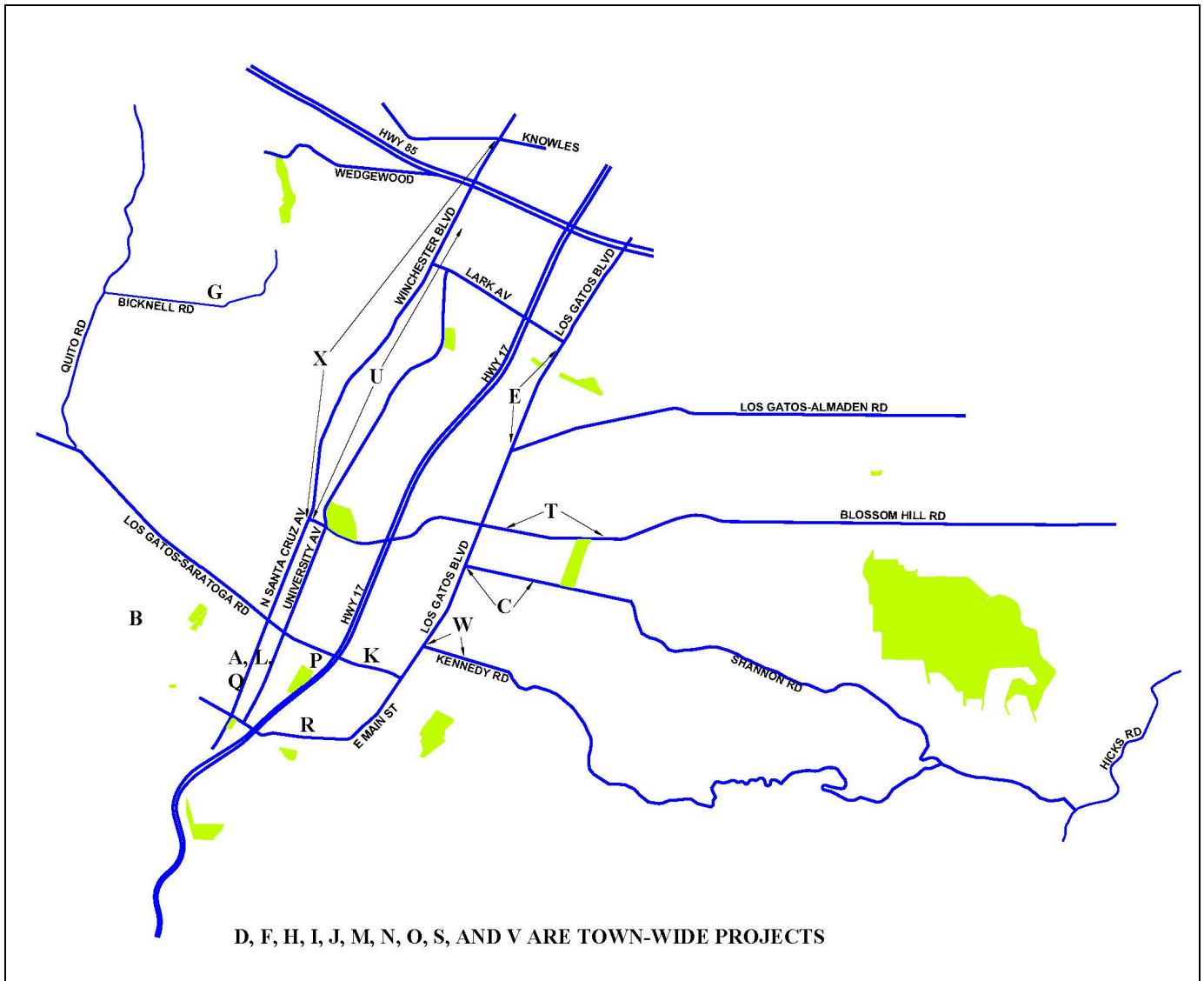
<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Design	Project design & development
	Spring 2020	Bid process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

PARKING LOT 4 REPAIR & WATERPROOFING											Project 817-0708
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	250,000	250,000	-	-	-	-	250,000	
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	









PROJECT LOCATIONS			
A	Downtown Parking Lots Seal Coat & Restriping	M	Annual Storm Drain Improvements
B	Hernandez Avenue Storm Drain Improvements	N	Pilot School Busing Program
C	Shannon Road Class 1 Multi-use Path	O	ADA Transition Plan Update
D	Sidewalk Improvements – Multiple Locations	P	Highway 17/9 Interchange and Capacity Improvements
E	Utility Undergrounding Improvements	Q	Downtown Streetscape Revitalization
F	Traffic Signal Modernization	R	E. Main Street Speed Table/Raised Crosswalk
G	Bicknell Road Storm Drain Improvements	S	Local Road Safety Plan
H	Bicycle & Pedestrian Improvements	T	Blossom Hill Road Traffic Study
I	Stormwater Master Plan	U	Winchester Class IV Bikeway
J	Stormwater System – Pollution Prevention Compliance	V	VMT Mitigation Program
K	Public Arts Gateway	W	Kennedy Sidewalk – LGB to Englewood
L	Parking Program Implementation	X	Winchester Boulevard Complete Streets Final Design



<b>PROGRAM SECTION DIRECTORY</b>	<b>PAGE</b>
<b>0705</b> Downtown Parking Lots Seal Coat & Restriping	C – 34
<b>0409</b> Hernandez Avenue Storm Drain Improvements	C – 36
<b>0218</b> Shannon Road Class 1 Multi-Use Path	C – 38
<b>0221</b> Sidewalk Improvements – Multiple Locations	C – 40
<b>0225</b> Utility Undergrounding Improvements	C – 42
<b>0227</b> Traffic Signal Modernization	C – 44
<b>0410</b> Bicknell Road Storm Drain Improvements	C – 46
<b>0231</b> Bicycle & Pedestrian Improvements	C – 48
<b>0413</b> Stormwater Master Plan	C – 50
<b>0414</b> Stormwater System – Pollution Prevention Compliance	C – 52
<b>2009</b> Public Arts Gateway	C – 54
<b>0242</b> Parking Program Implementation	C – 56
<b>0420</b> Annual Storm Drain Improvements	C – 58
<b>0128</b> Pilot School Busing	C – 60
<b>0129</b> ADA Transition Plan	C – 62
<b>0237</b> Highway 17/9 Interchange and Capacity Improvements	C – 64
<b>0235</b> Downtown Streetscape Revitalization	C – 66
<b>0131</b> E. Main Street Speed Table/Raised Crosswalk	C – 68
<b>0132</b> Local Road Safety Plan	C – 70
<b>0239</b> Blossom Hill Road Traffic Study	C – 72
<b>0240</b> Winchester Class IV Bikeway	C – 74
<b>0133</b> VMT Mitigation Program	C – 76
<b>0241</b> Kennedy Sidewalk – LGB to Englewood	C – 78
<b>0238</b> Winchester Boulevard Complete Streets Final Design	C – 80



Street Improvements

The Streets Program's *Street Improvements* section contains Capital Improvement Program projects that improve a roadway's function or structure, other than paving, as the primary scope of work. Typical Street Improvements projects include sidewalk, curb, and gutter improvements, storm drain improvements, the undergrounding of utilities, intersection improvements, sidewalk and median ramps, crosswalk improvements, street lighting, and retaining walls.

In this CIP, the Street Improvements section contains one-time projects and no ongoing projects. One-time Street Improvements projects are prioritized based on safety needs, traffic levels, available funding sources, project costs, and community impacts.

Traffic Mitigation Funds, Storm Drain Funds, and the Utility Underground Fund all provide designated funding revenue through development fee charges for their related project categories. Los Gatos does not have a designated funding source for other street improvements which do not fall into these categories; however, grants, in-lieu fees, CDBG funds, and community benefit funds are utilized when available.

STREET IMPROVEMENT PROJECTS SUMMARY

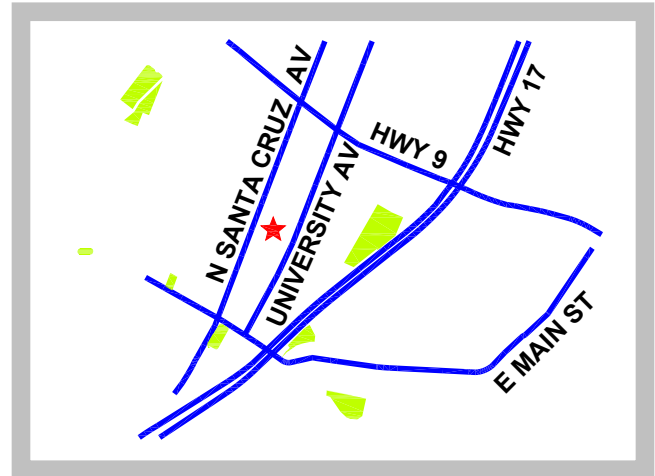
FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM STREET IMPROVEMENT PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
0705 Downtown Parking Lots Seal Coat & Restriping	\$ 47,415	\$ 52,585	\$ -	\$ -	\$ -	\$ -	\$ 100,000
0409 Hernandez Avenue Storm Drain Improvements	17,180	-	-	-	-	65,000	82,180
0218 Shannon Road Class 1 Multi-use Path	69,104	1,120,200	-	-	-	-	1,189,304
0221 Sidewalk Improvements - Multiple Locations	-	60,000	-	-	-	-	60,000
0225 Utility Undergrounding Improvements	-	6,766,000	-	-	-	-	6,766,000
0227 Traffic Signal Modernization	181,982	2,747,707	-	-	-	-	2,929,689
0410 Bicknall Avenue Storm Drain Improvements	160,932	60,258	-	-	-	-	221,190
0420 Annual Storm Drain Improvements	29,700	420,300	-	-	-	-	450,000
0231 Bicycle & Pedestrian Improvements	540,783	305,745	-	-	-	-	846,527
0413 Stormwater Master Plan	20,000	180,000	-	-	-	-	200,000
0414 Stormwater System - Pollution Prevention Compliance	1,422	298,578	-	-	-	-	300,000
2009 Public Art Gateway	4,500	25,004	-	-	-	-	29,504
0128 Pilot School Busing Program	372,718	442,056	87,000	-	-	-	901,774
0129 ADA Transition Plan	-	110,000	-	-	-	-	110,000
0237 Highway 17/9 Interchange and Capacity Improvements	-	600,000	-	-	-	-	600,000
0235 Downtown Streetscape Revitalization	-	1,972,384	-	-	-	-	1,972,384
0238 Winchester Boulevard Complete Streets (Final Design)	200,053	79,948	1,459,250	-	-	-	1,739,250
<i>New Projects</i>							
0131 E. Main St. Speed Table/Raised Crosswalk	-	169,200	-	-	-	-	169,200
0132 Local Road Safety Plan	-	100,000	-	-	-	-	100,000
0239 Blossom Hill Road Traffic Study	-	125,000	-	-	-	-	125,000
0240 Winchester Class IV Bikeway	-	982,455	-	-	-	-	982,455
0133 VMT Mitigation Program	-	250,000	-	-	-	-	250,000
0241 Kennedy Sidewalk - LGB to Englewood	-	-	-	1,162,390	-	-	1,162,390
0242 Parking Program Implementation	-	198,500	-	-	-	-	198,500
<b>Total Street Improvement Projects</b>	<b>\$ 1,645,788</b>	<b>\$ 17,065,919</b>	<b>\$ 1,546,250</b>	<b>\$ 1,162,390</b>	<b>\$ -</b>	<b>\$ 65,000</b>	<b>\$ 21,485,347</b>

\* Total FY 2019/20 Carryforward \$8,870,133

Unfunded Projects for future consideration

- Montebello Way Island Removal
- Blossom Hill Road & Union Avenue Improvements
- Los Gatos-Almaden Road Improvements
- Union Avenue Widening and Sidewalks
- North Santa Cruz Avenue Curb and Gutter Improvements north of Highway 9
- Sidewalk infill across from Fisher Middle School
- Downtown Parking Sign Enhancements





**Project Name** Downtown Parking Lots Seal Coat & Restriping

**Project Number** 817-0705

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will resurface downtown parking lots by applying a seal coat and then restriping.

**Location** This project is located at various Town-owned parking lots in downtown Los Gatos.

**Project Background** The public parking lots in downtown Los Gatos are heavily used on a daily basis. In order to keep their surfaces in good condition and prevent long term wear and damage, the parking lots need to be resurfaced and restriped. This project is necessary to prevent possible drainage or broken pavement problems in the future.

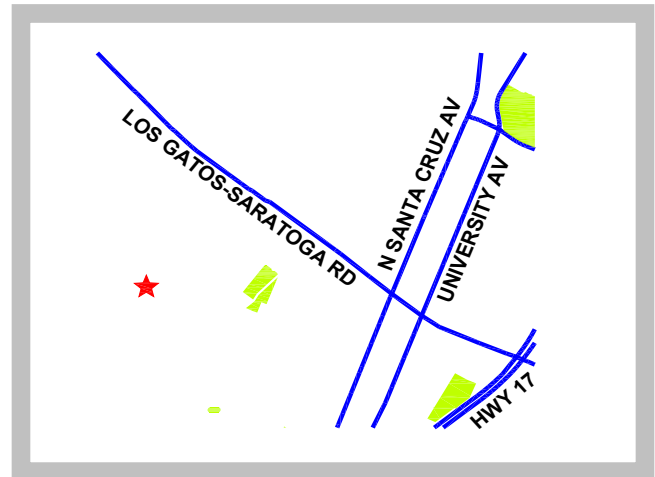
**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Preliminary Design	Project design & development.
	Spring 2020	Final Design	Project bidding & contract award.
	Summer 2020	Completion	Project completion.

DOWNTOWN PARKING LOTS SEAL COAT & RESTRIPIING										Project 817-0705
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 24,915	\$ 22,500	\$ 52,585	\$ -	52,585	\$ -	\$ -	\$ -	\$ -	\$ 100,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 24,915</b>	<b>\$ 22,500</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	24,915	22,500	52,585	-	52,585	-	-	-	-	100,000
<b>TOTAL GFAR</b>	<b>\$ 24,915</b>	<b>\$ 22,500</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 24,915</b>	<b>\$ 22,500</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ 52,585</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>





**Project Name** Hernandez Avenue Storm Drain Improvements

**Project Number** 816-0409

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will improve the Hernandez Avenue storm drain system with the installation of an underground storm drain pipe and sidewalk above.

**Location** The storm drain project is located on the south side of Hernandez Avenue, between Walnut Avenue and Wissahickon Avenue.

**Project Background** Hernandez Avenue is a hillside collector street with an incomplete sidewalk network and storm drain systems alongside the roadway. This street averages over 1,000 vehicles per day, a normal amount for a collector street. At previous neighborhood meetings, residents indicated an interest in having continuous sidewalks, particularly in the area where an open storm drain exists.

This project proposes to install an underground storm drain pipe into the existing ditch and put a concrete sidewalk, curb, and gutter system along the roadway to feed runoff water into the storm drain pipe. This street improvement addresses several neighborhood needs, including an improved drainage system, a safer pedestrian area, and an improved appearance of the neighborhood.

This project will be funded by the Storm Basin Fund. This project is scheduled for construction in FY 2022/23.

**Operating Budget Impacts** Ongoing operating costs would be significantly reduced as this project would eliminate the need to clean or repair the existing open ditch. Engineering staff time associated with these projects will be charged to the project as it is delivered in FY 2022/23.

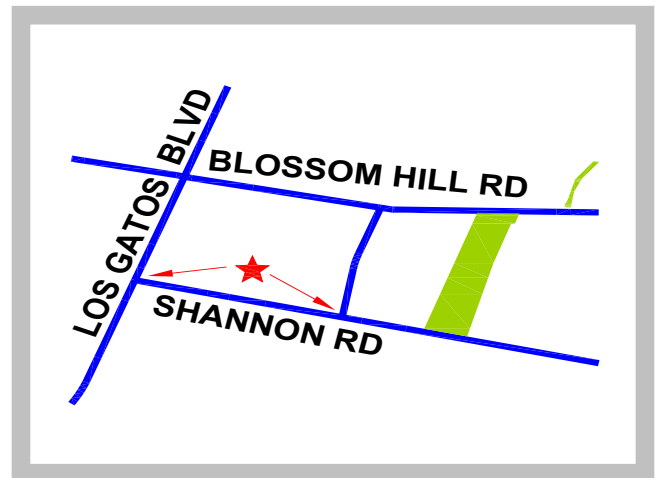
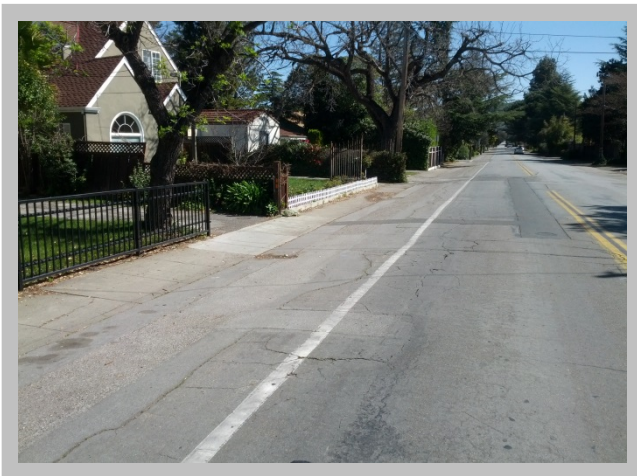


Street Improvements

<b>Project Components &amp; Estimated Timeline</b>	Fall 2021	Design	Design project, include alternative methods and estimated costs, and determine best outcome.
	Winter 2022	Bid Process	Obtain bids from licensed contractors and submit to Council for approval.
	Summer 2023	Construction	Construction of storm drains and related street improvements.
	Fall 2023	Completion	Project completed.

HERNANDEZ AVENUE STORM DRAIN IMPROVEMENTS										Project 816-0409
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
STORM BASIN #3	\$ 17,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 82,180
TOTAL SOURCE OF FUNDS	\$ 17,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 82,180
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
STORM BASIN #3										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	17,180	-	-	-	-	-	-	-	65,000	82,180
TOTAL STORM BASIN	\$ 17,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 82,180
TOTAL USE OF FUNDS	\$ 17,180	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 65,000	\$ 82,180





**Project Name** Shannon Road Class 1 Multi-Use Path  
**Department** Parks & Public Works

**Project Number** 813-0218  
**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will construct a Class I multi-use path on one side of Shannon Road between Los Gatos Blvd. and Cherry Blossom Lane. The project will demolish approximately 500 feet of existing sidewalk, fill in approximately 860 feet of sidewalk gap, construct a Class I multi-use path approximately 1360' length x 10' width with a 3' buffer between the path and the travel lane, install new ADA curb ramps, and complete sharrows on Shannon Road within the project limits. The work scope also includes new curb and gutter and utility underground work. These are necessary items to upgrade the street.

**Location** The project is located on Shannon Road between Los Gatos Boulevard and Cherry Blossom Lane.

**Project Background** Shannon Road is a heavily traveled two-lane roadway, especially when the schools are in session. Shannon Road is used by residents dropping off students at various schools, such as Blossom Hill Elementary, Van Meter Elementary, and Fisher Middle Schools. In addition, many parents walk their children to school along this segment of roadway.

Shannon Road currently has intermittent sections of sidewalk on the south side of the roadway between Los Gatos Boulevard and Cherry Blossom Lane. Most pedestrians cross Shannon Road to walk along the south side, while some walk along the unimproved shoulder on the north side. This project will complete the sidewalk segment on the north side of the roadway and reduce congestion at Shannon Road and Cherry Blossom Lane, where a 3-way stop is inundated by crossing students, crossing guards, and vehicle traffic during peak school hours.

In June 2018 the Town was awarded federal funding of \$940,100 by the Santa Clara Valley Transportation Authority (VTA) in the Vehicle Emissions Reductions Based at Schools (VERBS) Grant Program to support this project. Grants are awarded on a reimbursement basis. Although the Town was informed of the award in 2018, the funding will be recognized in the year it is received and will be shifted to the current year as the project progresses.

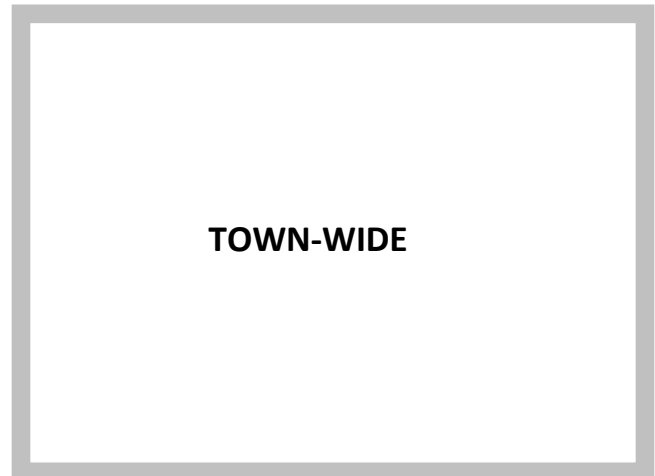
**Operating Budget Impacts** Engineering staff time for design and construction of this project will be addressed in the FY 2020/21 Operating Budget.



<b>Project Components &amp; Estimated Timeline</b>	Fall 2021	Design	Project design & development
	Winter 2022	Bid process	Project bidding & contract award
	Summer 2022	Construction	Project construction
	Fall 2022	Completion	Project completion

SHANNON ROAD CLASS 1 MULTI-USE PATH										Project 813-0218
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	104	20,000	109,896	-	109,896	-	-	-	-	\$ 130,000
GRANTS & AWARDS	-	-	-	940,100	940,100	-	-	-	-	\$ 940,100
UTILITY UNDERGROUNDING	-	49,000	70,204	-	70,204	-	-	-	-	\$ 119,204
TOTAL SOURCE OF FUNDS	\$ 104	\$ 69,000	\$ 180,100	\$ 940,100	\$ 1,120,200	\$ -	\$ -	\$ -	\$ -	\$1,189,304
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	\$ -
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	104	20,000	109,896	-	109,896	-	-	-	-	130,000
TOTAL GFAR	\$ 104	\$ 20,000	\$ 109,896	\$ -	\$ 109,896	\$ -	\$ -	\$ -	\$ -	\$ 130,000
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	940,100	940,100	-	-	-	-	940,100
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 940,100	\$ 940,100	\$ -	\$ -	\$ -	\$ -	\$ 940,100
UNDERGROUND UTILITIES										
Salaries and Benfits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	49,000	70,204	-	70,204	-	-	-	-	\$ 119,204
TOTAL UNDERGROUND UTILITIES	\$ -	\$ 49,000	\$ 70,204	\$ -	\$ 70,204	\$ -	\$ -	\$ -	\$ -	\$ 119,204
TOTAL USE OF FUNDS	\$ 104	\$ 69,000	\$ 180,100	\$ 940,100	\$ 1,120,200	\$ -	\$ -	\$ -	\$ -	\$1,189,304





**Project Name** Sidewalk Improvements – Multiple Locations

**Project Number** 813-0221

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will construct sidewalk, curb, and gutter on the north side of Kennedy Road from Ferris Avenue to Los Gatos Boulevard and on the south side of Mitchell Avenue from George Street to Fisher Avenue.

**Location** This project is located in the following areas: Kennedy Road from Ferris Avenue to Los Gatos Boulevard; Mitchell Avenue from George Street to Fisher Avenue; and Los Gatos Boulevard/Shannon Road.

**Project Background** Kennedy Road from Ferris Avenue to Los Gatos Boulevard currently has a shoulder that is heavily utilized by parents and students walking and biking to school in the morning and afternoons. The sidewalk improvements will complete the connection in this residential block.

In 2009, the Town completed the sidewalk installation on the north side of Mitchell Avenue from George Street to Fisher Avenue. Then in 2012, sidewalk was constructed on north and south side of Mitchell Avenue between Los Gatos Boulevard and George Street as part of the redevelopment of the former Honda site. This project will complete the last component of the sidewalks in this heavily utilized pedestrian area between Van Meter Elementary and Fisher Middle Schools.

**Operating Budget Impacts** Engineering staff time for design and construction of this project will be addressed in the FY 2019/20 Operating Budget.



<b>Project Components &amp; Estimated Timeline</b>	Fall 2019	Design	Project design & development
	Winter 2019	Bid process	Project bidding & contact award
	Spring 2020	Construction	Project construction
	Summer 2020	Completion	Project completion

SIDEWALK IMPROVEMENTS - MULTIPLE LOCATIONS										Project 813-0221	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	60,000	-	60,000	-	-	-	-	-	
TOTAL GFAR	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	





<b>Project Name</b>	Utility Undergrounding Improvements	<b>Project Number</b>	813-0225
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project will remove utilities from above ground poles and install them underground.		
<b>Location</b>	This project is located on Los Gatos Boulevard between Lark Avenue and Chirco Drive.		
<b>Project Background</b>	<p>Through the State of California's Public Utilities Commission, Pacific Gas &amp; Electric (PG&amp;E) collects funds from ratepayers to provide for the undergrounding of utilities. These funds grow in reserve called Rule 20A funds, until such time that local jurisdictions identify an area for this project and begin working with PG&amp;E. The funds are limited to use on roadways where traffic is heavy, making Los Gatos Boulevard a viable location.</p> <p>The Town's allocation of Rule 20A funds has grown to the point where there is now approximately \$3.8M available for programming. These funds will never actually come to the Town, but rather PG&amp;E will deliver the project with coordination from Town staff.</p> <p>In addition to the Rule 20A funds, the Town collects developer fees for utility undergrounding. These funds are held by the Town for future projects. Staff has asked PG&amp;E to look at an expanded project scope utilizing some or all of the Town funds as well. This will take full advantage of economies of scale through design and construction.</p> <p>The timeframe for PG&amp;E to deliver Rule 20A projects has been between seven and ten years; however, indications are that this project may begin sooner, depending upon other PG&amp;E priorities, such as fire safety make identifying firm dates difficult.</p>		
<b>Operating Budget Impacts</b>	<p>There will be no Operating Budget impact as a result of this project. Project delivery costs for this project are included in the CIP project's total cost. Project delivery costs are estimated at \$266,000 over the five-year term of the project or 4% of the total project cost. Project costs are significantly lower on this project due to the efficiencies in the project size and a larger proportion of work that will be coordinated by PG&amp;E.</p>		



<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Design	Project design & development
	Fall 2020	Construction	Project construction begins
	Spring 2021	Completion	Project completion

UTILITY UNDERGROUNDING IMPROVEMENTS										Project 813-0225
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
UTILITY UNDERGROUNDING	\$ -	\$ -	\$2,330,000	\$ 4,436,000	\$ 6,766,000	\$ -	\$ -	\$ -	\$ -	\$6,766,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$2,330,000</b>	<b>\$ 4,436,000</b>	<b>\$ 6,766,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,766,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
UTILITY UNDERGROUNDING										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	2,330,000	4,436,000	6,766,000	-	-	-	-	6,766,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$2,330,000</b>	<b>\$ 4,436,000</b>	<b>\$ 6,766,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,766,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$2,330,000</b>	<b>\$ 4,436,000</b>	<b>\$ 6,766,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$6,766,000</b>





TOWN-WIDE

**Project Name** Traffic Signal Modernization

**Project Number** 813-0227

**Department** Parks & Public Works

**Project Manager** Transportation and Mobility  
Manager: Ying Smith

**Description** This project will modernize the Town's traffic signal controllers.

**Location** This project is located Town-wide.

**Project Background** This project will modernize the Town's traffic signal controllers to allow for greater control depending on traffic conditions, ensure that the current system meets current safety standards, and increase the traffic flow. The Town was awarded several grants through the VTA and the MTC to complement the Town's investment of Traffic Impact Mitigation Funds.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.

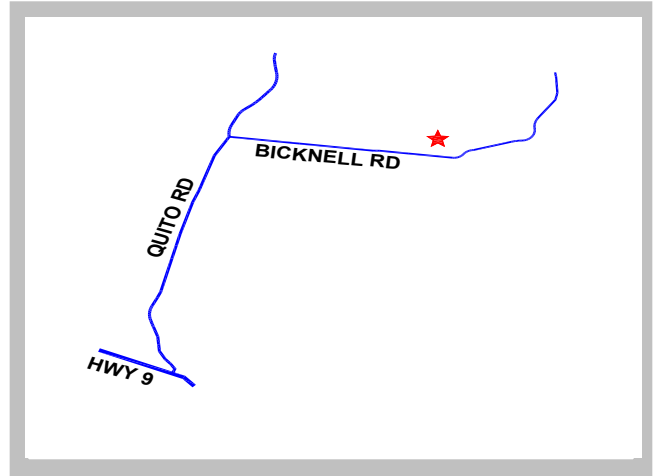


<b>Project Components &amp; Estimated Timeline</b>	Summer 2018	Design	Project design & development
	Fall 2019	Bid Process	Project bidding & contract award
	Fall 2020	Construction	Project construction
	Spring 2021	Completion	Project completion

TRAFFIC SIGNAL MODERNIZATION										Project 813-0227
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
TRAFFIC MITIGATION	\$ 22,594	\$ 102,406	\$ 563,262	\$ 415,027	\$ 978,289	\$ -	\$ -	\$ -	\$ -	\$ 1,103,289
GRANTS & AWARDS	41,381	15,601	1,769,418	-	\$ 1,769,418	-	-	-	-	1,826,400
TOTAL SOURCE OF FUNDS	\$ 63,975	\$ 118,007	\$2,332,680	\$ 415,027	\$ 2,747,707	\$ -	\$ -	\$ -	\$ -	\$ 2,929,689
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
TRAFFIC MITIGATIONS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	22,594	102,406	563,262	415,027	978,289	-	-	-	-	1,103,289
TOTAL TRAFFIC MITIGATIONS	\$ 22,594	\$ 102,406	\$ 563,262	\$ 415,027	\$ 978,289	\$ -	\$ -	\$ -	\$ -	\$ 1,103,289
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	41,380.58	15,601	1,769,418	-	1,769,418	-	-	-	-	1,826,400
TOTAL GRANTS & AWARDS	\$ 41,381	\$ 15,601	\$1,769,418	\$ -	\$ 1,769,418	\$ -	\$ -	\$ -	\$ -	\$ 1,826,400
TOTAL USE OF FUNDS	\$ 63,975	\$ 118,007	\$2,332,680	\$ 415,027	\$ 2,747,707	\$ -	\$ -	\$ -	\$ -	\$ 2,929,689



Street Improvements



<b>Project Name</b>	Bicknell Road Storm Drain Improvements	<b>Project Number</b>	816-0410
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project will reroute a Town storm drain line.		
<b>Location</b>	This project is located on Bicknell Road near Montclair.		
<b>Project Background</b>	<p>This project will provide design services for the rerouting of an existing Town storm drain line from private property, after it was determined that the Town does not have a storm drain easement.</p> <p>This project has provided challenges due to right-of-way constraints and connection to the adjacent creek. Over this fiscal year, staff will monitor the project for performance and identify any additional adjustments necessary.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. The staff time for this project is included in the Department's FY 2020/21 Operating Budget.		



<b>Project Components &amp; Estimated Timeline</b>	Fall 2019	Design	Project design & development
	Fall 2019	Construction	Project construction
	Winter 2020	Monitoring	Monitoring and adjustment

BICKNELL ROAD STORM DRAIN IMPROVEMENTS										Project 816-0410
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
STORM BASIN #3	\$ 145,432	\$ 15,500	\$ 35,258	\$ 25,000	\$ 60,258	\$ -	\$ -	\$ -	\$ -	\$ 221,190
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 145,432</b>	<b>\$ 15,500</b>	<b>\$ 35,258</b>	<b>\$ 25,000</b>	<b>\$ 60,258</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,190</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
STORM BASIN #2										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	145,432	15,500	35,258	25,000	60,258	-	-	-	-	221,190
<b>TOTAL STORM BASIN</b>	<b>\$ 145,432</b>	<b>\$ 15,500</b>	<b>\$ 35,258</b>	<b>\$ 25,000</b>	<b>\$ 60,258</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,190</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 145,432</b>	<b>\$ 15,500</b>	<b>\$ 35,258</b>	<b>\$ 25,000</b>	<b>\$ 60,258</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 221,190</b>





TOWN-WIDE

**Project Name** Bicycle & Pedestrian Improvements

**Project Number** 813-0231

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will enhance bicycle and pedestrian safety and mobility throughout the Town.

**Location** This project is located Town-wide.

**Project Background** This project will enhance bicycle and pedestrian safety and mobility Town-wide in the form of multiple projects. As has been done in the previous years, staff will continue to work with Safe Routes to School, Town Commissions, the Town Council, and the general public on prioritizing projects that have been recommended in the Council adopted Bicycle and Pedestrian Master Plan. In addition, this money will be used as matching funds for available grants related to Town bicycle and pedestrian projects.

In the past the Town received Transportation Fund for Clean Air Grants for bicycle and pedestrian improvements.

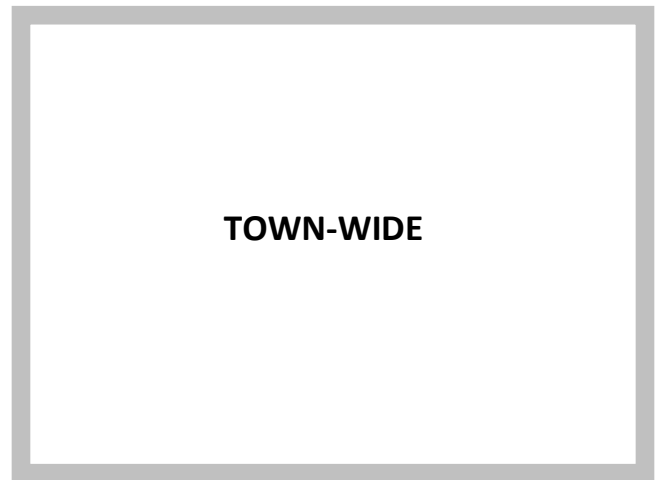
**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Design	Project design & development
	Fall 2019	Bid Process	Project bidding & contract award
	Winter 2019	Construction	Project construction
	Spring 2020	Completion	Project completion

BICYCLE & PEDESTRIAN IMPROVEMENTS										
										Project 813-0231
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 95,694	\$ 122,211	\$ 272,095	\$ -	\$ 272,095	\$ -	\$ -	\$ -	\$ -	\$ 490,000
GRANTS & AWARDS	112,627	168,900	-	-	-	-	-	-	-	281,527
TRAFFIC MITIGATION	40,972	378	33,650	-	33,650	-	-	-	-	75,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 249,293</b>	<b>\$ 291,489</b>	<b>\$ 305,745</b>	<b>\$ -</b>	<b>\$ 305,745</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 846,527</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	95,694	122,211	272,095	-	272,095	-	-	-	-	490,000
<b>TOTAL GFAR</b>	<b>\$ 95,694</b>	<b>\$ 122,211</b>	<b>\$ 272,095</b>	<b>\$ -</b>	<b>\$ 272,095</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 490,000</b>
<b>GRANTS &amp; AWARDS</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	112,627	168,900	-	-	-	-	-	-	-	281,527
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>\$ 112,627</b>	<b>\$ 168,900</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 281,527</b>
<b>TRAFFIC MITIGATION</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	-	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	40,972	378	33,650	-	33,650	-	-	-	-	75,000
<b>TOTAL TRAFFIC MITIGATION</b>	<b>\$ 40,972</b>	<b>\$ 378</b>	<b>\$ 33,650</b>	<b>\$ -</b>	<b>\$ 33,650</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 75,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 249,293</b>	<b>\$ 291,489</b>	<b>\$ 305,745</b>	<b>\$ -</b>	<b>\$ 305,745</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 846,527</b>





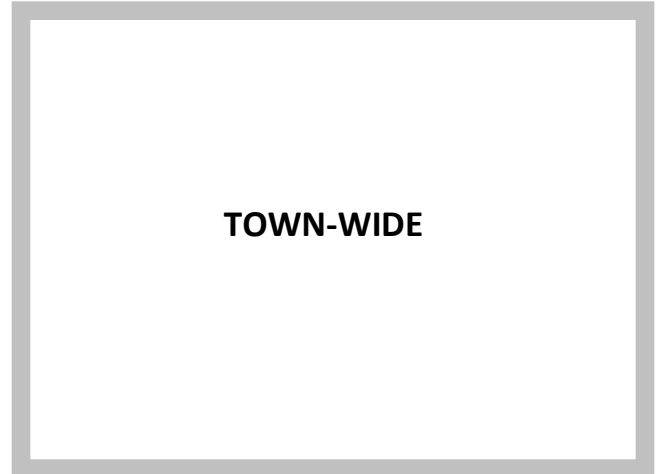
<b>Project Name</b>	Stormwater Master Plan	<b>Project Number</b>	816-0413
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Director: Matt Morley
<b>Description</b>	This project will develop a Stormwater Master Plan.		
<b>Location</b>	This project is located Town-wide.		
<b>Project Background</b>	<p>The Town of Los Gatos does not currently have an adopted Stormwater Master Plan. This project will develop a Stormwater Collection System Master Plan and provides the Town of Los Gatos with the necessary planning tools and capital improvement projects to address flood management and water quality within the collector portion of the storm drainage system.</p> <p>The Plan will be developed to help the Town meet its overarching environmental and economic goals. The goal of the Stormwater Master Plan is to manage stormwater runoff proactively to protect water quality and to minimize impacts of localized and downstream flooding by identifying infrastructure improvements for the collection, conveyance, and treatment of stormwater runoff within the Town. The Stormwater Master Plan will prioritize storm drain and water quality improvements within the Town and provides an implementation plan for the construction of conveyance and water quality improvements.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Design	Develop request for proposals
	Fall 2019	Bid Process	Award consultant agreement
	Spring 2020	Report	Conduct study
	Fall 2020	Completion	Finalize report

STORMWATER MASTER PLAN											Project 816-0413
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ 3,060	\$ 16,940	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
TOTAL SOURCE OF FUNDS	\$ 3,060	\$ 16,940	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	3,060	16,940	180,000	-	180,000	-	-	-	-	\$ 200,000	
TOTAL GFAR	\$ 3,060	\$ 16,940	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	
TOTAL USE OF FUNDS	\$ 3,060	\$ 16,940	\$ 180,000	\$ -	\$ 180,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000	





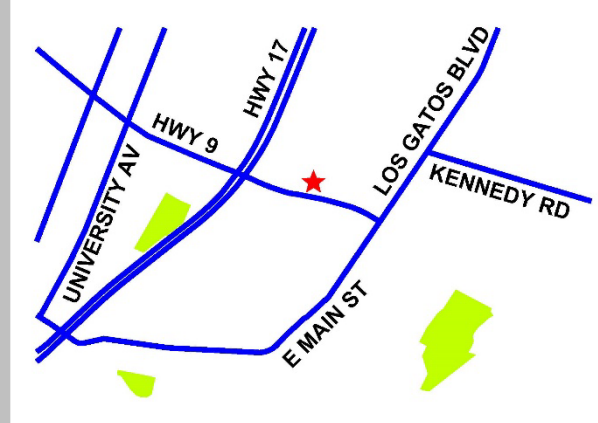
<b>Project Name</b>	Stormwater System – Pollution Prevention Compliance	<b>Project Number</b>	816-0414
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Director: Matt Morley
<b>Description</b>	This project will install improvements, such as trash capture devices, to reduce pollution in the storm water system.		
<b>Location</b>	This project is located Town-wide.		
<b>Project Background</b>	This project will install solutions, such as multiple trash capture devices in storm inlets, throughout the Town to meet the Municipal Regional Permit Provision C.10 trash reduction requirements. The Town has submitted a plan to meet the requirement to reduce trashload impacts to creeks which are 70% by 2017 and 100% by 2022.		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Project design & development
	Winter 2021	Bid Process	Project bidding & contact award
	Spring 2021	Construction	Project construction
	Summer 2021	Completion	Project completion

STORMWATER SYSTEM - POLLUTION PREVENTION COMPLIANCE										Project 816-0414
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 1,422	\$ -	\$ 298,578	\$ -	\$ 298,578	\$ -	\$ -	\$ -	\$ -	\$ 300,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 1,422</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	1,422	-	298,578	-	298,578	-	-	-	-	300,000
<b>TOTAL GFAR</b>	<b>\$ 1,422</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 1,422</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ 298,578</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>





**Project Name** Public Arts Gateway

**Project Number** 821-2009

**Department** Library

**Project Manager** Library Director: Ryan Baker

**Description** This project will install a public art at a gateway location.

**Location** This project is located on Highway 9 near Alberto Way.

**Project Background** The Arts and Culture Commission identified this project as a way to enhance the appearance of the entrances into Los Gatos. At the January 31, 2017 Priority Setting, Council identified \$25,000 for public art and on April 18, 2017 the Arts and Culture Commission proposed the gateway project as the best use of the funds, which Council approved. This project will install the first phase of artwork at Town entrances based on the Town's Public Art Selection Policy and Procedures.

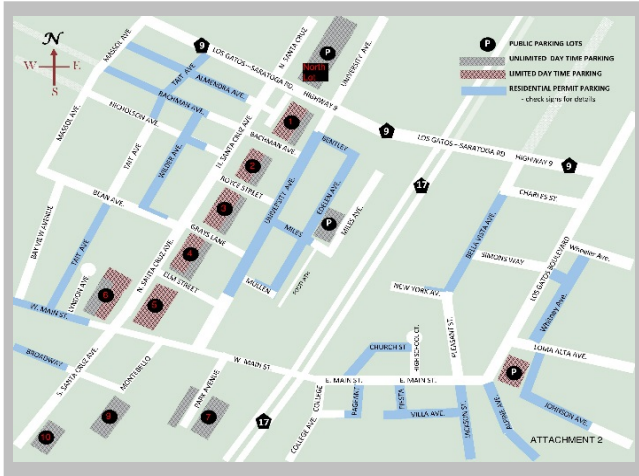
**Operating Budget Impacts** This project will use staff time for construction inspection and management. The staff time for this project is included in the Department's FY 2020/21 Operating Budget.



<b>Project Components &amp; Estimated Timeline</b>	Winter 2018	Call for artist	Project design & award
	Fall 2019	Award	Select final design & award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

PUBLIC ARTS GATEWAY PROJECT											Project 821-2009
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ 4,500	\$ 20,500	\$ 4,504	\$ 25,004	\$ -	\$ -	\$ -	\$ -	\$ 29,504	
TOTAL SOURCE OF FUNDS	\$ -	\$ 4,500	\$ 20,500	\$ 4,504	\$ 25,004	\$ -	\$ -	\$ -	\$ -	\$ 29,504	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	4,500	20,500	4,504	25,004	-	-	-	-	29,504	
TOTAL GFAR	\$ -	\$ 4,500	\$ 20,500	\$ 4,504	\$ 25,004	\$ -	\$ -	\$ -	\$ -	\$ 29,504	
TOTAL USE OF FUNDS	\$ -	\$ 4,500	\$ 20,500	\$ 4,504	\$ 25,004	\$ -	\$ -	\$ -	\$ -	\$ 29,504	





<b>Project Name</b>	Parking Program Implementation	<b>Project Number</b>	813-0242
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Director: Matt Morley
<b>Description</b>	This project consists of the phased implementation of the recommendations found in the Comprehensive Parking Study that concluded in early 2020. First phases may include an employee permit program and a design for enhanced signage.		
<b>Location</b>	This project is located downtown and nearby neighborhoods.		
<b>Project Background</b>	In 2019 the Town conducted a Parking Study to identify the needs for parking in Los Gatos. The Parking Study provided a series of recommendations that should be implemented over time. The recommendations include adjustments to time limits, permitting programs, wayfinding or signage enhancements, and other ideas that ensure the existing inventory is utilized effectively. Later stages of the program may look at supply enhancements based on ongoing analysis.		
<b>Operating Budget Impacts</b>	This project will use staff time for project management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



Project Components & Estimated Timeline	Fall 2020	Employee Permit Program	Implement employee permit program
	Spring 2021	Signage design	Design signage

PARKING PROGRAM IMPLEMENTATION										
										Project 813-0242
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$ -	\$ 198,500	\$ 198,500	\$ -	\$ -	\$ -	\$ -	\$ 198,500
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>	<b>\$ 198,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	198,500	198,500	-	-	-	-	198,500
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>	<b>\$ 198,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>	<b>\$ 198,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 198,500</b>





TOWN-WIDE

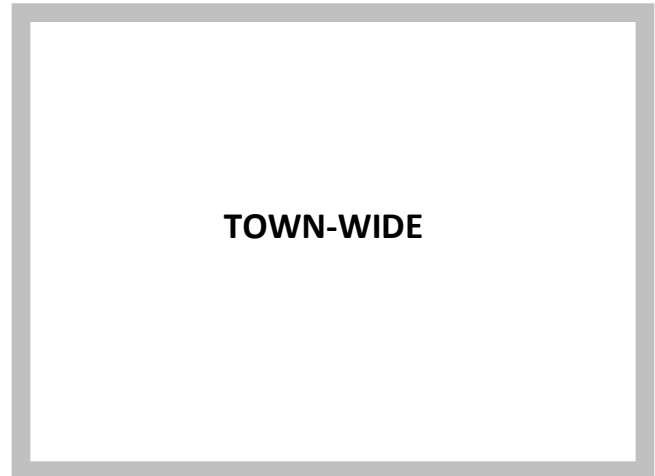
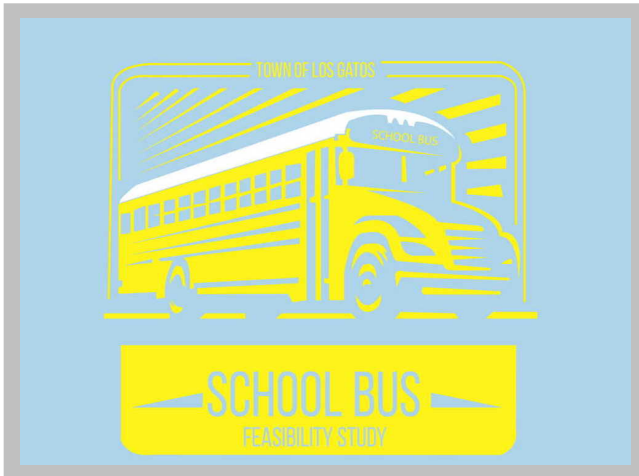
<b>Project Name</b>	Annual Storm Drain Improvement Project	<b>Project Number</b>	816-0420
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project will install infill storm drain systems that are required to enhance safety and improve infrastructure to accept water runoff.		
<b>Location</b>	This project is located Town-wide.		
<b>Project Background</b>	The Town is responsible for keeping Town roads clear of excessive water and managing storm water running down Town streets. Storm drain improvements in the Town right of ways and parking lots are necessary to manage water drainage issues within these Town locations. The intent of this project is to keep pace with the needs of the Town's storm drain system to prevent flooding in the Town right of ways.		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Winter 2020	Bid Process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Summer 2021	Completion	Project completion

ANNUAL STORM DRAIN IMPROVEMENT PROJECT										
										Project 816-0420
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
STORM BASIN #1	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
STORM BASIN #2	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
STORM BASIN #3	\$ 29,700	\$ -	\$ 70,300	\$ 50,000	\$ 120,300	\$ -	\$ -	\$ -	\$ -	\$ 150,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 29,700</b>	<b>\$ -</b>	<b>\$ 270,300</b>	<b>\$ 150,000</b>	<b>\$ 420,300</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
STORM BASIN #1										
Project Construction Expenses	-	-	100,000	50,000	150,000	-	-	-	-	\$ 150,000
<b>TOTAL STORM BASIN #1</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
STORM BASIN #2										
Project Construction Expenses	\$ -	\$ -	\$ 100,000	\$ 50,000	\$ 150,000	\$ -	\$ -	\$ -	\$ -	\$ 150,000
<b>TOTAL STORM BASIN #2</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 100,000</b>	<b>\$ 50,000</b>	<b>\$ 150,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
STORM BASIN #3										
Project Construction Expenses	\$ 29,700	\$ -	\$ 70,300	\$ 50,000	\$ 120,300	\$ -	\$ -	\$ -	\$ -	\$ 150,000
<b>TOTAL STORM BASIN #3</b>	<b>\$ 29,700</b>	<b>\$ -</b>	<b>\$ 70,300</b>	<b>\$ 50,000</b>	<b>\$ 120,300</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 150,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 29,700</b>	<b>\$ -</b>	<b>\$ 270,300</b>	<b>\$ 150,000</b>	<b>\$ 420,300</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>





<b>Project Name</b>	Pilot School Busing	<b>Project Number</b>	812-0128
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Transportation & Mobility Manager: Ying Smith

**Description** This project explores congestion relief through piloting school bus service. The pilot school bus service provides morning and afternoon routes to and from school with neighborhood-based stops.

The Town is contracting with a qualified school bus transportation provider through a RFP process. The service schedule and designated pick up and drop off locations are published. Interested families may purchase an annual pass to reserve a seat. The pilot program will provide two routes for a total of 2 ½ years from January 2019 to June 2021.

**Location** This project is located Town-wide.

**Project Background** The Town of Los Gatos and the school community have been exploring new transit services customized to meet the needs of students traveling to and from schools. The primary areas of interest are corridors with the highest level of traffic congestion. Town staff and a consulting team completed a Congestion Relief School Bus Feasibility Study in 2018. The Town Council, at its June 5, 2018 meeting, authorized staff to proceed with a school bus pilot program. At its September 18, 2018 meeting, the Town Council authorized funding to provide a pilot service consisting of two routes for 18 months of service. At its March 3, 2020 meeting, Town Council directed staff to continue the School Bus Pilot Program for an additional year and to return to Council with options to transition the service to a different model.

The two-route pilot service started on January 7, 2019 and will continue for school year 2020/21.

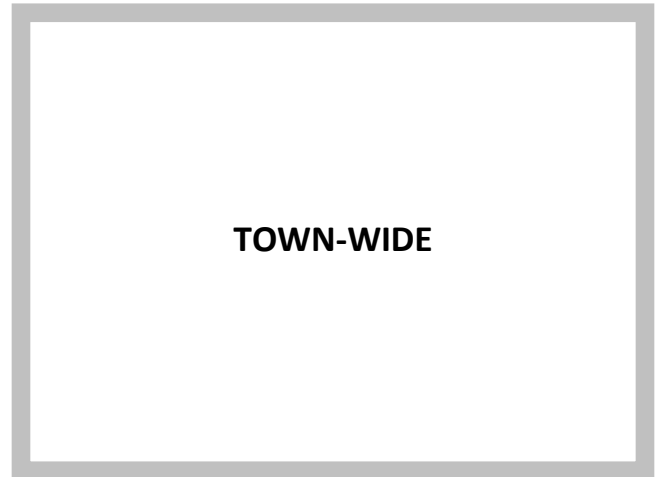
**Operating Budget Impacts** The pilot program is funded by the Town as well as fare revenue. This project will use staff time for service design. PPW staff time associated with these projects will be charged to the project as it is delivered.



<b>Project Components &amp; Estimated Timeline</b>	Summer 2018	Design	Service plan design, marketing, customer sign up
	Fall 2018	Bid Process	RFP & service contract award, finalize service plan
	Winter 2019	Service Launch	Provide Pilot Service
	Summer 2021	Completion	Completion of 2 and ½ years of pilot service

PILOT SCHOOL BUSING										Project 812-0128
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ 148,683	\$ 224,035	\$ 42,056	\$ 313,000	\$ 355,056	\$ -	\$ -	\$ -	\$ -	\$ 727,774
GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 87,000	\$ 87,000	\$ 87,000	\$ -	\$ -	\$ -	\$ 174,000
TOTAL SOURCE OF FUNDS	\$ 148,683	\$ 224,035	\$ 42,056	\$ 400,000	\$ 442,056	\$ 87,000	\$ -	\$ -	\$ -	\$ 901,774
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	148,683	224,035	42,056	313,000	355,056	-	-	-	-	727,774
TOTAL GFAR	\$ 148,683	\$ 224,035	\$ 42,056	\$ 313,000	\$ 355,056	\$ -	\$ -	\$ -	\$ -	\$ 727,774
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	87,000	87,000	87,000	-	-	-	174,000
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 87,000	\$ 87,000	\$ 87,000	\$ -	\$ -	\$ -	\$ 174,000
TOTAL USE OF FUNDS	\$ 148,683	\$ 224,035	\$ 42,056	\$ 400,000	\$ 442,056	\$ 87,000	\$ -	\$ -	\$ -	\$ 901,774





**Project Name** ADA Transition Plan

**Project Number** 812-0129

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town  
Engineer: Lisa Petersen

**Description** This project will update the Town's ADA Transition Plan as required.

**Location** This project is located Town-wide.

**Project Background** The Americans with Disabilities Act (ADA), enacted on July 26, 1990, provides comprehensive rights to persons with disabilities in different areas including access to public accommodations and transportation. The ADA requires that all public agencies develop a transition plan for eliminating barriers for persons with disabilities. The Town's ADA Transition Plan has not been updated since 1994, and it is necessary to develop programs that comply with the new standards

**Operating Budget Impacts** This project will use staff time for management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Develop request for proposals
	Fall 2020	Bid Process	Award consultant agreement
	Winter 2021	Report	Conduct study
	Spring 2021	Completion	Finalize report

ADA TRANSITION PLAN											Project 812-0129
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ 110,000	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 110,000	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	110,000	-	110,000	-	-	-	-	110,000	
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ 110,000	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 110,000	\$ -	\$ 110,000	\$ -	\$ -	\$ -	\$ -	\$ 110,000	



Street Improvements



**Project Name** Highway 17/9 Interchange and Capacity Improvements

**Project Number** 813-0237

**Department** Parks & Public Works

**Project Manager** Assistant Director/Town Engineer: Lisa Petersen

**Description** These funds will be used as a local match necessary to begin a conceptual study for improvements at Highway 9 and Highway 17.

**Location** This project is located on Highway 9 and Highway 17.

**Project Background** The Countywide 2016 Measure B sales tax measure includes investments in the regional transportation infrastructure across nine program areas. The Santa Clara Valley Transportation Authority (VTA) manages the 2016 Measure B program and the VTA Board approves project prioritization and funding. The VTA approved the first set of projects on a two-year budget cycle with a ten-year look ahead at potential projects.

Through the process to establish the structure of and projects included in the 2016 Measure B, the Town proposed upgrades to the interchange at Highway 9 and Highway 17 as its major project in the Highway category. In reviewing the project with VTA, an opportunity exists to include two options for modifications to Highway 17 through Los Gatos. The first includes efficiency improvements such as adding auxiliary lanes and realigning existing lanes. Auxiliary lanes might include continuing the on-ramp from Lark Avenue south to the Highway 9 off-ramp, facilitating a smoother transition of traffic. The second is an expanded version that could include the addition of travel lanes on Highway 17 within the existing right of way. VTA approved 2016 Measure B funds to bring the project through preliminary design and environmental review. The allocation of 2016 Measure B funds requires at least a 10 percent contribution from non-2016 Measure B sources. While the Town is pursuing outside funds for the match, this project would set aside Town funds if needed.

**Operating Budget Impacts** This project will use staff time for project management. Engineering staff time associated with these projects will be charged to the project as it is delivered.

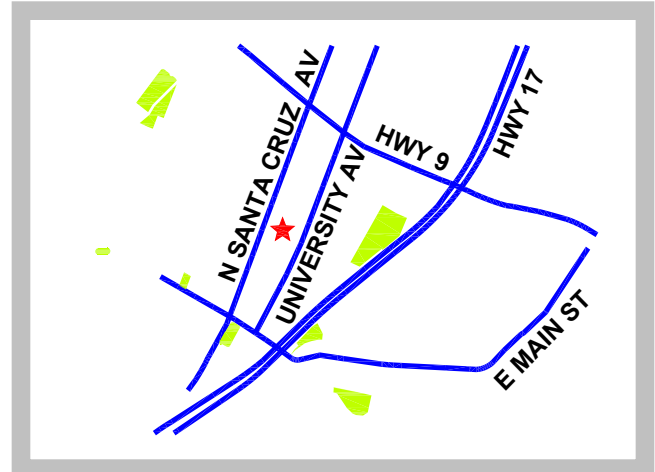


<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Summer 2021	Design Review	Review of Design

HIGHWAY 17/9 INTERCHANGE & CAPACITY IMPROVEMENTS										
										Project 813-0237
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
TRAFFIC MITIGATION	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
TRAFFIC MITIGATION										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	600,000	-	600,000	-	-	-	-	600,000
TOTAL TRAFFIC MITIGATION	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 600,000	\$ -	\$ 600,000	\$ -	\$ -	\$ -	\$ -	\$ 600,000



Street Improvements



**Project Name** Downtown Streetscape Revitalization

**Project Number** 813-0235

**Department** Parks & Public Works

**Project Manager** PPW Director: Matt Morley

**Description** These funds will be used as initial funding for a larger Downtown Streetscape Revitalization project.

**Location** This project is located downtown.

**Project Background** The Downtown Streetscape infrastructure has aged and needs updating to continue to attract customers and facilitate maintenance. This initial funding set aside is in preparation for a future project to reinvent the Downtown. Past efforts that inform this project include a one-way street pilot on North Santa Cruz Avenue and a Comprehensive Downtown Parking Study. In addition, the Town's Operating Budget provides for increased attention to the maintenance of landscape and hardscape. Progress and expenditures on this project will occur only following ongoing discussion and direction from the Town Council.

**Operating Budget Impacts** This project will use staff time for project management. Engineering staff time associated with these projects will be charged to the project as it is delivered.

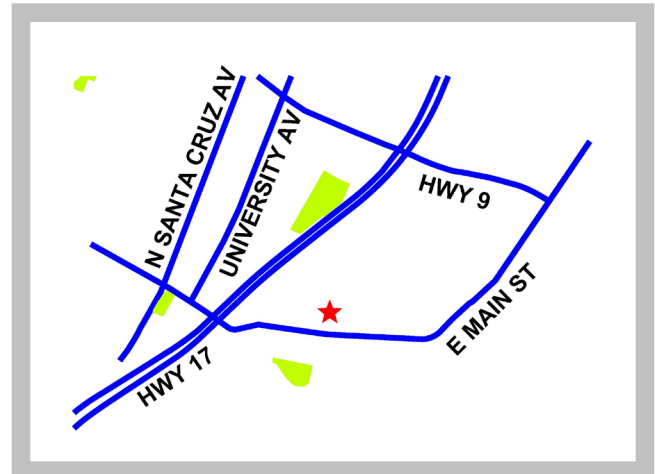


Project Components & Estimated Timeline	Summer 2020	Design	Project design & development
	TBD		Future project milestones

DOWNTOWN STREETScape REVITALIZATION										Project 813-0235
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$1,972,384	\$ -	\$ 1,972,384	\$ -	\$ -	\$ -	\$ -	\$1,972,384
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>	<b>\$ -</b>	<b>\$ 1,972,384</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	1,972,384	-	1,972,384	-	-	-	-	1,972,384
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>	<b>\$ -</b>	<b>\$ 1,972,384</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>	<b>\$ -</b>	<b>\$ 1,972,384</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,972,384</b>



Street Improvements



**Project Name** E. Main Street Speed Table/Raised Crosswalk

**Project Number** 812-0131

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** The project will install two speed tables, raised crosswalks, and bulb outs on East Main Street in front of Los Gatos High School.

**Location** East Main Street in front of Los Gatos High School, between High School Court and Chicago Avenue.

**Project Background** The East Main Street Speed Table/Raised Crosswalk project includes installing two speed tables on East Main Street in front of Los Gatos High School, combined with raised crosswalks and the construction of bulb outs at all three crosswalks.

The Town received a Transportation Fund for Clean Air (TFCA) grant in the amount of \$86,200 from the Santa Clara Valley Transportation Authority (VTA) for the construction of this project.

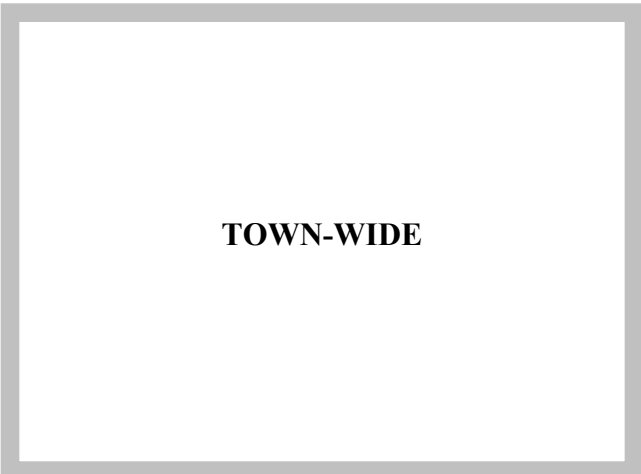
**Operating Budget Impacts** Engineering staff time for design and construction of this project will be addressed in the FY 2020/21 Operating Budget.



<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project plans & specifications
	Winter 2021	Bid Process	Council approves plans & authorizes bidding the project
	Summer 2021	Construction	Council awards the contract & construction process begins
	Fall 2021	Completion	Project completed

E. MAIN ST. SPEED TABLE/RAISED CROSSWALK										Project 812-0131
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ -	\$ -	\$ -	\$ 83,000	\$ 83,000	\$ -	\$ -	\$ -	\$ -	\$ 83,000
GRANTS & AWARDS	-	-	-	86,200	86,200	-	-	-	-	86,200
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 169,200	\$ 169,200	\$ -	\$ -	\$ -	\$ -	\$ 169,200
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	83,000	83,000	-	-	-	-	83,000
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 83,000	\$ 83,000	\$ -	\$ -	\$ -	\$ -	\$ 83,000
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	86,200	86,200	-	-	-	-	86,200
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 86,200	\$ 86,200	\$ -	\$ -	\$ -	\$ -	\$ 86,200
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 169,200	\$ 169,200	\$ -	\$ -	\$ -	\$ -	\$ 169,200





**Project Name** Local Road Safety Plan

**Project Number** 812-0132

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will prepare a Local Road Safety Plan for the Town.

**Location** This project is located Town-wide.

**Project Background** A Local Road Safety Plan (LRSP) is a new initiative in the State's Highway Safety Improvement Program (HSIP). Preparing a LRSP is an opportunity for jurisdictions to address unique local roadway safety needs while contributing to the success of the Strategic Highway Safety Plan. The process of preparing an LRSP creates a framework to systematically identify and analyze safety problems and recommend safety improvements. Preparing an LRSP facilitates the development of local agency partnerships and collaboration, resulting in a prioritized list of improvements and actions that can demonstrate a defined need and contribute to the statewide plan. The LRSP offers a proactive approach to addressing safety needs and demonstrates agency responsiveness to safety challenges. In the future Highway Safety Improvement Program (HSIP) Calls-for-Projects, an LRSP (or its equivalent) will be preferred or required for an agency to be eligible to apply for federal HSIP funds. The Town has received HSIP grants in the past for this Plan. Completing a LRSP will ensure the Town's eligibility to apply and receive future HSIP funds.

The Town was awarded a HSIP grant for completing the LRSP in an amount of \$72,000, the maximum grant amount allowed per agency. A minimum of 10% local match is required. Staff is recommending a higher match amount of \$28,000 to have sufficient funds to prepare a high-quality product with extensive community engagement.

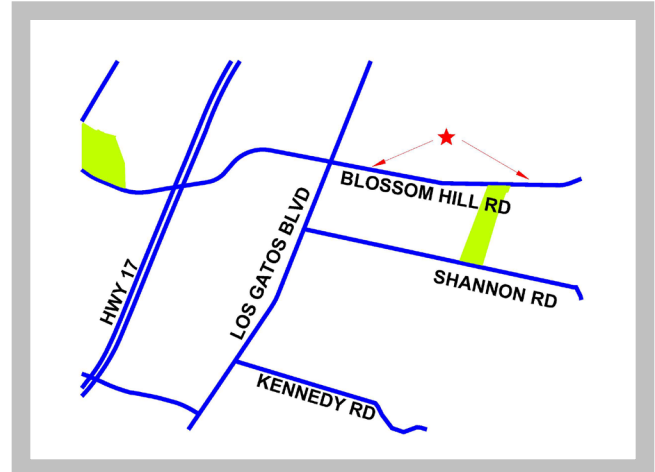
**Operating Budget Impacts** This project will use staff time for project management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Fall 2020	RFP & Selection Process	Council authorizes issuing RFP Proposal evaluation and vendor selection. Council awards the contract and study begins.
	Winter 2020	Study	Study, analysis and community engagement.
	Summer 2021	Completion	Project completed.

LOCAL ROAD SAFETY PLAN											Project 812-0132
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ -	\$ 28,000	\$ 28,000	\$ -	\$ -	\$ -	\$ -	\$ 28,000	
GRANTS & AWARDS	-	-	-	72,000	72,000	-	-	-	-	72,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	28,000	28,000	-	-	-	-	28,000	
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 28,000	\$ 28,000	\$ -	\$ -	\$ -	\$ -	\$ 28,000	
GRANTS & AWARDS											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	72,000	72,000	-	-	-	-	72,000	
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 72,000	\$ 72,000	\$ -	\$ -	\$ -	\$ -	\$ 72,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	





**Project Name** Blossom Hill Road Traffic Study

**Project Number** 813-0239

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** These funds will be used to conduct a safety study on Blossom Hill Road.

**Location** This project is located on Blossom Hill Road from Camelia Terrace to Hillbrook Drive.

**Project Background** This project would conduct a safety study on Blossom Hill Road focusing on the areas from Camelia Terrace to Hillbrook Drive. The study would identify opportunities for improvements to the corridor to benefit multi-modal transportation, provide traffic calming, and increase safety. The study would include information on potential impacts to surrounding streets, especially residential streets, that may occur as a result of changes to Blossom Hill Road.

**Operating Budget Impacts** This project will use staff time for project management. Engineering staff time associated with these projects will be charged to the project as it is delivered.

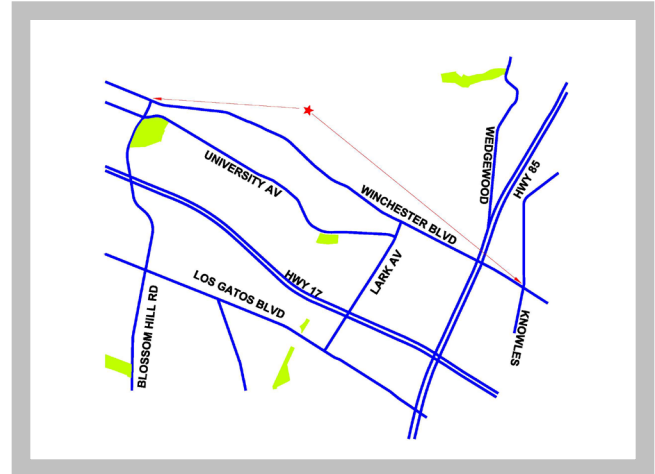


Project Components & Estimated Timeline	Summer 2020	RFP Process	Conduct Request for Proposals process.
	Fall 2020	Study	Study and analysis.
	Fall 2020	Completion	Study result brought to Council for consideration.

BLOSSOM HILL ROAD TRAFFIC STUDY										Project 813-0239
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$ -	\$ 125,000	\$ 125,000	\$ -	\$ -	\$ -	\$ -	\$ 125,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	125,000	125,000	-	-	-	-	125,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>	<b>\$ 125,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 125,000</b>



Street Improvements



**Project Name** Winchester Class IV Bikeway

**Project Number** 813-0240

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** The project will install Class IV protected bike lines on Winchester Boulevard.

**Location** This project is located on Winchester Boulevard between Blossom Hill Road and Albright Way.

**Project Background** Winchester Boulevard is a major arterial street parallel to Highway 17, which borders both the Town of Los Gatos and the City of Monte Sereno. The Los Gatos Bicycle and Pedestrian Master Plan (BPMP) identifies the construction of Class IV bike lanes along Winchester Boulevard as an important improvement project for the Town. On January 29, 2020, the Town was awarded a grant award of \$293,900 from the Transportation Fund for Clean Air (TFCA) Regional Fund for the Winchester Boulevard Class IV Protected Bike Lanes Project. The TFCA funds will be applied to the construction phase.

**Operating Budget Impacts** This project will use staff time for design and construction of this project. Engineering staff time associated with this project will be changed to the project as delivered.

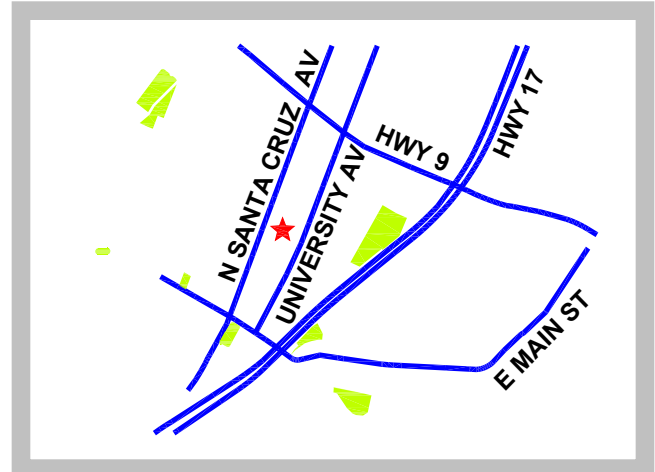


<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design and Bid	Prepare plans & specifications. Council approves plans & authorizes bidding the project. Council awards the project.
	Summer 2021	Construction	Construction process begins.
	Fall 2021	Completion	Project completed.

WINCHESTER CLASS IV BIKEWAY											Project 813-0240
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ -	\$ 688,555	\$ 688,555	\$ -	\$ -	\$ -	\$ -	\$ 688,555	
GRANTS & AWARDS	-	-	-	293,900	293,900	-	-	-	-	293,900	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 982,455	\$ 982,455	\$ -	\$ -	\$ -	\$ -	\$ 982,455	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	688,555	688,555	-	-	-	-	688,555	
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 688,555	\$ 688,555	\$ -	\$ -	\$ -	\$ -	\$ 688,555	
GRANTS & AWARDS											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	293,900	293,900	-	-	-	-	293,900	
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ 293,900	\$ 293,900	\$ -	\$ -	\$ -	\$ -	\$ 293,900	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 982,455	\$ 982,455	\$ -	\$ -	\$ -	\$ -	\$ 982,455	



Street Improvements



**Project Name** VMT Mitigation Program

**Project Number** 812-0133

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will fund a required nexus study to establish a Vehicle Miles Travelled fee program.

**Location** This project is located Town-wide.

**Project Background** Staff is working a Transportation Analysis Policy and Guidelines in compliance with state law and the CEQA Guidelines. The Town will need to establish a robust VMT reduction program to lower VMT Town-wide. Based on other jurisdictions' experience and considering the local setting, the most effective and feasible actions will likely include bike and pedestrian improvements, Transportation Demand Management actions, parking and policy changes, shuttles, and financial incentives. The final policy and guidelines are expected to be adopted by the Town Council in June 2020, with follow up work on local policies through the 2020 calendar year.

It is anticipated that the new Transportation Analysis Policy and Guidelines will make it necessary for the Town to establish a new VMT Mitigation program. The current Traffic Impact Mitigation Fee is based on roadway capacity analysis. The transition to VMT as a metric will necessitate different mitigation measures to address impacts from driving. A nexus study will be required to establish a mitigation fee program.

**Operating Budget Impacts** This project will use staff time for management of this project. Engineering staff time associated with this project will be changed to the project as delivered.

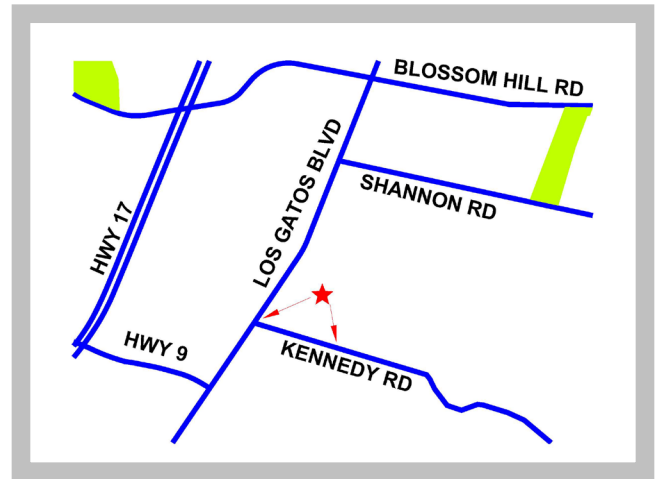


Street Improvements

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Develop scope and RFP.
	Winter 2020	RFP & Selection Process	Council authorizes issuing RFP. Proposal evaluation and vendor selection. Council awards the contract and study begins.
	Spring 2021	Study	Study, analysis, and community engagement.
	Fall 2021	Completion	Study and recommendations completed. Council adopts the VMT Mitigation Program and Fee.

VMT MITIGATION PROGRAM AND FEE NEXUS STUDY											Project 812-0133
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	-	250,000	250,000	-	-	-	-	250,000	
TOTAL GFAR	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ 250,000	\$ 250,000	\$ -	\$ -	\$ -	\$ -	\$ 250,000	





**Project Name** Kennedy Sidewalk – LGB to Englewood

**Project Number** 813-0241

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** The project will install sidewalks and Class II bike lanes on Kennedy Road.

**Location** This project location is Kennedy Road Between Los Gatos Boulevard and Englewood Avenue.

**Project Background** The Kennedy Road Sidewalk improvement project will provide safe connections to Los Gatos Boulevard, a destination point in Town for employment. The project is in a residential neighborhood that will provide benefits to Louise Van Meter Elementary School, R.J. Fisher Middle School, and Los Gatos High School. The project location is in close proximity to the Los Gatos and Fillmer stop on the VTA Route 27 providing access to further destinations within the Town and Blossom Hill Road.

Staff submitted a Measure B grant application to seek funding for the final design and construction of this project. The local match amount is included in this project budget. The project schedule is contingent upon Measure B award.

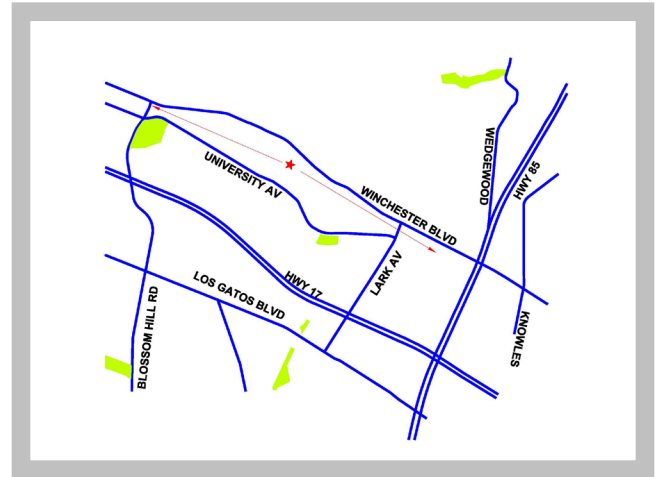
**Operating Budget Impacts** This project will use staff time for design and management. Engineering staff time associated with this project will be changed to the project as delivered.



<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Prepare plans & specifications.
	Spring 2021	Bid Process	Council approves plans authorizes bidding the project.
	Summer 2021	Construction	Council awards the contract and construction process begins.
	Fall 2021	Completion	Project completed.

KENNEDY SIDEWALK BETWEEN LGB AND ENGELWOOD										Project 813-0241
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,700	\$ -	\$ -	\$ 356,700
GRANTS & AWARDS	-	-	-	-	-	-	805,690	-	-	805,690
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,162,390	\$ -	\$ -	\$1,162,390
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	-	-	-	356,700	-	-	356,700
TOTAL GFAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 356,700	\$ -	\$ -	\$ 356,700
GRANTS & AWARDS										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	-	-	-	805,690	-	-	805,690
TOTAL GRANTS & AWARDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 805,690	\$ -	\$ -	\$ 805,690
TOTAL USE OF FUNDS	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$1,162,390	\$ -	\$ -	\$1,162,390





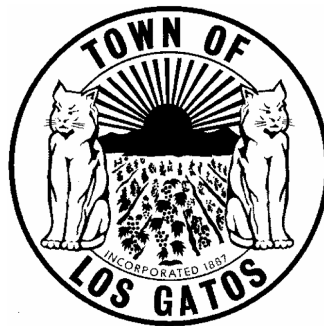
<b>Project Name</b>	Winchester Boulevard Complete Streets Final Design	<b>Project Number</b>	813-0238
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Transportation & Mobility Manager: Ying Smith
<b>Description</b>	This project will fund the conceptual engineering and final design for Complete Streets improvements on Winchester Boulevard.		
<b>Location</b>	This project location is Winchester Boulevard between Blossom Hill Road and Knowles Drive (Town limits).		
<b>Project Background</b>	<p>Winchester Boulevard is a major arterial street parallel to Highway 17, which borders both the Town of Los Gatos and the City of Monte Sereno. The Los Gatos Bicycle and Pedestrian Master Plan (BPMP) identifies the construction of Class IV bike lanes along Winchester Boulevard as an improvement project. The construction of Winchester Class IV Bikeway is included as a separate project (813-0240). Complete Streets treatments will likely include enhanced bike lanes, pedestrian crossing, sidewalk improvements, pedestrian refuse islands, landscaped medians, intersection modifications, and stormwater retention.</p> <p>In December 2019, the Town selected Kimley-Horn and Associates, Inc. as the consultant to complete engineering design. The conceptual engineering work is expected to be completed by the end of 2020.</p> <p>The Final Design for the Winchester Boulevard Complete Streets improvements is one of the five candidate projects submitted to the Measure B Bicycle and Pedestrian Competitive Grant Program. The local funds included in this project's budget is the estimated local match amount. In future years, additional funds will be needed for construction. Staff will continue to seek grant funding to complete this project.</p>		
<b>Operating Budget Impacts</b>	Engineering staff time for the design, construction inspection, and management will be charged to the project as it is delivered.		



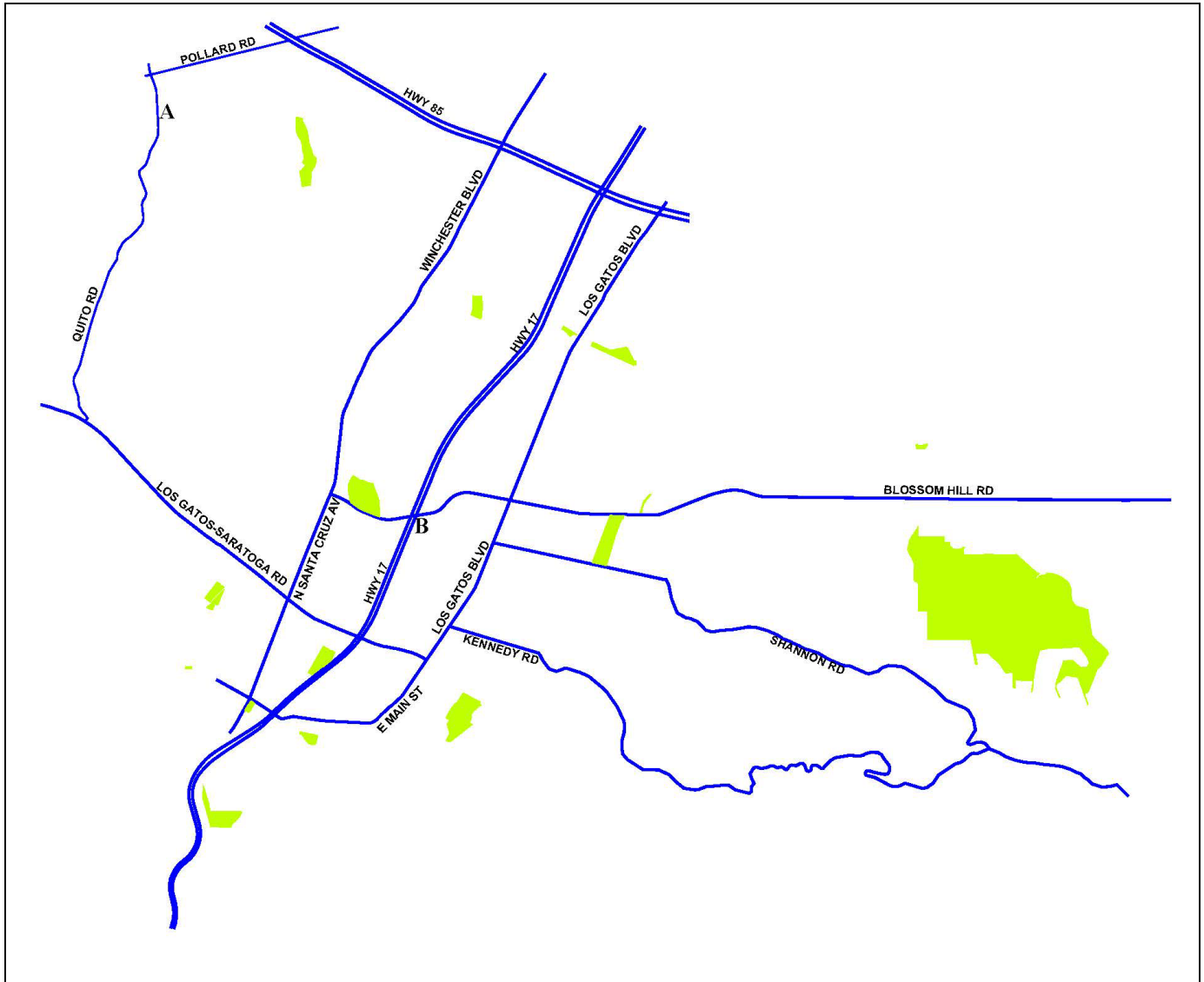
<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Conceptual Design	Complete Conceptual design
	Fall 2021	Final Design	Complete right-of-way certificate and final design (pending funding)
	TBD	Construction	Begin and complete construction

WINCHESTER BOULEVARD COMPLETE STREETS										Project 813-0238
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ 200,053	\$ 79,948	\$ -	\$ 79,948	\$ 463,250	\$ -	\$ -	\$ -	\$ 743,250
GRANTS & AWARDS	-	-	-	-	-	996,000	-	-	-	996,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ 200,053</b>	<b>\$ 79,948</b>	<b>\$ -</b>	<b>\$ 79,948</b>	<b>\$1,459,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,739,250</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	200,053	79,948	-	79,948	463,250	-	-	-	743,250
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ 200,053</b>	<b>\$ 79,948</b>	<b>\$ -</b>	<b>\$ 79,948</b>	<b>\$ 463,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 743,250</b>
<b>GRANTS &amp; AWARDS</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	-	-	996,000	-	-	-	996,000
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 996,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 996,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ 200,053</b>	<b>\$ 79,948</b>	<b>\$ -</b>	<b>\$ 79,948</b>	<b>\$1,459,250</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$1,739,250</b>









PROJECT LOCATIONS	
A	Quito Road - Bridge Replacement
B	Highway 17 Bicycle & Pedestrian Bridge – Design



Bridge Projects

PROGRAM SECTION DIRECTORY		PAGE
<b>0801</b>	Quito Road - Bridge Replacement	C – 86
<b>0803</b>	Highway 17 Bicycle & Pedestrian Bridge - Design	C – 88



## Bridge Projects

The Streets Program's *Bridge Projects* section contains Capital Improvement Program projects that repair, replace, or rehabilitate a deficient bridge structure as the primary scope of work.

Bridge structure safety falls under the guidance of state and federal regulations, and bridge projects are often driven by available funding from these jurisdictions, such as Caltrans grant programs or the federal Highway Bridge Replacement and Rehabilitation (HBRR) program. Los Gatos does not have a designated funding source for repairing, maintaining, and improving the Town's bridges, and relies upon grant programs for major bridge improvement projects.

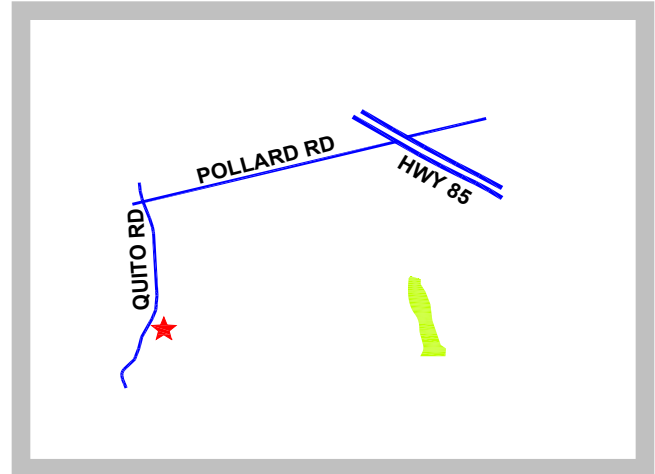
## BRIDGE PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM							
BRIDGE PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
0801 Quito Road - Bridge Replacement	\$ 64,594	\$ 285,087	\$ -	\$ -	\$ -	\$ -	\$ 349,681
0803 Hwy 17 Bicycle & Pedestrian Bridge-Design	234,000	-	5,430,303	-	-	-	5,664,303
<b>Total Bridge Projects</b>	<b>\$ 298,594</b>	<b>\$ 285,087</b>	<b>\$ 5,430,303</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 6,013,984</b>

\* Total FY 2019/20 Carryforward \$235,087



Bridge Projects



<b>Project Name</b>	Quito Road - Bridge Replacement	<b>Project Number</b>	818-0801
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project funds the Town's portion of the replacement cost for two bridges on Quito Road to improve roadway safety and provide adequate storm water flow capacity in the creek under the bridge.		
<b>Location</b>	The two Quito Road bridges span a tributary of San Tomas Aquino Creek. The bridges are located on Quito Road in the vicinity of Old Adobe Road, approximately 1½ miles north of Highway 9, on the common boundary line between the City of Saratoga and the Town of Los Gatos.		
<b>Project Background</b>	<p>San Tomas Aquino Creek is under the jurisdiction of the Santa Clara Valley Water District (SCVWD), while the replacement of the bridges is the shared responsibility of the City of Saratoga and the Town of Los Gatos. Both bridges are approximately ninety years old and have been classified "structurally deficient" under Caltrans guidelines. In addition, both bridges are not adequate to receive 100-year flood flows.</p> <p>In 2001, the City of Saratoga, the project sponsor, secured partial funding (80%) through the federal Highway Bridge Replacement and Rehabilitation (HBRR) program to replace both bridges with wider span structures that will allow the 100-year design flood flow to pass underneath. Saratoga is the lead agency to oversee the design, environmental, right-of-way acquisition, and construction services for the project. The City of Saratoga, the Town of Los Gatos, and SCVWD agreed to share the duties and responsibilities for the project and the remaining 20% local match funding requirement.</p> <p>After further evaluation of the bridges, it was determined that Quito Road would require reconstruction at each end of the bridge, which in turn requires additional right-of-way acquisitions and environmental reviews under both the State of California (Caltrans) and federal regulations. These changes have made it necessary to redesign this project, significantly increasing the estimated costs. The City of Saratoga has applied for additional funding from Caltrans due to the redesign. As a result of the additional project costs, the local funding match from the City of Saratoga, the Town of Los Gatos, and the SCVWD has increased from \$155,000 to \$238,000 for each agency. Based on the April 2019 schedule from the City of Saratoga, the construction of these bridges is anticipated to be completed by 2021.</p>		
<b>Operating Budget Impacts</b>	Engineering staff time for coordination of this project with the City of Saratoga is incorporated into the Saratoga Operating Budget.		

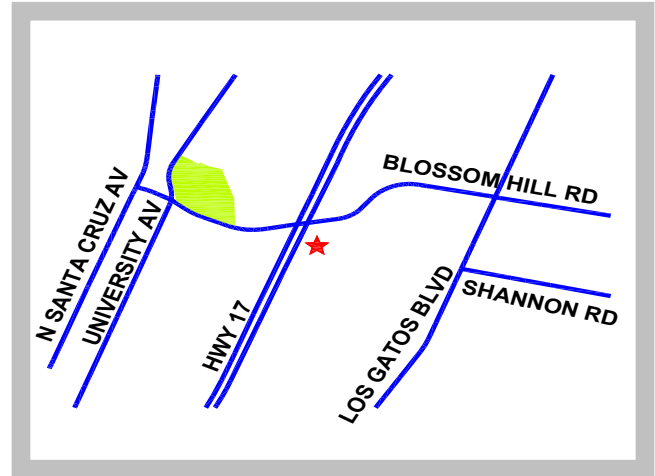
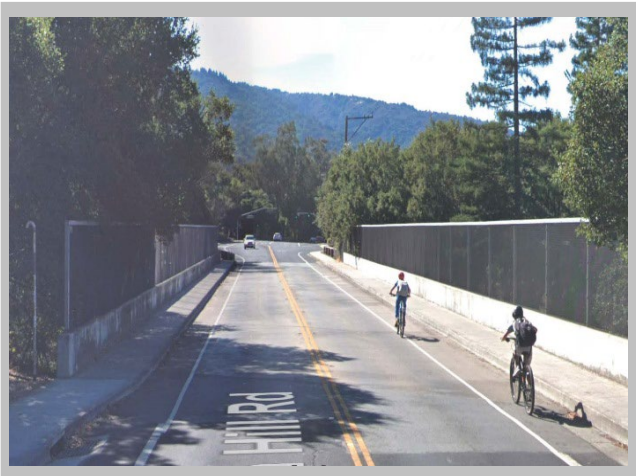


## Bridge Projects

<b>Project Components &amp; Estimated Timeline</b>	Jan 2001	Grant Funding	The City of Saratoga obtained grant funding from the federal HBRR program.
	Oct 2001	Cooperative Agreement	Council approved a cooperative agreement with the City of Saratoga and SCVWD for the replacement of the two bridges.
	May 2002	Preliminary Design	City of Saratoga started preliminary design.
	2013	Right of way	Right of way acquisition process is ongoing and environmental permitting is underway.
	2015	Final Design	Design completed and project bidding by the City of Saratoga.
	April 2020	Construction Start	Begin reconstruction of bridge.
	Summer 2021	Completion	Construction is anticipated to be complete in 2021.

QUITO ROAD - BRIDGE REPLACEMENT										Project 818-0801
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 64,594	\$ -	\$ 235,087	\$ 50,000	\$ 285,087	\$ -	\$ -	\$ -	\$ -	\$ 349,681
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 64,594</b>	<b>\$ -</b>	<b>\$ 235,087</b>	<b>\$ 50,000</b>	<b>\$ 285,087</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 349,681</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	64,594	-	235,087	50,000	285,087	-	-	-	-	349,681
<b>TOTAL GFAR</b>	<b>\$ 64,594</b>	<b>\$ -</b>	<b>\$ 235,087</b>	<b>\$ 50,000</b>	<b>\$ 285,087</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 349,681</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 64,594</b>	<b>\$ -</b>	<b>\$ 235,087</b>	<b>\$ 50,000</b>	<b>\$ 285,087</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 349,681</b>





<b>Project Name</b>	Highway 17 Bicycle & Pedestrian Bridge - Design	<b>Project Number</b>	818-0803
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Transportation & Mobility Manager: Ying Smith
<b>Description</b>	This project will fund the preliminary design, environmental clearance, and final design for potential bicycle and pedestrian bridge over Highway 17.		
<b>Location</b>	This project is located at Blossom Hill Road or Nino Way over Highway 17.		
<b>Project Background</b>	<p>Highway 17 presents a barrier for bicyclists and pedestrians wanting to cross from one side of Los Gatos to the other. Current crossings are largely vehicle focused and often uncomfortable for other transportation modes. This is a suggested path included in the Safe Routes to School Phase 1 Study.</p> <p>In September 2019, the Town selected BKF Engineers as the consultant and officially kicked off the project. The feasibility analysis and conceptual engineering work is expected to be completed by the end of 2020. At its March 3, 2020 meeting, the Town Council approved the project's Purpose and Need and authorized proceeding with design alternatives for a separate bicycle and pedestrian overcrossing.</p> <p>The Final Design phase will include environmental clearance, right-of-way, and final design, estimated to be approximately \$3.7 million. Staff submitted a Measure B grant application to seek funding for the final design of this project. The local match amount is included in this project's budget. The project schedule is contingent upon the Measure B award.</p> <p>In future years, additional funds will be needed for construction. The construction cost will be in the \$20 to \$30 million range. Staff will continue to seek grant funding to complete this project.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for project management. Staff time associated with these projects will be charged to the project as it is delivered.		



Bridge Projects

Project Components & Estimated Timeline	Spring 2020	Preliminary Design	Project design & development
	Spring 2023	Environmental Clearance and Final Design	Complete environmental clearance and final design
	TBD	Construction	Complete construction

HIGHWAY 17 BICYCLE AND PEDESTRIAN BRIDGE - DESIGN										
										Project 818-0803
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 946,210	\$ -	\$ -	\$ -	\$ 946,210
TRAFFIC MITIGATION	-	147,005	-	-	-	-	-	-	-	147,005
GRANTS & AWARDS	-	86,995	-	-	-	4,484,093	-	-	-	4,571,088
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ 234,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$5,430,303</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,664,303</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	-	-	946,210	-	-	-	946,210
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 946,210</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 946,210</b>
<b>TRAFFIC MITIGATION</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	147,005	-	-	-	-	-	-	-	147,005
<b>TOTAL TRAFFIC MITIGATION</b>	<b>\$ -</b>	<b>\$ 147,005</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 147,005</b>
<b>GRANTS &amp; AWARDS</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	86,995	-	-	-	4,484,093	-	-	-	4,571,088
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>\$ -</b>	<b>\$ 86,995</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$4,484,093</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,571,088</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ 234,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$5,430,303</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 5,664,303</b>









*Parks Program*



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**PARK PROJECT DIRECTORY**

<b>4605</b>	Parks Playground Fibar Project	D – 6
<b>4609</b>	Creek Trail & Parks Pathway & Parking Lot Seal Coat and Striping	D – 8
<b>4202</b>	Town Plaza Turf Repairs	D – 10
<b>4006</b>	Outdoor Fitness Equipment	D – 12
<b>4508</b>	Vegetation Management – Town-wide	D – 14

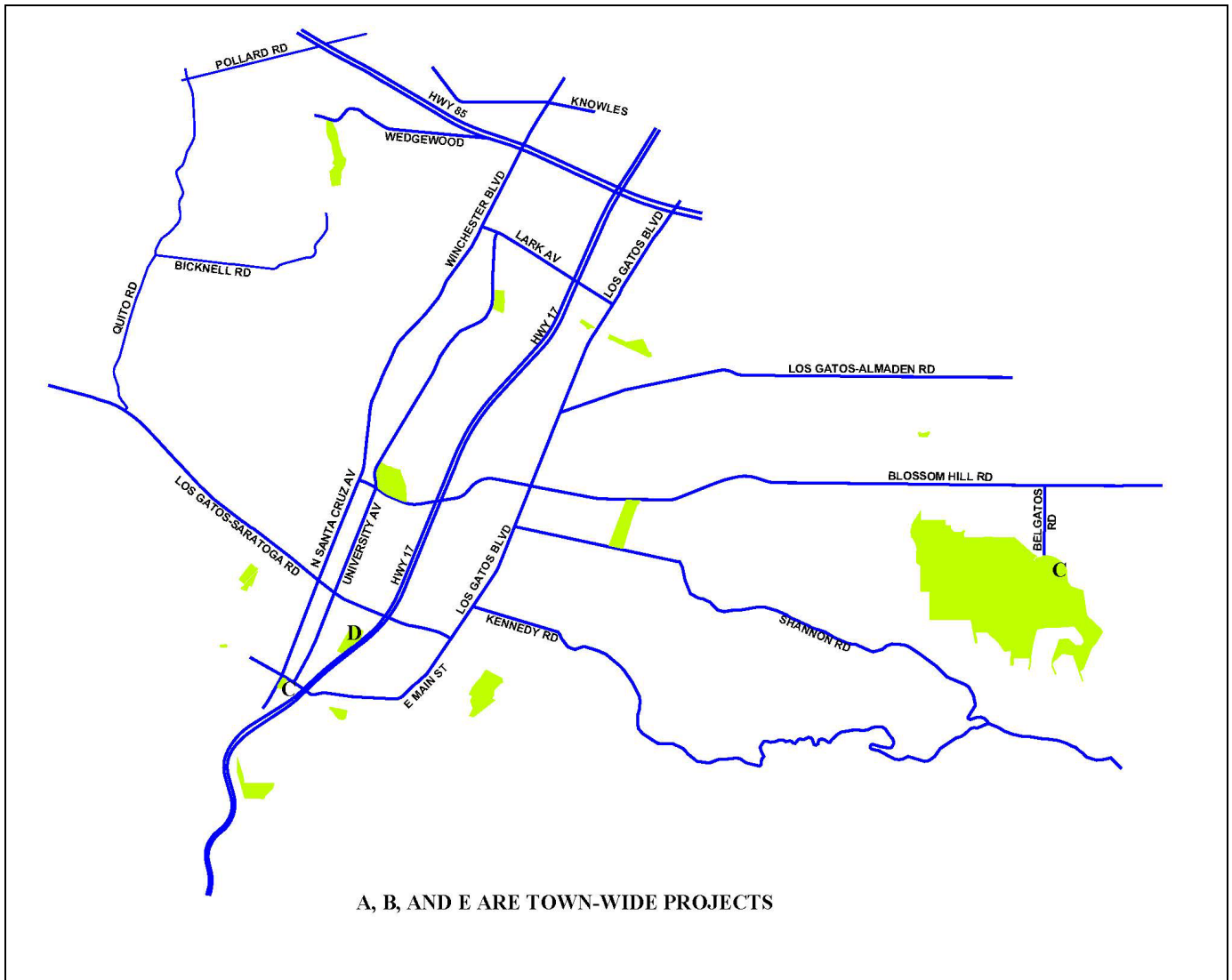
**TRAIL PROJECT DIRECTORY**

<b>4504</b>	Open Space Trail Upgrades	D – 20
<b>4507</b>	Forbes Mill Footbridge Improvements	D – 22
<b>4503</b>	Charter Oaks Trail Repair	D – 24
<b>4505</b>	Trailhead Connector Project	D – 26









PROJECT LOCATIONS	
A	Parks Playground Fibar Project
B	Creek Trail & Parks Pathway & Parking Lot Seal Coat and Striping
C	Town Plaza Turf Repairs
D	Outdoor Fitness Equipment – Balzer Field
E	Vegetation Management – Town-wide



<b>PROGRAM SECTION DIRECTORY</b>		<b>PAGE</b>
<b>4605</b>	Parks Playground Fibar Project	D – 6
<b>4609</b>	Creek Trail & Parks Pathway & Parking Lot Seal Coat & Striping	D – 8
<b>4202</b>	Town Plaza Turf Repairs	D – 10
<b>4006</b>	Outdoor Fitness Equipment	D – 12
<b>4508</b>	Vegetation Management – Town-wide	D – 14



Park Improvement Projects

The Parks Program's *Park Improvement Projects* section contains Capital Improvement Program projects that repair or improve a Town park as the primary scope of work. Typical park improvement projects include parking lot, walkway, and basketball or tennis court resurfacing; and park equipment or facility upgrades.

The Park Improvement Projects section does not have ongoing programs; all projects are considered one-time projects. The exception to this is the Parks Fibar replacement project. Because Fibar requires regular replacement and infill, this project is scheduled as a bi-annual project. One-time park improvement projects are prioritized based on health and safety issues, available funding sources, infrastructure impacts, project costs, and community impacts.

Los Gatos does have Park Construction Tax Revenue as a designated funding source for the Parks operating program budget; however, tax receipts are limited to approximately \$11,000 per year, and are not sufficient for a capital program. In addition to GFAR funding, grants, in-lieu fees, and CDBG funds are pursued and utilized for park improvements when available.

PARK IMPROVEMENT PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM							
PARK IMPROVEMENT PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<b>PARKS</b>							
<i>Carryforward Projects</i>							
4605 Parks Playground Fibar Project	\$ 63,460	\$ 61,540	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 175,000
4609 Creek Trail & Parks Path & Parking Lot Seal & Striping	-	225,000	-	-	-	-	225,000
4202 Town Plaza Turf Repairs	8,116	28,000	-	-	-	-	36,116
4006 Outdoor Fitness Equipment	-	60,000	-	-	-	-	60,000
4508 Vegetation Management - Town-wide	-	500,707	-	-	-	-	500,707
<i>New Projects</i>							
<b>Total Park Improvement Projects</b>	<b>\$ 71,575</b>	<b>\$ 875,247</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 996,823</b>

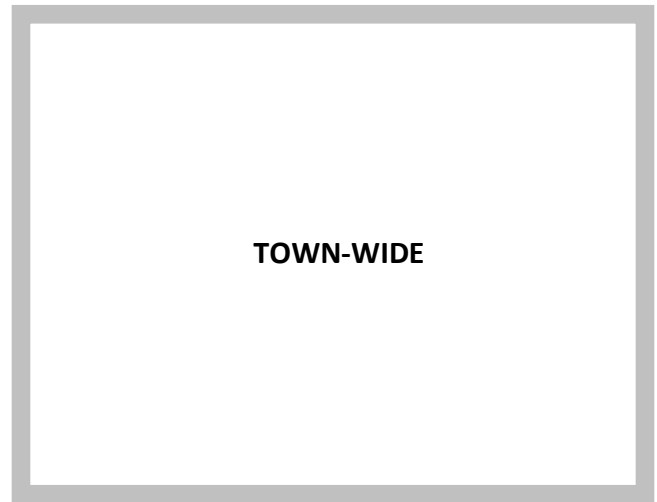
\* Total FY 2019/20 Carryforward \$850,247

Unfunded Projects

- Oak Meadow Park Upgrades
- Civic Center Irrigation System Replacement & Upgrade
- Turf Renovations - Various Parks
- Oak Meadow Park Fencing Upgrades
- Oak Meadow Park Restroom Expansion
- Park Rehabilitation – La Rinconada Park
- Park Rehabilitation – Live Oak Manor Park
- Park Rehabilitation – Blossom Hill Park
- Plaza Park Improvements



Park Improvement Projects



TOWN-WIDE

**Project Name** Parks Playground Fibar Project

**Project Number** 831-4605

**Department** Parks & Public Works

**Project Manager** Superintendent: Jim Harbin

**Description** This project will replace fibar material at all Town playgrounds.

**Location** This project will be completed at various parks in Los Gatos.

**Project Background** Several Town parks have playground structures that are heavily used by children and their families. Playground safety codes require that the fibar material be spread under and around playground structures to prevent injury to children.

Fibar replacement is required when the material is below a specific depth near the playground structure. Fibar is a wood product that degrades over time based on foot traffic and weather conditions. This material should be replaced on a regular, as needed basis. This is an annual CIP project to improve the safety of the Town's playgrounds.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. The staff time for this project is included in the Parks and Public Works Department's FY 2020/21 Operating Budget.

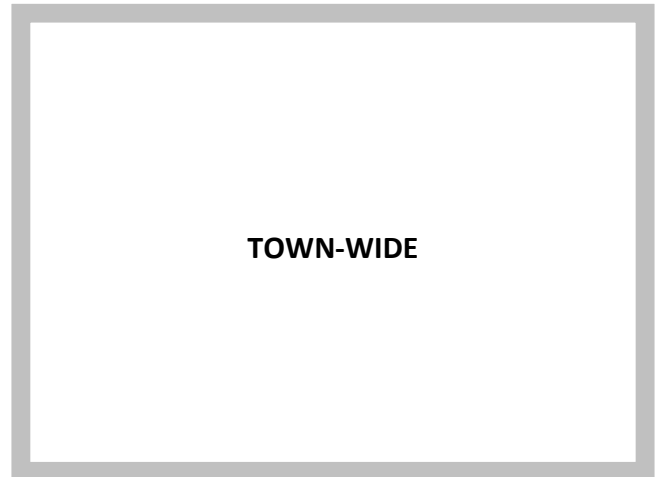


Park Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Scope	Project development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

PARKS PLAYGROUND FIBAR PROJECT										Project 831-4605
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 63,460	\$ -	\$ 36,540	\$ 25,000	\$ 61,540	\$ -	\$ 25,000	\$ -	\$ 25,000	\$ 175,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 63,460</b>	<b>\$ -</b>	<b>\$ 36,540</b>	<b>\$ 25,000</b>	<b>\$ 61,540</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 175,000</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	63,460	-	36,540	25,000	61,540	-	25,000	-	25,000	175,000
<b>TOTAL GFAR</b>	<b>\$ 63,460</b>	<b>\$ -</b>	<b>\$ 36,540</b>	<b>\$ 25,000</b>	<b>\$ 61,540</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 175,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 63,460</b>	<b>\$ -</b>	<b>\$ 36,540</b>	<b>\$ 25,000</b>	<b>\$ 61,540</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ -</b>	<b>\$ 25,000</b>	<b>\$ 175,000</b>





**Project Name** Creek Trail & Park Pathway & Parking Lot Seal Coat & Striping

**Project Number** 831-4609

**Department** Parks & Public Works

**Project Manager** Superintendent: Jim Harbin

**Description** The project will resurface and restripe park parking lots, pathways, and sections of the Los Gatos Creek Trail.

**Location** The project is located at Belgatos Park, Blossom Hill Park, Live Oak Manor Park, Oak Meadow Park, and the Los Gatos Creek Trail.

**Project Background** The parking lots located in parks and the Los Gatos Creek Trail are heavily used on a daily basis. In order to keep their surfaces in good condition and prevent long term wear and damage, the parking lots and trails need to be resurfaced and striped. This project is necessary to prevent future damages to existing pavement surfaces in the future.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



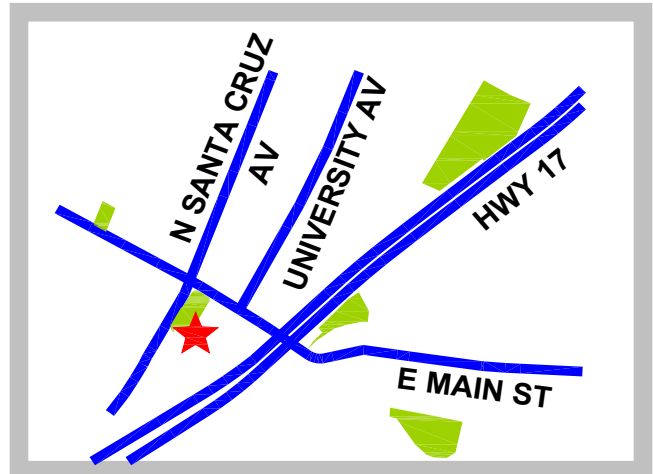
Park Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Design	Project design & development
	Summer 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

CREEK TRAIL, PARKS PATHS & PARKING LOTS SEAL AND STRIPING										
										Project 831-4609
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ -	\$ -	\$225,000	\$ -	\$ 225,000	\$ -	\$ -	\$ -	\$ -	\$ 225,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$225,000</b>	<b>\$ -</b>	<b>\$ 225,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 225,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	225,000	-	225,000	-	-	-	-	225,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$225,000</b>	<b>\$ -</b>	<b>\$ 225,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 225,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$225,000</b>	<b>\$ -</b>	<b>\$ 225,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 225,000</b>



Park Improvement Projects



**Project Name** Town Plaza Turf Repairs

**Project Number** 831-4202

**Department** Parks & Public Works

**Project Manager** Superintendent: Jim Harbin

**Description** This project will renovate the turf at Plaza Park.

**Location** The project is located at Town Plaza Park, at the corner of West Main Street and Santa Cruz Avenue.

**Project Background** Plaza Park, located in the heart of downtown Los Gatos, is a popular park and hosts a variety of community events, such as Jazz on the Plazz and the Farmer's Market. Because of the amount of high foot traffic at this location, the turf is heavily impacted. This project will remove the existing sod and soil. New soil will be added to the area to enhance root growth and to re-grade the ground to mitigate standing water issues. Additionally, along with the installation of new turf grass, minor changes to the irrigation system will be completed to maximize water coverage. The turf was last replaced around 2010.

The project will be completed during a period when there is the least impact on scheduled downtown events.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



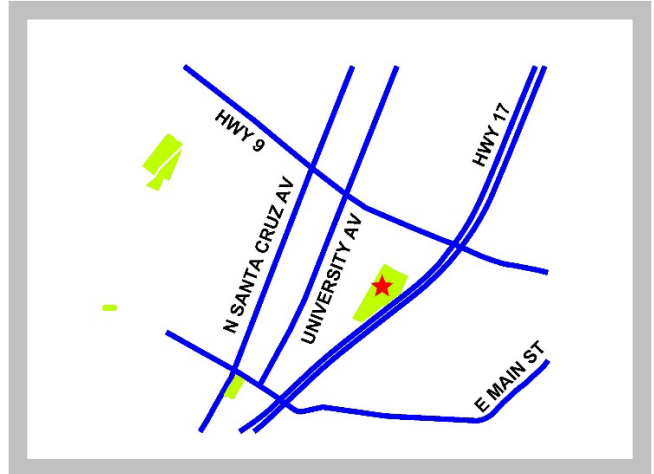
Park Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Fall 2020	Bid Process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Spring 2021	Completion	Project completion

TOWN PLAZA TURF REPAIRS										Project 831-4202
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 8,116	\$ -	\$ 28,000	\$ -	\$ 28,000	\$ -	\$ -	\$ -	\$ -	\$ 36,116
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 8,116</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,116</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	8,116	-	28,000	-	28,000	-	-	-	-	36,116
<b>TOTAL GFAR</b>	<b>\$ 8,116</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,116</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 8,116</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ 28,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 36,116</b>



Park Improvement Projects



**Project Name** Outdoor Fitness Equipment

**Project Number** 831-4006

**Department** Parks & Public Works

**Project Manager** Superintendent: Jim Harbin

**Description** This project will install outdoor fitness equipment.

**Location** This project is located at the Balzer Field parking area.

**Project Background** The Town was awarded an outdoor fitness rig after attending a California Parks & Recreation Society conference and participating in a competition. The Town has received equipment that is valued at \$30,000 and Town staff will install the equipment at the Balzer Field Parking Lot.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



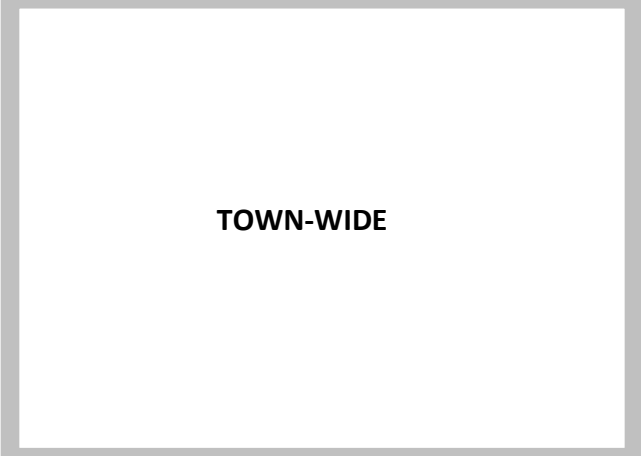
Park Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Scope	Project design & development
	Summer 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Summer 2020	Completion	Project completion

OUTDOOR FITNESS EQUIPMENT											Project 831-4006
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	60,000	-	60,000	-	-	-	-	60,000	
TOTAL GFAR	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 60,000	\$ -	\$ 60,000	\$ -	\$ -	\$ -	\$ -	\$ 60,000	



Park Improvement Projects



<b>Project Name</b>	Vegetation Management – Town-wide	<b>Project Number</b>	832-4508
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Superintendent: Jim Harbin
<b>Description</b>	This project funds an ecological assessment to provide guidance for fuel removal in Town open space and right-of-way and the first year of open space fuel reduction.		
<b>Location</b>	The project location is Town open spaces and rights-of-way.		
<b>Project Background</b>	The FEMA-approved Santa Clara Operational Area Hazard Mitigation Plan lists the wildfire hazard for the Town of Los Gatos as “high.” The funding allows for an ecological assessment to provide guidance for fuel removal in Town open spaces and rights-of-way, and funding for the first year of open space fuel reduction. The Town has applied for a FEMA grant for vegetation management work and a portion of these funds may be used for as a funding match for that grant.		
<b>Operating Budget Impacts</b>	This project will use staff time for coordination of the assessment and fuel reduction. Parks staff time associated with this project will be charged to the project as it is delivered.		



Park Improvement Projects

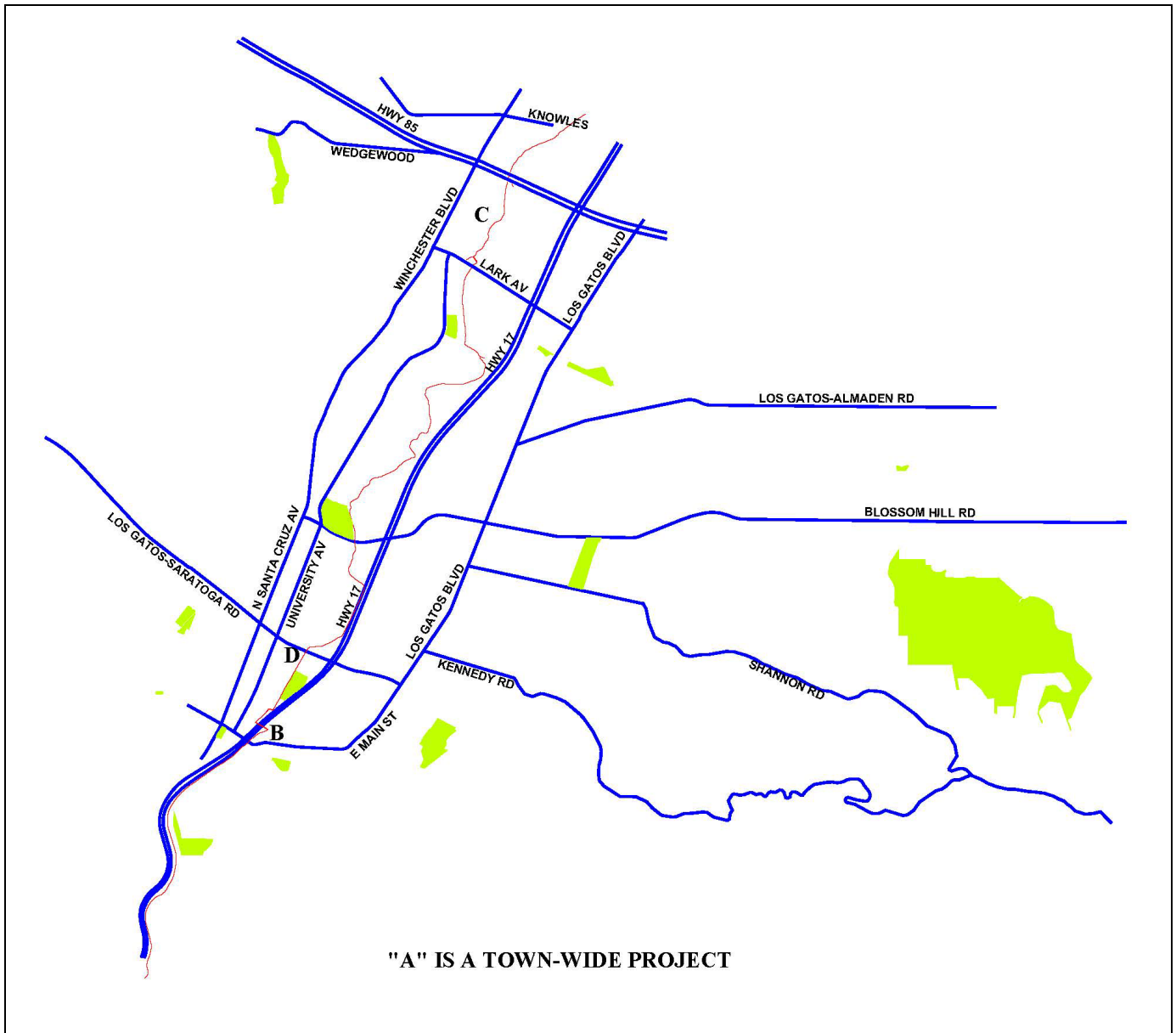
<b>Project Components &amp; Estimated Timeline</b>	Fall 2019	Scope	Project scope development
	Winter 2020	RFP Process	Project RFP for ecological assessment
	Summer 2020	Bid Process	Bid to implement fuel reduction
	Fall 2020	Implementation	First season of fuel reduction

VEGETATION MANAGEMENT - TOWN-WIDE										
										Project 832-4508
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ -	\$ -	\$ 500,707	\$ -	\$ 500,707	\$ -	\$ -	\$ -	\$ -	\$ 500,707
<b>TOTAL SOURCE OF FUNDS</b>	\$ -	\$ -	\$ 500,707	\$ -	\$ 500,707	\$ -	\$ -	\$ -	\$ -	\$ 500,707
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	500,707	-	500,707	-	-	-	-	500,707
<b>TOTAL GFAR</b>	\$ -	\$ -	\$ 500,707	\$ -	\$ 500,707	\$ -	\$ -	\$ -	\$ -	\$ 500,707
<b>TOTAL USE OF FUNDS</b>	\$ -	\$ -	\$ 500,707	\$ -	\$ 500,707	\$ -	\$ -	\$ -	\$ -	\$ 500,707









PROJECT LOCATIONS	
A	Open Space Trail Upgrades
B	Forbes Mill Footbridge Improvements
C	Charter Oaks Trail Repair
D	Trailhead Connector Project



**Trail Improvement Projects**

<b>PROGRAM SECTION DIRECTORY</b>	<b>PAGE</b>
<b>4504</b> Open Space Trail Upgrades	D – 20
<b>4507</b> Forbes Mill Footbridge Improvements	D – 22
<b>4503</b> Charter Oaks Trail Repair	D – 24
<b>4505</b> Trailhead Connector Project	D – 26



Trail Improvement Projects

The Parks Program's *Trail Improvement Projects* section contains Capital Improvement Program projects that construct, repair, or improve a Town trail as the primary scope of work. Typical trail improvement projects include pathway construction or resurfacing.

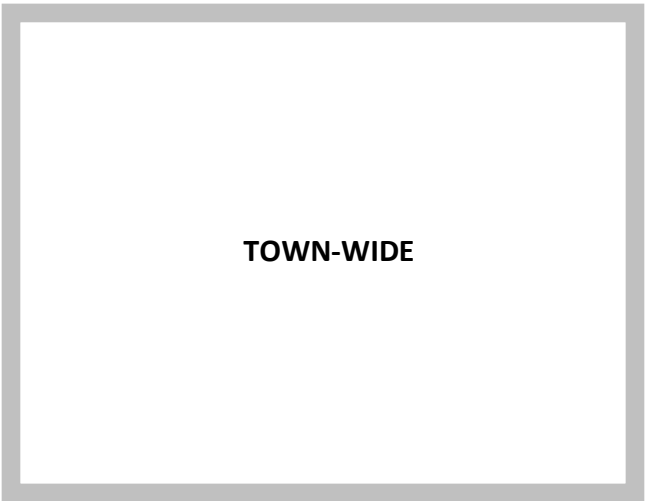
TRAIL IMPROVEMENT PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM							
TRAIL IMPROVEMENT PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
4504 Open Space Trail Upgrades	\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 152,000
4507 Forbes Mill Footbridge Improvements	30,603	61,224	-	-	-	-	91,828
4503 Charter Oaks Trail Repair Project	72,942	440,109	-	-	-	-	513,051
4505 Trailhead Connector	486,961	30,479	3,262,500	-	-	-	3,779,940
<i>New Projects</i>							
<b>Total Trail Improvement Projects</b>	<b>\$ 590,506</b>	<b>\$ 683,812</b>	<b>\$ 3,262,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 4,536,819</b>

\* Total FY 2019/20 Carryforward \$683,812



Trail Improvement Projects



<b>Project Name</b>	Open Space Trail Upgrades	<b>Project Number</b>	832-4504
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Superintendent: Jim Harbin
<b>Description</b>	This project will repair and replace old damaged retaining walls, fences, and embankments along the trails in the Town’s open spaces.		
<b>Location</b>	This project is located at Santa Rosa Open Space, Heintz Open Space, and Belgatos Park.		
<b>Project Background</b>	The Town has a number of open space preserves that are under its jurisdiction. There are several public trail networks that traverse the open space preserves in the hillsides. The aging process has deteriorated a number of retaining walls and embankments along some trail sections. Without proper repair and replacement, the possibility of failure of the trails will increase greatly. This project will repair and replace several retaining walls that are supporting the trails and their embankments. In addition, this project will improve the drainage system around the retaining walls to prevent further erosion of the trails. This project will also address two bridges at Belgatos Park.		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



Trail Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Spring 2021	Bid Process	Project bidding & contract award
	Summer 2021	Construction	Project construction
	Winter 2021	Completion	Project completion

OPEN SPACE TRAIL UPGRADES											Project 832-4504
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR											
Open Space Reserve Fund	\$ -	\$ -	\$ 152,000	\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 152,000	
TOTAL SOURCE OF FUNDS				\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 152,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	152,000	-	152,000	-	-	-	-	152,000	
TOTAL GFAR				\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 152,000	
TOTAL USE OF FUNDS				\$ -	\$ 152,000	\$ -	\$ -	\$ -	\$ -	\$ 152,000	





<b>Project Name</b>	Forbes Mill Footbridge Improvements	<b>Project Number</b>	832-4507
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Superintendent: Jim Harbin
<b>Description</b>	The project will provide pathway lighting across the 400-foot span of the pedestrian bridge and installation of additional art panels.		
<b>Location</b>	The project is located on the pedestrian bridge between Forbes Mill and Old Town across Highway 17.		
<b>Project Background</b>	<p>Forbes Mill footbridge is a heavily used pathway crossing Highway 17 between the Main Street businesses, Civic Center, and high school on the east side of the freeway, and the downtown on the west. The interior walls of the walkway are decorated with murals painted by students over the past decades. The pathway structure once had a lighting system but fell into disrepair several years ago and was removed. This left the pathway dark in the evening, which has prompted concerns from residents.</p> <p>The installation of footbridge improvements in 2018 included solar LED lighting for the pathway. Staff is currently monitoring this install to ensure the lights meet long-term needs.</p> <p>This project will also install additional art panels to occupy the remaining space.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		



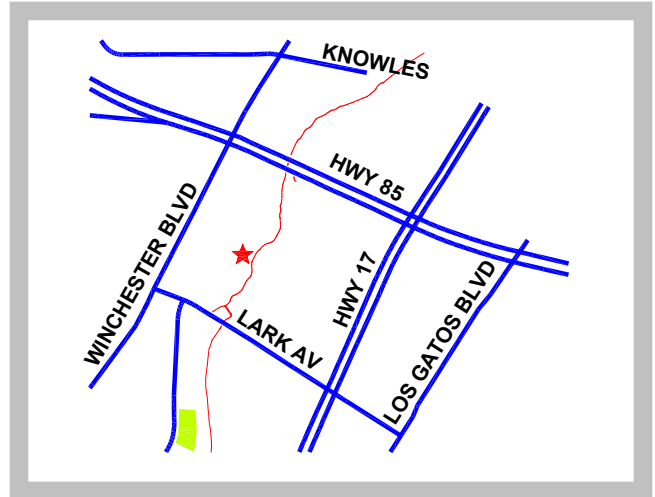
Trail Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2018	Design	Project design & development
	Fall 2018	Bid Process	Project bidding & contract award
	Winter 2019	Construction	Project construction
	Summer 2020	Completion	Project completion and monitoring

FORBES MILL FOOTBRIDGE IMPROVEMENTS										
										Project 832-4507
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 27,397	\$ 3,207	\$ 61,224	\$ -	\$ 61,224	\$ -	\$ -	\$ -	\$ -	\$ 91,828
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 27,397</b>	<b>\$ 3,207</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,828</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	27,397	3,207	61,224	-	61,224	-	-	-	-	91,828
<b>TOTAL GFAR</b>	<b>\$ 27,397</b>	<b>\$ 3,207</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,828</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 27,397</b>	<b>\$ 3,207</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ 61,224</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 91,828</b>



Trail Improvement Projects



<b>Project Name</b>	Charter Oaks Trail Repair	<b>Project Number</b>	832-4503
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	PPW Assistant Director/Town Engineer: Lisa Petersen
<b>Description</b>	This project will repair the storm damage on the Los Gatos Creek Trail near Charter Oaks, which includes damage to the fencing and asphalt pathway.		
<b>Location</b>	This project is located on the Los Gatos Creek Trail near Charter Oaks.		
<b>Project Background</b>	<p>The existing trail is adjacent to Los Gatos Creek and was damaged by flooding during the winter storms of 2017. The impacts of the storm included damage to the fencing and to the asphalt concrete pathway. The trail is well used by the public and the damage has negatively impacted trail users by making the trail more difficult to use. Funds for this project will be provided by FEMA.</p> <p>Subsequent to the trail repair work, this project will further evaluate improvements along the trail from Lark Avenue towards Highway 85 utilizing Community Benefit funds in the amount of \$350,000 from the Albright project. This project scope will be determined through community outreach efforts for construction in FY 2020/21.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.		

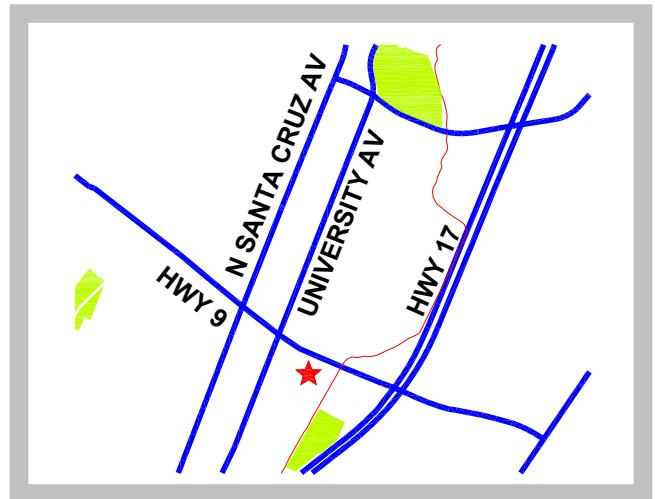


Trail Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2021	Construction	Project construction
	Fall 2021	Completion	Project completion

CHARTER OAKS TRAIL REPAIR										
										Project 832-4503
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 109	\$ -	\$ 364,891	\$ -	\$ 364,891	\$ -	\$ -	\$ -	\$ -	\$ 365,000
GRANTS	72,833	-	75,218	-	75,218	-	-	-	-	\$ 148,051
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 72,942</b>	<b>\$ -</b>	<b>\$ 440,109</b>	<b>\$ -</b>	<b>\$ 440,109</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 513,051</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	109	-	364,891	-	364,891	-	-	-	-	365,000
<b>TOTAL GFAR</b>	<b>\$ 109</b>	<b>\$ -</b>	<b>\$ 364,891</b>	<b>\$ -</b>	<b>\$ 364,891</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 365,000</b>
GRANTS & AWARDS										
Salaries and Benefits	-	-	-	-	-	-	-	-	-	-
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	72,833	-	75,218	-	75,218	-	-	-	-	148,051
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>\$ 72,833</b>	<b>\$ -</b>	<b>\$ 75,218</b>	<b>\$ -</b>	<b>\$ 75,218</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 148,051</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 72,942</b>	<b>\$ -</b>	<b>\$ 440,109</b>	<b>\$ -</b>	<b>\$ 440,109</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 513,051</b>





**Project Name** Trailhead Connector Project

**Project Number** 832-4505

**Department** Parks & Public Works

**Project Manager** PPW Assistant Director/Town Engineer: Lisa Petersen

**Description** This project will fund the design and construction of a trailhead connection for Los Gatos Creek Trail to Highway 9.

**Location** This project is located on the Los Gatos Creek Trail near Highway 9.

**Project Background** This project will fund the design and construction of a trailhead connection for Los Gatos Creek Trail to Highway 9. The project is an identified priority within Measure B and the Bicycle and Pedestrian Plan. The Council approved the staff recommendation for the next steps on this project in June 2017. Caltrans approved the Authorization to Proceed with Preliminary Engineering, also known as E-76 approval, on December 13, 2018. In February 2019 the Town issued a Request for Proposal for the preliminary engineering and environmental clearance phase, which will take approximately 12 months. If funding for construction is secured, the project would begin construction in 2020/21 at the earliest.

**Operating Budget Impacts** This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.

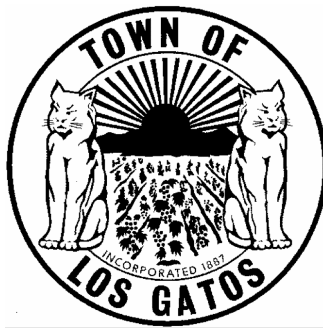


Trail Improvement Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2020	Design	Project design & development
	Pending	Bid Process	Project bidding & contract award
	Pending	Construction	Project construction
	Pending	Completion	Project completion

TRAILHEAD CONNECTOR PROJECT											Project 832-4505
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Adjusted	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 214	\$ 174,226	\$ 143,747	\$ 30,479	\$ -	\$ 30,479	\$ -	\$ -	\$ -	\$ -	\$ 174,440
GRANTS & AWARDS	-	343,000	343,000	-	-	-	3,262,500	-	-	-	\$ 3,605,500
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 214</b>	<b>\$ 517,226</b>	<b>\$ 486,747</b>	<b>\$ 30,479</b>	<b>\$ -</b>	<b>\$ 30,479</b>	<b>\$ 3,262,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,779,940</b>
USE OF FUNDS		2019/20 Adjusted	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	214	174,226	143,747	30,479	-	30,479	-	-	-	-	174,440
<b>TOTAL GFAR</b>	<b>214</b>	<b>174,226</b>	<b>143,747</b>	<b>30,479</b>	<b>-</b>	<b>30,479</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>174,440</b>
GRANTS & AWARDS											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	343,000	343,000	-	-	-	3,262,500	-	-	-	3,605,500
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>\$ -</b>	<b>\$ 343,000</b>	<b>\$ 343,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,262,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,605,500</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 214</b>	<b>\$ 517,226</b>	<b>\$ 486,747</b>	<b>\$ 30,479</b>	<b>\$ -</b>	<b>\$ 30,479</b>	<b>\$ 3,262,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 3,779,940</b>









## ***Public Facilities Program***



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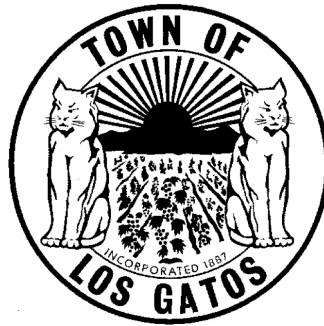
## TOWN INFRASTRUCTURE PROJECT DIRECTORY

<b>2302</b>	Building Replacement at Corporation Yard	E – 6
<b>2001</b>	Facilities Assessment	E – 8
<b>2503</b>	Library Carpet Replacement	E – 10
<b>2002</b>	Town Beautification	E – 12
<b>2601</b>	ADA Upgrade Public Restrooms – Adult Recreation Building	E – 14
<b>2117</b>	ADA Restrooms and HR Offices	E – 16
<b>2116</b>	Plaza Level Railings – Code Upgrade	E – 18
<b>2010</b>	Waterproofing – Town-wide	E – 20
<b>2504</b>	Sound Mitigation in Library Lobby	E – 22
<b>6004</b>	Fire Suppression (Halon) for Server Rooms	E – 24
<b>2118</b>	Police Headquarters Roof Repair	E – 26
<b>2206</b>	Adult Recreation Center – Floor Repair	E – 28

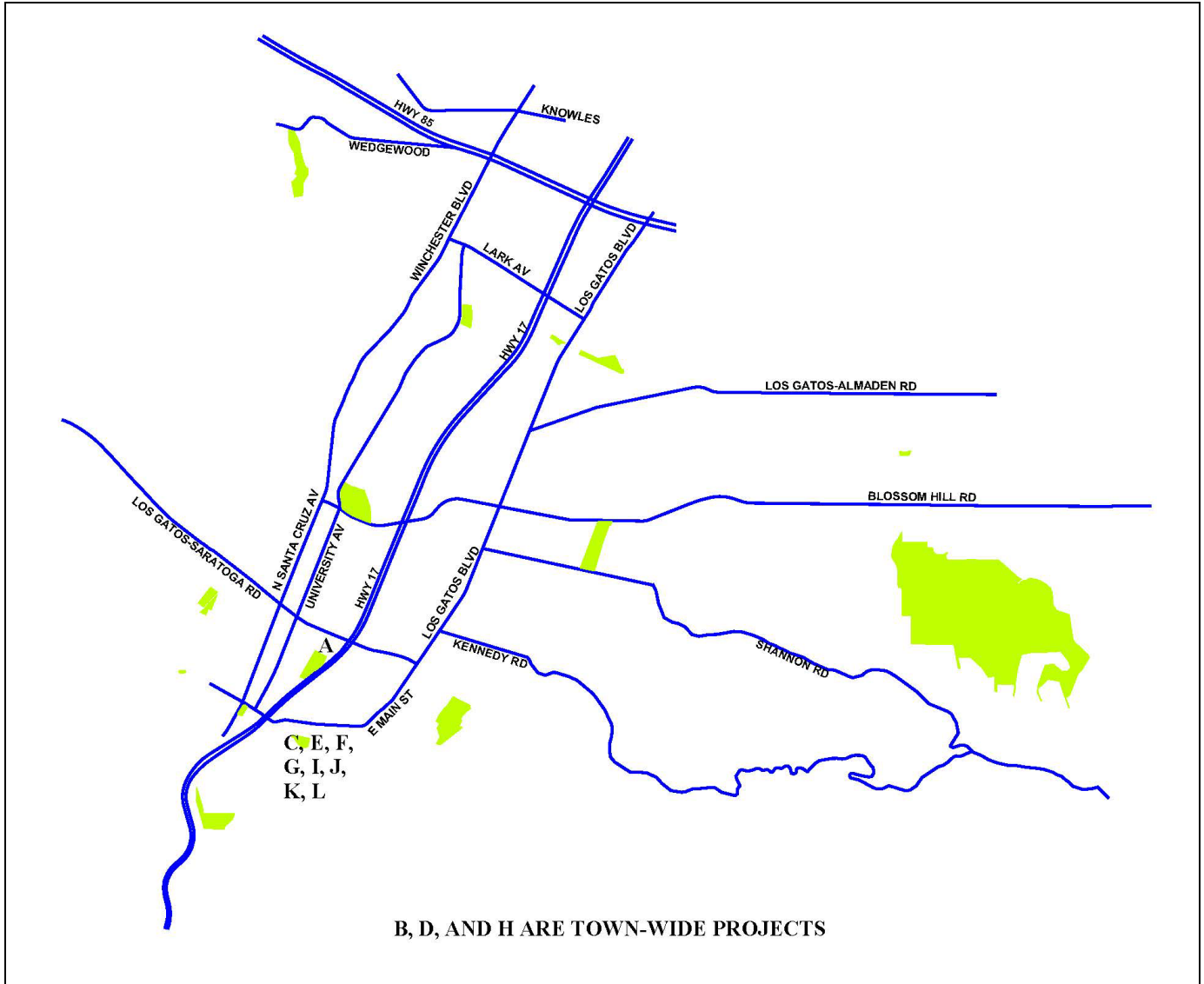
## EQUIPMENT PROJECT DIRECTORY

<b>6101</b>	Information System Upgrade	E – 34
<b>6001</b>	Audio/Video System Upgrade	E – 36
<b>6003</b>	Town-Wide Document Imaging Project	E – 38
<b>2305</b>	Engineering Document Archiving	E – 40
<b>6305</b>	Silicon Valley Regional Interoperability Project (SVRIP) Service	E – 42
<b>6103</b>	EOC Communication Upgrade	E – 44
<b>6104</b>	IT Disaster Recovery Improvements	E – 46
<b>6301</b>	Computer-Aided Dispatch and Records Management System (CAD/RMS)	E – 48









PROJECT LOCATIONS			
A	Building Replacement at Corporation Yard	G	Plaza Level Railing - Code Upgrade
B	Facilities Assessment	H	Waterproofing Town-wide
C	Library Carpet Replacement	I	Sound Mitigation in Library Lobby
D	Town Beautification	J	Fire Suppression (Halon) for Server Room
E	ADA Upgrade Public Restrooms – Adult Recreation Building	K	Police Headquarters Roof Repair
F	ADA Upgrade Staff Restroom – Civic Center	L	Adult Recreation Center – Floor Repair



**Town Infrastructure & Facilities Projects**

<b>PROGRAM SECTION DIRECTORY</b>		<b>PAGE</b>
<b>2302</b>	Building Replacement at Corporation Yard	E – 6
<b>2001</b>	Facilities Assessment	E – 8
<b>2503</b>	Library Carpet Replacement	E – 10
<b>2002</b>	Town Beautification	E – 12
<b>2601</b>	ADA Upgrade Public Restrooms – Adult Recreation Building	E – 14
<b>2117</b>	ADA Restrooms and HR Offices	E – 16
<b>2116</b>	Plaza Level Railing – Code Upgrade	E – 18
<b>2010</b>	Waterproofing – Town-wide	E – 20
<b>2504</b>	Sound Mitigation in Library Lobby	E – 22
<b>6004</b>	Fire Suppression (Halon) for Server Rooms	E – 24
<b>2118</b>	Police Headquarters Roof Repair	E - 26
<b>2206</b>	Adult Recreation Center – Floor Repair	E – 28



Town Infrastructure & Facilities Projects

The *Town Infrastructure & Facilities Projects* section contains Capital Improvement Program projects that maintain or improve the Town's public buildings and structures to keep them in a clean, safe, and functional condition. Town-owned buildings include the Civic Center, Library, Police Operations Center, Parks & Public Works Building, Corporation Yard and associated structures, and the following buildings leased to other agencies: the Los Gatos-Saratoga Community Education and Recreation headquarters building and the Adult Recreation Center (formerly the Neighborhood Center). Other Town facilities include the Venue, Tait Avenue, and Forbes Mill.

Town Infrastructure and Facilities Projects are prioritized in consideration of the user needs, federal and state mandates, federal and state grant restrictions, and local community standards. The Community Development Department assumes responsibility for evaluating the overall conformance to the General Plan and the status of environmental assessment. The Parks & Public Works Department assumes responsibility for project design, planning, and construction.

This section contains annual ongoing improvement projects as well as identified one-time projects. One-time infrastructure and facilities projects are prioritized based on health and safety issues, infrastructure impacts, available funding sources, project costs, and community needs.

Los Gatos does not have a designated funding source for repairing, maintaining, and improving the Town's public facilities; however, grants, CDBG funds, and donations are pursued and utilized when available.

TOWN INFRASTRUCTURE & FACILITIES PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM TOWN INFRASTRUCTURE & FACILITIES PROJECTS							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
2302 Building Replacement at Corporation Yard	\$ 188,187	\$ 977,613	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 1,265,800
2001 Facilities Assessment	24,142	80,000	-	-	-	-	104,142
2503 Library Carpet Replacement	-	56,500	-	-	-	-	56,500
2002 Town Beautification	102,702	16,924	10,000	10,000	10,000	10,000	159,625
2601 ADA Upgrade Public Restrooms - Adult Recreation Building	51,882	250,000	-	-	-	-	301,882
2504 Sound Mitigation in Library Lobby	-	22,000	-	-	-	-	22,000
2118 Police Headquarters Roof Repair	47,752	2,248	-	-	-	-	50,000
2117 ADA Restrooms and HR Offices	-	450,000	-	-	-	-	450,000
6004 Fire Suppression (Halon) for Server Rooms	-	200,000	-	-	-	-	200,000
2116 Plaza Level Railings - Code Upgrade	-	30,000	-	-	-	-	30,000
2010 Waterproofing Town-wide	-	75,000	-	-	-	-	75,000
<i>New Projects</i>							
2206 Adult Recreation - Floor Repair	-	100,000	-	-	-	-	100,000
<b>Total Infrastructure / Facility Projects</b>	<b>\$ 414,665</b>	<b>\$ 2,260,285</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 35,000</b>	<b>\$ 2,814,950</b>

\*Total FY 2019/20 Carryforward \$1,975,285

Unfunded Projects

- Civic Center Improvements
- Deferred maintenance at Town-owned, leased properties
- Deferred improvements to Town-owned properties



Town Infrastructure & Facilities Projects



<b>Project Name</b>	Building Replacement at Corporation Yard*	<b>Project Number</b>	821-2302
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Facilities Manager: Dan Keller

*\*This project was presented to Council as part of the Capital Improvement Program in FY 2015/16. A portion of these funds (\$200,000) for this project was transferred to provide funding for the Almond Grove Street Reconstruction project.*

<b>Description</b>	This project will replace an old building at the Parks and Public Works Department (PPW) Corporation Yard that is used for office space and evidence storage.
<b>Location</b>	This project is located at the PPW Corporation Yard (41 Miles Avenue).
<b>Project Background</b>	The maintenance lead staff has been using a small portable building located at the north side of the PPW Corporation Yard for their office facility. This building has deteriorated over the years and is becoming more difficult to maintain because of its aging infrastructure. The existing building has several problems including a leaky roof and windows, a poor heating and cooling (HVAC) system, and lacks a restroom facility in the building. This building is also used partially by the Police Department as their evidence storage facility. Evidence must be stored and kept at a certain room temperature, which requires an updated HVAC system. To save costs, this project will relocate staffing to another building and reconstruct the existing building for storage only.
<b>Operating Budget Impacts</b>	This project will use staff time for construction inspection and management. Engineering staff time associated with these projects will be charged to the project as it is delivered.



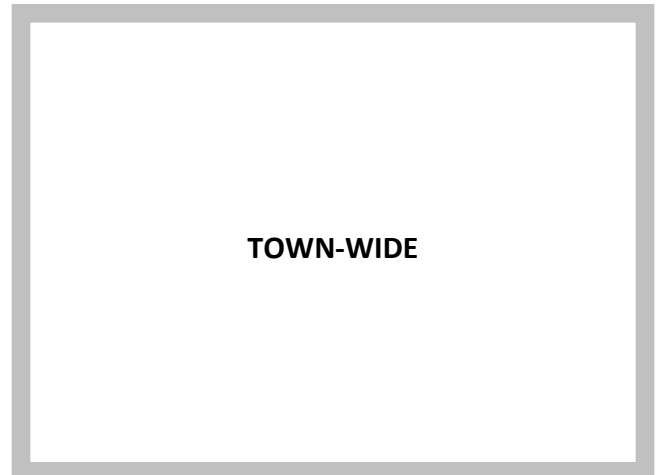
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Fall 2020	Bid Process	Project bidding & contract award
	Winter 2021	Construction	Project construction
	Spring 2021	Completion	Project completion

BUILDING REPLACEMENT AT CORPORATION YARD										Project 821-2302
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ 75,942	\$ 112,245	\$ 952,613	\$ 25,000	\$ 977,613	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$1,265,800
TOTAL SOURCE OF FUNDS	\$ 75,942	\$ 112,245	\$ 952,613	\$ 25,000	\$ 977,613	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$1,265,800
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	75,942	112,245	952,613	25,000	977,613	25,000	25,000	25,000	25,000	1,265,800
TOTAL GFAR	\$ 75,942	\$ 112,245	\$ 952,613	\$ 25,000	\$ 977,613	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$1,265,800



Town Infrastructure & Facilities Projects



TOWN-WIDE

<b>Project Name</b>	Facilities Assessment	<b>Project Number</b>	821-2001
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Facilities Manager: Dan Keller
<b>Description</b>	This project will fund a consultant to assess the condition of Town facilities.		
<b>Location</b>	This project location is Town-wide.		
<b>Project Background</b>	This project will assess the condition of Town facilities to determine current condition of equipment and building systems to assess priorities for repair versus replacements and to predict capital expenditures needed year by year for life-cycle scheduled work and replacement.		
<b>Operating Budget Impacts</b>	The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.		

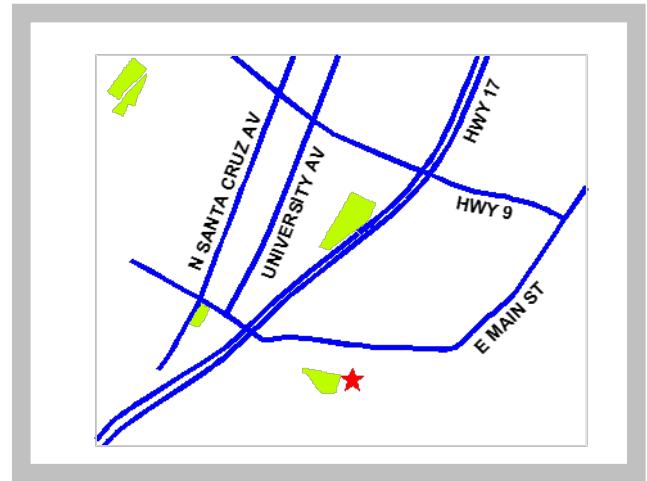


Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Design	Project design & development
	Spring 2020	RFP Process	Project RFP & contract award
	Fall 2020	Completion	Project completion

FACILITIES ASSESSMENT										Project 821-2001
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
SOURCE OF FUNDS										
GFAR	\$ 24,142	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 104,142
TOTAL SOURCE OF FUNDS	\$ 24,142	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 104,142
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	80,000	-	80,000	-	-	-	-	80,000
Project Construction Expenses	24,142	-	-	-	-	-	-	-	-	24,142
TOTAL GFAR	\$ 24,142	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 104,142
TOTAL USE OF FUNDS	\$ 24,142	\$ -	\$ 80,000	\$ -	\$ 80,000	\$ -	\$ -	\$ -	\$ -	\$ 104,142





**Project Name** Library Carpet Replacement

**Project Number** 821-2503

**Department** Parks & Public Works

**Project Manager** Facilities Manager: Dan Keller

**Description** This project will replace large sections of the carpet squares in the children's area that have started to fail.

**Location** This project location is inside the Library at 100 Villa Avenue.

**Project Background** The carpet in the children's area of the Library is starting to mat, lift, and stain from extensive foot traffic, spilled food, and other accidents. This area of the Library is where the young kids play, listen to stories, and congregate for different activities on the carpet. Replacements of the furniture upholstery have occurred due to stains and failure, and this project will help complete the restoration of the space back to a high service level.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.

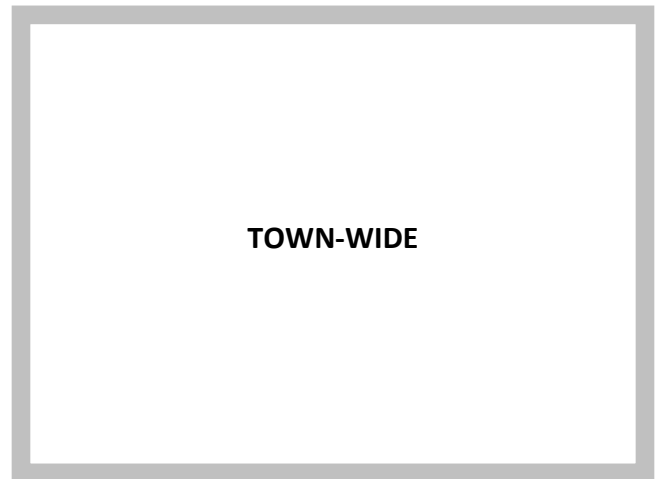


Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2019	Design	Project design & development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Summer 2020	Completion	Project completion

LIBRARY CARPET REPLACEMENT										
										Project 821-2503
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	-	-	56,500	-	56,500	-	-	-	-	56,500
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	56,500	-	56,500	-	-	-	-	56,500
Project Construction Expenses	-	-	-	-	-	-	-	-	-	-
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ 56,500</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 56,500</b>





**Project Name** Town Beautification

**Project Number** 821-2002

**Department** Parks & Public Works

**Project Manager** Environmental Specialist:  
Marina Chislett

**Description** This project funds Town-wide beautification projects on an annual, as-needed basis.

**Location** This project location is Town-wide.

**Project Background** The Town Beautification Program was established to provide improvements to enhance the Town's beauty, particularly along public streets, sidewalks, and other Town property.

One example is the Town's Outside the Box Program which enhances the character of the community by adding artwork to utility boxes that are often targeted by graffiti vandals. Selected artwork contains environmental sustainability messages that include: alternative transportation, clean energy, clean creeks, community sustainability, and healthy lifestyles. In FY 2019/20 four utility boxes will be added to bring the total to 25, and another four are planned in FY 2020/21.

**Operating Budget Impacts** The project will use staff time for program management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



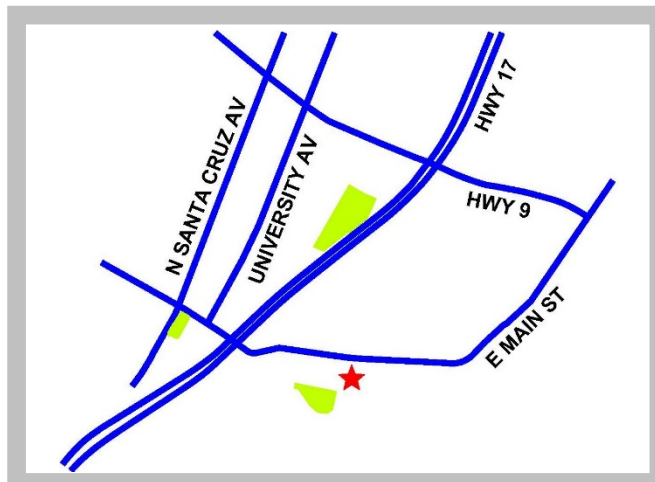
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2019	Artist Recruitment	Project noticing
	Summer 2020	Design	Project submittals and development
	Summer 2020	Installation	Project completion

TOWN BEAUTIFICATION PROJECTS										Project 821-2002
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 94,240	\$ 8,462	\$ 6,924	\$ 10,000	\$ 16,924	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 159,625
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 94,240</b>	<b>\$ 8,462</b>	<b>\$ 6,924</b>	<b>\$ 10,000</b>	<b>\$ 16,924</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 159,625</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	94,240	8,462	6,924	10,000	16,924	10,000	10,000	10,000	10,000	159,625
<b>TOTAL GFAR</b>	<b>\$ 94,240</b>	<b>\$ 8,462</b>	<b>\$ 6,924</b>	<b>\$ 10,000</b>	<b>\$ 16,924</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 159,625</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 94,240</b>	<b>\$ 8,462</b>	<b>\$ 6,924</b>	<b>\$ 10,000</b>	<b>\$ 16,924</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 10,000</b>	<b>\$ 159,625</b>



Town Infrastructure & Facilities Projects



<b>Project Name</b>	ADA Upgrade Public Restrooms – Adult Recreation Building	<b>Project Number</b>	821-2601
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Facilities Manager: Dan Keller
<b>Description</b>	This project will make ADA-compliant upgrades to the public restrooms at the Recreation Building.		
<b>Location</b>	This project location is at the Adult Recreation Center at 208 E. Main Street.		
<b>Project Background</b>	<p>The upstairs restrooms are beyond their useful life and are very small and non-ADA compliance. The building serves seniors and having an accessible building is essential.</p> <p>This project shows the use of Community Development Block Grant (CDBG) funds as a supplemental funding source. The CDBG Entitlement Program provides grants on a formula basis to develop viable urban communities by providing a suitable living environment, among other goals. The grant program has specific requirements, and this is one of the few Town projects that meets the CDBG requirements.</p>		
<b>Operating Budget Impacts</b>	The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/2021 Operating Budget.		



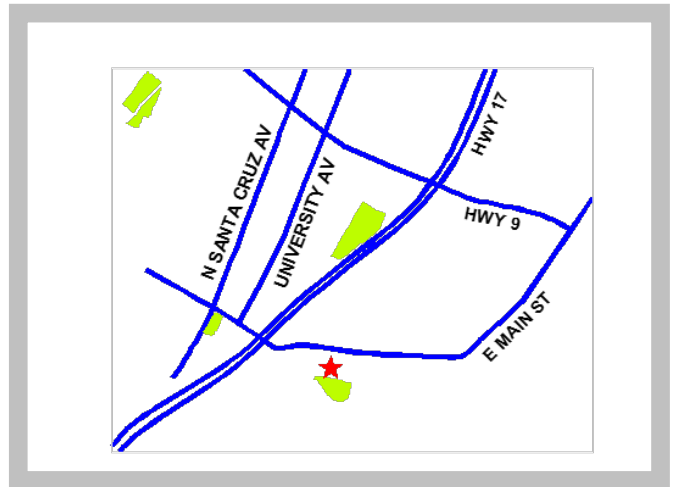
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2020	Design	Project design & development
	Fall 2020	Bid Process	Project bidding & contract award
	Spring 2021	Construction	Project construction
	Summer 2021	Completion	Project completion

ADA UPGRADE PUBLIC RESTROOMS - ADULT RECREATION BUILDING										PROJECT 821-2601
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
<b>GFAR</b>										
Transfer from Facilities	\$ -	\$ -	\$ 183,000	\$ -	\$ 183,000	\$ -	\$ -	\$ -	\$ -	\$ 183,000
<b>GRANTS</b>	51,882	-	\$ 67,000	\$ -	\$ 67,000	-	-	-	-	\$ 118,882
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 51,882</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 301,882</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	183,000	-	183,000	-	-	-	-	183,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 183,000</b>	<b>\$ -</b>	<b>\$ 183,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 183,000</b>
<b>GRANTS &amp; AWARDS</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	51,882	-	67,000	-	67,000	-	-	-	-	118,882
<b>TOTAL GRANTS &amp; AWARDS</b>	<b>51,882</b>	<b>-</b>	<b>67,000</b>	<b>-</b>	<b>67,000</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>118,882</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 51,882</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ 250,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 301,882</b>



Town Infrastructure & Facilities Projects



**Project Name** ADA Restrooms and HR Offices

**Project Number** 821-2117

**Department** Parks & Public Works

**Project Manager** Facilities Manager: Dan Keller

**Description** This project will make ADA-compliant upgrades to the staff restrooms at the Civic Center and modify the HR offices.

**Location** This project is located at the Civic Center (110 E. Main Street).

**Project Background** The Building Inspectors have moved out of their previous space in the lower level of the Civic Center. The restrooms adjacent to this space are small non-ADA compliant restrooms. This project will upgrade the restrooms taking advantage of the available space to meet additional area requirements. In addition, this project will remodel the HR offices in the Civic Center.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



## Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2019	Design	Project design & development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Summer 2020	Completion	Project completion

ADA RESTROOMS AND HR OFFICES										Project 821-2117
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR										
Transfer from Facilities	\$ -	\$ -	\$ 300,000	\$ 150,000	\$ 450,000	\$ -	\$ -	\$ -	\$ -	\$ 450,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>	<b>\$ 150,000</b>	<b>\$ 450,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	300,000	150,000	450,000	-	-	-	-	450,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>	<b>\$ 150,000</b>	<b>\$ 450,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 300,000</b>	<b>\$ 150,000</b>	<b>\$ 450,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 450,000</b>



Town Infrastructure & Facilities Projects



**Project Name** Plaza Level Railings – Code Upgrade

**Project Number** 821-2116

**Department** Parks & Public Works

**Project Manager** Facilities Manager: Dan Keller

**Description** This project will adjust the railings around the upper deck of the Civic Center to be code compliant.

**Location** This project location is on the deck of Town Hall (110 E. Main Street).

**Project Background** The railings around the upper deck of the Civic Center have wide gaps that create a safety hazard with a risk of children falling through the gaps. This project will adjust the railings to be code compliant.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



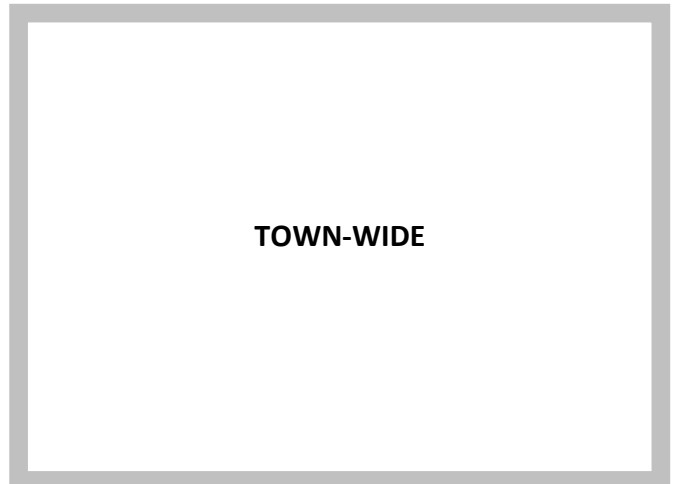
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Fall 2019	Design	Project design & development
	Winter 2020	Bid Process	Project bidding & contract award
	Spring 2020	Construction	Project construction
	Summer 2020	Completion	Project completion

PLAZA LEVEL RAILINGS - CODE UPGRADE											Project 821-2116
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR											
Transfer from Facilities	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	30,000	-	30,000	-	-	-	-	30,000	
TOTAL GFAR	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 30,000	\$ -	\$ 30,000	\$ -	\$ -	\$ -	\$ -	\$ 30,000	



Town Infrastructure & Facilities Projects



**Project Name**      Waterproofing -Town-wide

**Project Number**      821-2010

**Department**      Parks & Public Works

**Project Manager**      Facilities Manager: Dan Keller

**Description**      This project will waterproof a balcony and a roof at two Town facilities.

**Location**      The project is located at the Adult Recreation Center (208 E. Main Street) and the PPW Corporation Yard at 41 Miles Avenue.

**Project Background**      The roof of the engineering building at the PPW Corporation Yard is starting to show signs of age and potential leakage as it approaches its end of serviceable life. Recent HVAC improvements added new penetrations through this aging membrane, including relocation of a large HVAC unit in the center of the roof. The new roof will upgrade the membrane to a single ply cool roof which will also improve the building's energy conservation.

At the Adult Recreation Center, the rear balcony for the two manager offices upstairs cantilevers over the activity room below. During heavy rainstorms, water leaks from under the thresholds upstairs into the middle of the room below. The membrane needs to be replaced which entails significant reconstruction of the sliding doors, siding, and balcony deck.

**Operating Budget Impacts**      The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



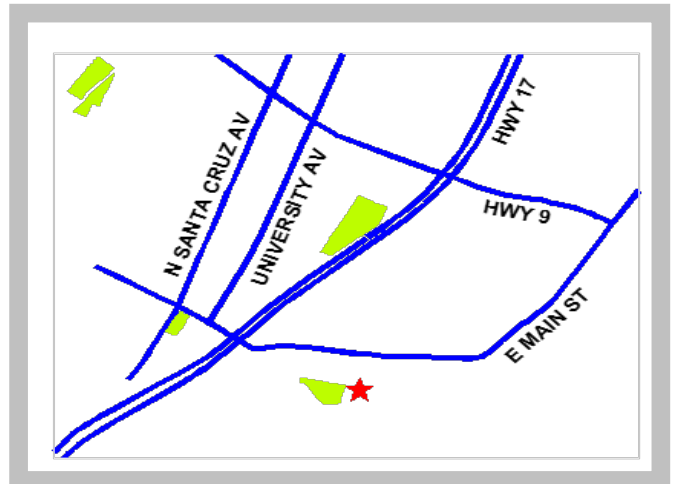
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2019	Design	Project design & development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

WATERPROOFING - TOWN-WIDE											Project 821-2010
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR											
Transfer from Facilities	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	75,000	-	75,000	-	-	-	-	75,000	
TOTAL GFAR	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 75,000	\$ -	\$ 75,000	\$ -	\$ -	\$ -	\$ -	\$ 75,000	



Town Infrastructure & Facilities Projects



**Project Name** Sound Mitigation in Library Lobby

**Project Number** 821-2504

**Department** Parks & Public Works

**Project Manager** Facilities Manager: Dan Keller

**Description** This project will install sound baffling to the low ceiling in the Library lobby.

**Location** This project location is inside the Library at 100 Villa Avenue.

**Project Background** This is the second phase of sound reduction in the Library following successful installation of doors to the teen area in phase one. This project will install sound baffling to the ceiling in the Library lobby to help diffuse noise.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



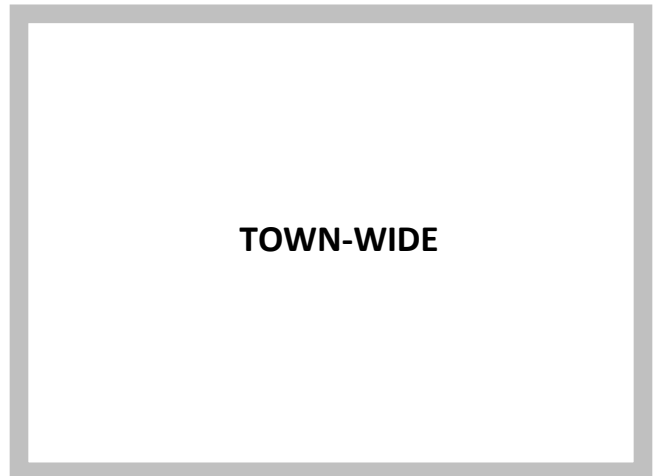
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Design	Project design & development
	Spring 2020	Bid Process	Project bidding & contract award
	Summer 2020	Construction	Project construction
	Fall 2020	Completion	Project completion

SOUND MITAGATION IN LIBRARY LOBBY											Project 821-2504
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR											
Transfer from Library Trust	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ 22,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ 22,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	22,000	-	22,000	-	-	-	-	22,000	
TOTAL GFAR	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ 22,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 22,000	\$ -	\$ 22,000	\$ -	\$ -	\$ -	\$ -	\$ 22,000	



Town Infrastructure & Facilities Projects



<b>Project Name</b>	Fire Suppression (Halon) for Server Rooms	<b>Project Number</b>	841-6004
<b>Department</b>	Parks & Public Works	<b>Project Manager</b>	Facilities Manager: Dan Keller
<b>Description</b>	This project will install fire suppression systems that are specific for server rooms.		
<b>Location</b>	This project is located at the Civic Center (110 East Main Street) and the Town of Los Gatos Police Operations Building (15900 Los Gatos Boulevard).		
<b>Project Background</b>	Basic fire suppression systems use water-based sprinklers to protect infrastructure. Server rooms require different fire suppression to avoid damaging equipment in case the fire suppression is triggered. This project will install non-destructive gas suppression systems at main server rooms at essential facilities.		
<b>Operating Budget Impacts</b>	The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/2021 Operating Budget.		



Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Spring 2020	Bid process	Project bidding & contract award
	Summer 2020	Construction	Project Construction
	Fall 2020	Completion	Project completion

FIRE SUPPRESSION (HALON) FOR SERVER ROOMS										Project 841-6004
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										-
Transfer from Facilities	\$ -	\$ -	\$ 200,000	\$ -	\$ 200,000	\$ -	\$ -	\$ -	\$ -	\$ 200,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	200,000	-	200,000	-	-	-	-	200,000
<b>TOTAL GFAR</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ 200,000</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>



Town Infrastructure & Facilities Projects



**Project Name** Police Headquarters Roof Repair

**Department** Parks & Public Works

**Project Number** 821-2118

**Project Manager** Facilities Manager: Dan Keller

**Description** This project will replace the Police Headquarters roof with a new membrane.

**Location** This project is located at the Police Headquarters building (110 East Main Street).

**Project Background** The roof for the Police Headquarters wing of the civic center has reached the end of its useful life. The roof has a history of water leaks and since the removal of the HVAC system over the old dispatch center, the leaks have increased. This project will replace the roof with a new roof membrane to match the museum wing roof completed in 2017.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department's FY 2020/21 Operating Budget.



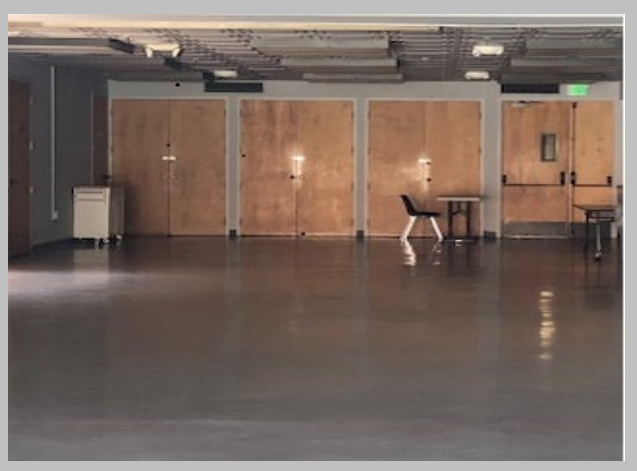
Town Infrastructure & Facilities Projects

<b>Project Components &amp; Estimated Timeline</b>	Winter 2019	Bid process	Project bidding & contract award
	Spring 2020	Construction	Project Construction
	Summer 2020	Completion	Project completion

POLICE HEADQUARTERS ROOF REPAIR											821-2118
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS											
GFAR											
Transfer from Facilities	\$ -	\$ 47,752	\$ 2,248	\$ -	\$ 2,248	\$ -	\$ -	\$ -	\$ -	\$ 50,000	
TOTAL SOURCE OF FUNDS		-	47,752	2,248	-	2,248	-	-	-	50,000	
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS											
GFAR											
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	47,752	2,248	-	2,248	-	-	-	-	50,000	
TOTAL GFAR		-	47,752	2,248	-	2,248	-	-	-	50,000	
TOTAL USE OF FUNDS		-	47,752	2,248	-	2,248	-	-	-	50,000	



## Town Infrastructure & Facilities Projects



**Project Name** Adult Recreation Center – Floor Repair  
**Department** Parks & Public Works

**Project Number** 821-2206  
**Project Manager** Facilities Manager: Dan Keller

**Description** This project will replace the flooring in the multi-purpose room at the Adult Recreation Center.

**Location** This project will take place at the Adult Recreation Center (208 East Main Street).

**Project Background** The floor at the Adult Recreation Center has reached the end of its useful life. This project will replace the floor.

**Operating Budget Impacts** The project will use staff time for construction management and inspection. The staff time for this project will be included in the department’s FY 2020/21 Operating Budget.

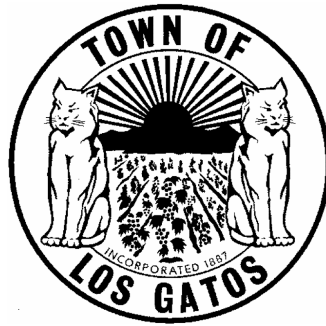


Town Infrastructure & Facilities Projects

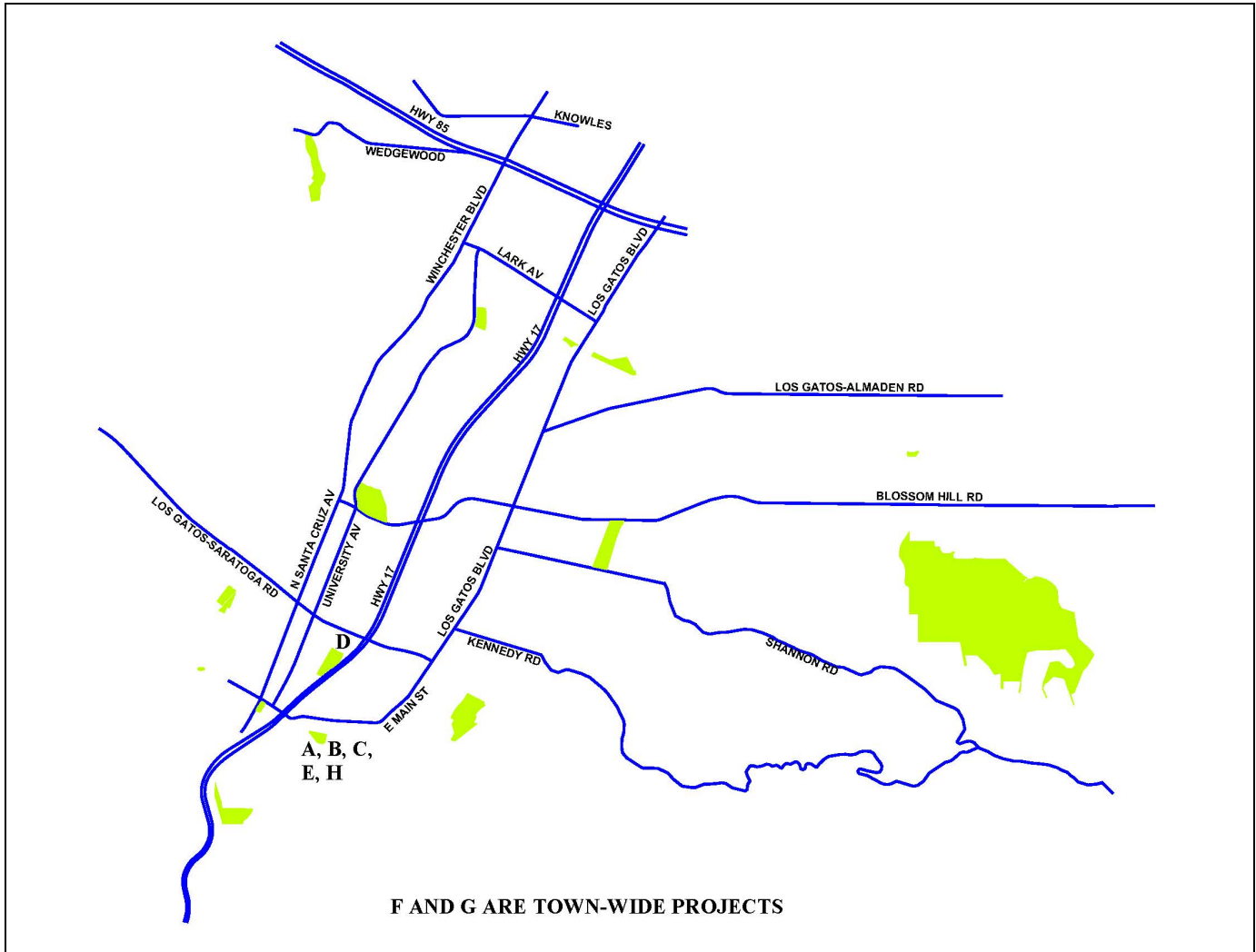
<b>Project Components &amp; Estimated Timeline</b>	Winter 2020	Bid process	Project bidding & contract award
	Spring 2021	Construction	Project Construction
	Summer 2021	Completion	Project completion

ADULT RECREATION CENTER - FLOOR REPAIR										821-2206
	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
SOURCE OF FUNDS										
GFAR	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
TOTAL SOURCE OF FUNDS	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project	
USE OF FUNDS										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	
Consultant Services	-	-	-	-	-	-	-	-	-	
Project Construction Expenses	-	-	100,000	100,000	-	-	-	-	100,000	
TOTAL GFAR	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	
TOTAL USE OF FUNDS	\$ -	\$ -	\$ 100,000	\$ 100,000	\$ -	\$ -	\$ -	\$ -	\$ 100,000	









PROJECT LOCATIONS	
A	Information System Upgrade
B	Audio/Video System Upgrade
C	Town-Wide Document Imaging Project
D	Engineering Document Archiving
	Silicon Valley Regional Interoperability Project (SVRIP)
E	Service
F	EOC Communication Upgrade
G	IT Disaster Recovery Improvements
	Computer-Aided Dispatch and Records Management
H	System (CAD/RMS)



**Equipment Projects**

<b>PROGRAM SECTION DIRECTORY</b>	<b>PAGE</b>
<b>6101</b> Information System Upgrade	E – 34
<b>6001</b> Audio/Video System Upgrade	E – 36
<b>6003</b> Town-Wide Document Imaging Project	E – 38
<b>2305</b> Engineering Document Archiving	E – 40
<b>6305</b> Silicon Valley Regional Interoperability Project (SVRIP) Service	E – 42
<b>6103</b> EOC Communication Upgrade	E – 44
<b>6104</b> IT Disaster Recovery Improvements	E – 46
<b>6301</b> Computer-Aided Dispatch and Records Management System (CAD/RMS)	E – 48



Equipment Projects

The *Equipment Projects* section contains Capital Improvement Program projects that provide new equipment; or replace, improve, or upgrade existing Town equipment.

This section does not have ongoing equipment programs; all projects are considered one-time projects. One-time equipment capital improvement projects are prioritized based on service level considerations, available funding sources, project costs, and community impacts.

Los Gatos does not have a designated funding source for new equipment or the replacement or upgrading of existing equipment; however, grants are pursued and utilized when available.

EQUIPMENT PROJECTS SUMMARY

FY 2020/21 - 2024/25 CAPITAL IMPROVEMENT PROGRAM							
EQUIPMENT PROJECT SUMMARY BY PROGRAM							
	Expended Through 2019/20	2020/21 Budget & Carryfwd*	2021/22 Budget	2022/23 Budget	2023/24 Budget	2024/25 Budget	Total Budgeted
<i>Carryforward Projects</i>							
6101 Information System Upgrade	\$ 292,528	\$ 77,026	\$ -	\$ -	\$ -	\$ -	\$ 369,554
6001 Audio/Video System Upgrade	68,048	42,552	-	-	-	-	110,600
6003 Town-wide Document Imaging Project	198,011	16,990	-	-	-	-	215,000
2305 Engineering Document Archiving	48,284	11,716	-	-	-	-	60,000
6305 Silicon Valley Regional Interoperability Project (SVRIP) Service	395,661	62,967	-	-	-	-	458,628
6103 EOC Communications Upgrade	20,618	29,382	-	-	-	-	50,000
6104 IT Disaster Recovery Improvements	30,155	169,845	-	-	-	-	200,000
6301 Computer-Aided Dispatch and Records Management System	24,476	510,814	-	-	-	-	535,290
<i>New Projects</i>							
<b>Total Equipment Projects</b>	<b>\$ 1,077,781</b>	<b>\$ 921,291</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 1,999,072</b>

Total FY 2019/20 Carryforward \$921,291



Equipment Projects



**Project Name** Information System Upgrade

**Department** Finance

**Project Number** 841-6101

**Project Manager** Finance Director: Stephen Conway

**Description** This project upgrades the Town's existing financial/human resources information database, enhancing its reporting system and providing future web-based online services. This project will be coordinated with the upgrade of the Town's existing permit tracking system.

**Location** The project will enhance the information systems used by the Finance, Human Resources, and Building Departments. Purchased computer hardware will be located in the IT Department, 110 E. Main Street.

**Project Background** In FY 2008/09, staff completed a significant portion of a multi-year financial information system upgrade. This project involved the conversion of General Ledgers, Payroll, Budget, and Human Resources modules, followed by the implementation of the Cashiering and Business License modules. Planned for FY 2020/21 required system upgrade, cloud hosting, online-timesheet management, completion of the fixed asset module, and continuation of electronic commerce, including online permitting and business license applications.

**Operating Budget Impacts** The remaining project balance is estimated to be \$77,026. It is anticipated that the maintenance costs for the Finance/Human Resources information system would be approximately \$40,000 annually, which has been incorporated into the FY 2020/21 Operating Budget.



Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	Spring 2020	System Implementation	Upgrade and test data migration and functionality of financial/human resources information database.
	Fall 2020	System Implementation	Develop and test fixed assets, electronic commerce and electronic timesheet functions.
	Summer 2020		Implement data migration
	Fall 2020	System Implementation	Implementation of electronic commerce and electronic timesheet functions.

INFORMATION SYSTEM UPGRADE										Project 841-6101
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
<b>GFAR</b>										
Transfer from MIS	\$ 188,975	\$ 103,553	\$ 77,026	\$ -	\$ 77,026	\$ -	\$ -	\$ -	\$ -	\$ 369,554
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 188,975</b>	<b>\$ 103,553</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,554</b>
<b>USE OF FUNDS</b>										
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	188,975	103,553	77,026	-	77,026	-	-	-	-	369,554
Project Construction Expenses	-	-	-	-	-	-	-	-	-	-
<b>TOTAL GFAR</b>	<b>\$ 188,975</b>	<b>\$ 103,553</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,554</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 188,975</b>	<b>\$ 103,553</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ 77,026</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 369,554</b>





**Project Name** Audio/Video System Upgrade

**Project Number** 841-6001

**Department** Town Manager

**Project Manager** IT Manager: Chris Gjerde

**Description** This project provides for the replacement and/or upgrade of Council Chamber video, audio/visual, and other applicable equipment used for televised and non-televised public meetings.

**Location** The video production system is located in the audio/video equipment room at the Civic Center, 110 E. Main Street, and involves various electronic equipment required to cablecast public meetings and make presentations.

**Project Background** In FY 2008/09, the audio/visual equipment located in the Town Council Chambers was upgraded to meet the needs at that time. The maintenance of the video production equipment is now the responsibility of KCAT, who receives Public, Educational, and Governmental (PEG) fees, provided by local cable operators for this purpose. The remaining funds in this project will be used to replace and/or upgrade the Town's A/V equipment in the Council Chambers, as needed. Staff will also explore the availability of additional audio/visual meeting management enhancements.

**Operating Budget Impacts** This Audio/Video System Upgrade project is funded in the GFAR Fund. It is unknown at this time which replacements or upgrades will be required during FY 2020/21. Staff oversight of this project will be included in the FY 2020/21 Operating Budget.



Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	Fiscal Year 2020/21	Monitoring	As needed.
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AUDIO / VIDEO SYSTEM UPGRADE										Project 841-6001
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 68,048	\$ -	\$ 42,552	\$ -	\$ 42,552	\$ -	\$ -	\$ -	\$ -	\$ 110,600
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 68,048</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,600</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	68,048	-	42,552	-	42,552	-	-	-	-	110,600
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	-	-	-	-	-	-	-	-	-	-
<b>TOTAL GFAR</b>	<b>\$ 68,048</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,600</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 68,048</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ 42,552</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 110,600</b>





**Project Name** Town-Wide Document Imaging Project

**Project Number** 841-6003

**Department** Community Development/Police

**Project Manager** Community Development  
Director: Joel Paulson

**Description** This is the continuation of the first phase of a Town-wide project to convert existing microfiche and paper files to electronic storage and provide desktop access.

**Location** Town of Los Gatos Civic Center complex (110 E. Main Street).

**Project Background** The Community Development Department has an immediate need to provide electronic storage and retrieval of many archived documents. The electronic retrieval system will allow immediate access to all building and planning files for members of the Community Development Department via desktop access. Following implementation, priorities will be identified to expand document imaging to other departments, subject to available funding.

**Operating Budget Impacts** The Community Development Department collects permit fees, a portion of which will be used to offset some costs for document storage.

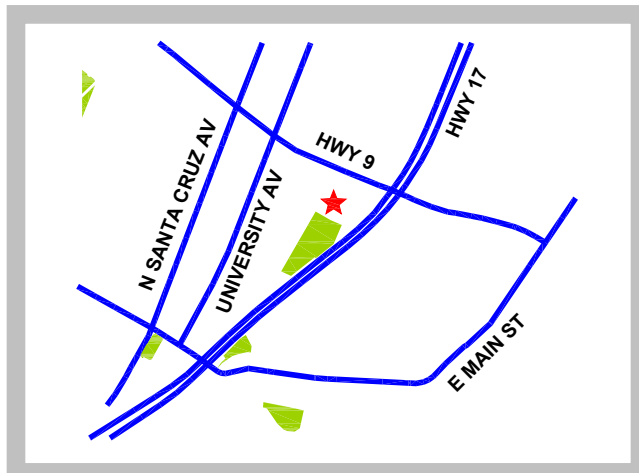
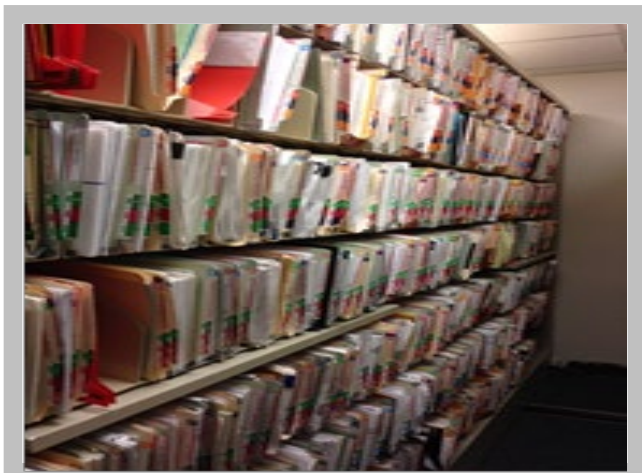


Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	FY 2020/21	Production	Continue document conversion of Building and Planning Division files.
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TOWN-WIDE DOCUMENT IMAGING PROJECT										Project 841-6003
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR										
Transfer from MIS	\$ 198,011	\$ -	\$ 16,990	\$ -	\$ 16,990	\$ -	\$ -	\$ -	\$ -	\$ 215,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 198,011</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 215,000</b>
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	198,011	-	16,990	-	16,990	-	-	-	-	215,000
<b>TOTAL GFAR</b>	<b>\$ 198,011</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 215,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 198,011</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ 16,990</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 215,000</b>





**Project Name** Engineering Document Archiving

**Department** Parks & Public Works

**Project Number** 821-2305

**Project Manager** Assistant PPW Director: Lisa Petersen

**Description** This project will scan and archive all engineering record documents such as as-builts, federal and state funded capital improvement projects, and recorded documents, all of which are currently stored in paper format.

**Location** This project is located at the Engineering Services office (41 Miles Avenue).

**Project Background** Currently, most files are kept in a hard copy format in the Engineering Services office. These hard copies have become damaged due to age and need to be preserved through archiving to maintain pertinent records. By digitally archiving these documents, searching through records becomes much more efficient. It is anticipated that this project will be implemented over several fiscal years, starting in FY 2014/15 and completion estimated in FY 2020/21.

**Operating Budget Impacts** This project will use staff time for management. The staff time for this project is included in the Operating Budget.

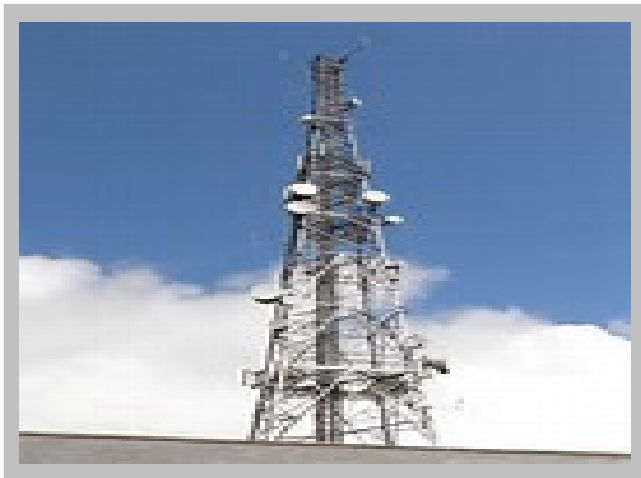


Equipment Projects

Project Components & Estimated Timeline	Summer 2015	Design	Project development
	Fall 2015	Bid process	Project bidding & contract award
	Fall 2020	Completion	Project completion

ENGINEERING DOCUMENT ARCHIVING										
										Project 821-2305
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 8,284	\$ 40,000	\$ 11,716	\$ -	\$ 11,716	\$ -	\$ -	\$ -	\$ -	\$ 60,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 8,284</b>	<b>\$ 40,000</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	8,284	40,000	11,716	-	11,716	-	-	-	-	60,000
<b>TOTAL GFAR</b>	<b>\$ 8,284</b>	<b>\$ 40,000</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 8,284</b>	<b>\$ 40,000</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ 11,716</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 60,000</b>





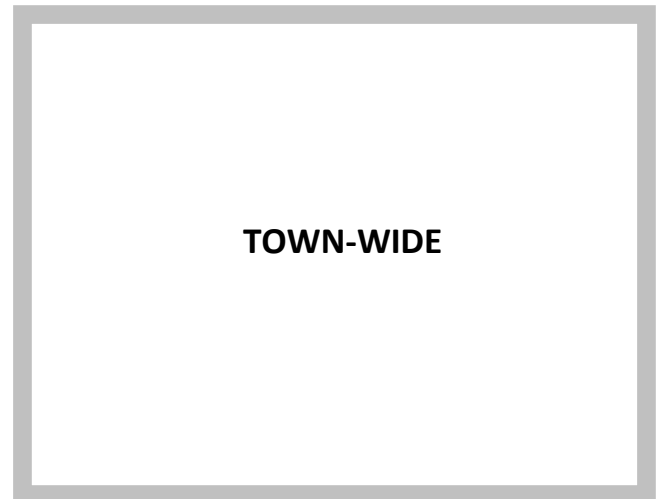
<b>Project Name</b>	Silicon Valley Regional Interoperability Project (SVRIP) Service	<b>Project Number</b>	841-6305
<b>Department</b>	Police	<b>Project Manager</b>	Captain D'Antonio
<b>Description</b>	This project will update the existing police radio system infrastructure to be compatible with the regional interoperability requirements.		
<b>Location</b>	Town of Los Gatos Civic Center Complex (110 E Main Street) and the Town of Los Gatos Police Operations Building (15900 Los Gatos Boulevard).		
<b>Project Background</b>	The Silicon Valley Radio Interoperability Authority (SVRIA) in conjunction with the City Managers Association and the County Chiefs Association is moving towards a program for regional interoperability of public safety communications for police, fire services, and public works across all jurisdictions. The Police Department, in conjunction with other public safety agencies within Santa Clara County, will be contributing to radio system infrastructure for a period of three years to allow for interoperability of public safety communications regionally.		
<b>Operating Budget Impacts</b>	Staff oversight of this SVRIP project will be included in the Operating Budget.		



<b>Project Components &amp; Estimated Timeline</b>	Summer 2015	Design	Project development
	Winter 2016	Bid process	Project bidding & contract award
	Summer 2020	Completion	Project completion

SILICON VALLEY REGIONAL INTEROPERABILITY PROJECT (SVRIP) SERVICE										Project 841-6305
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR	\$ 395,176	\$ 486	\$ 62,967	\$ -	\$ 62,967	\$ -	\$ -	\$ -	\$ -	\$ 458,628
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 395,176</b>	<b>\$ 486</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 458,628</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	395,176	486	62,967	-	62,967	-	-	-	-	458,628
<b>TOTAL GFAR</b>	<b>\$ 395,176</b>	<b>\$ 486</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 458,628</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 395,176</b>	<b>\$ 486</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ 62,967</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 458,628</b>





<b>Project Name</b>	EOC Communications Upgrade	<b>Project Number</b>	841-6103
<b>Department</b>	Town Manager Office/IT/PD	<b>Project Manager</b>	Assistant Town Manager, Arn Andrews
<b>Description</b>	This project upgrades identified deficiencies in the Town's Emergency Operations Center (EOC) communication capabilities.		
<b>Location</b>	The project will enhance the communication systems within the EOC to create better interoperability between Town staff, Public Safety and citizen volunteers in the event of an emergency.		
<b>Project Background</b>	The recent wildfire disasters in California and lessons learned from prior Town emergency preparedness exercises continue to identify a lack of adequate communications as a major flaw in emergency responses. Without robust EOC communication capabilities the situational awareness necessary to adequately assess, and respond to, an operational area in the event of an emergency is severely compromised. Staff is seeking to create multiple seamless communication channels between the Town EOC, County EOC, Town Public Safety staff, Town PPW staff, Town CDD staff, and CERT volunteers.		
<b>Operating Budget Impacts</b>	This project will use staff time for management. The staff time for this project is included in the FY 2020/21 Operating Budget.		

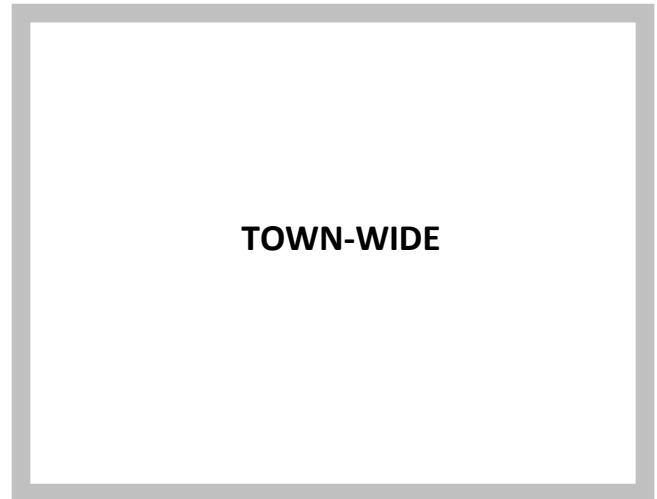
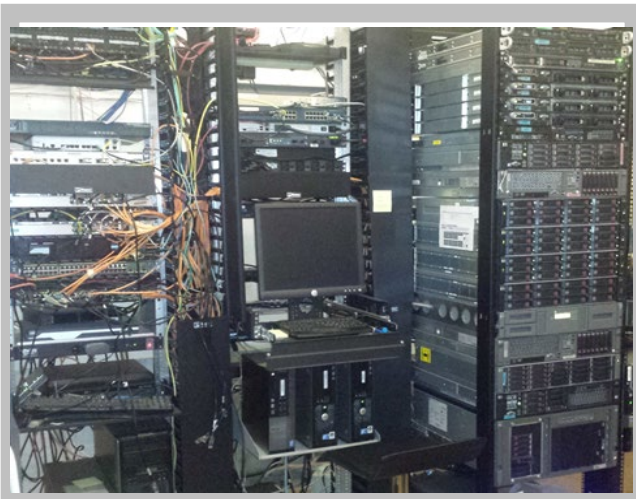


Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2018	Design	Project development
	Fall 2018	Procurement	Procurement of equipment and installation
	Fall 2020	Completion	Project completion

EOC COMMUNICATION UPGRADE										
										Project 841-6103
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>SOURCE OF FUNDS</b>										
GFAR	\$ 19,618	\$ 1,000	\$ 29,382	\$ -	\$ 29,382	\$ -	\$ -	\$ -	\$ -	\$ 50,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 19,618</b>	<b>\$ 1,000</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>
	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>USE OF FUNDS</b>										
GFAR										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	19,618	1,000	29,382	-	29,382	-	-	-	-	\$ 50,000
<b>TOTAL GFAR</b>	<b>\$ 19,618</b>	<b>\$ 1,000</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 19,618</b>	<b>\$ 1,000</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ 29,382</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 50,000</b>





**Project Name** IT Disaster Recovery Improvements  
**Department** IT

**Project Number** 841-6104  
**Project Manager** IT Manager: Chris Gjerde

**Description** This project upgrades the Town's existing Information Technology infrastructure including windows servers, storage, and network switches.

**Location** The project will enhance the IT systems used by all Town departments at all locations. Purchased computer hardware will be located at 110 E. Main Street and 15900 Los Gatos Boulevard

**Project Background** Annually staff evaluates and replaces older servers and network infrastructure to ensure reliable operation. In FY 2017/18, staff began an IT disaster recovery inventory, identifying many areas to improve our disaster preparedness posture and increasing efficiencies with more modern infrastructure design. These improvements to IT infrastructure require more than a simple staggered replacement of a small percentage of servers. Improvements include Hypervisor Server Clusters and Replication, redundant Storage Area Networks, and Public Cloud DR Data Center.

**Operating Budget Impacts** This project will use staff time for management. The staff time for this project is included in the FY 2020/21 Operating Budget.



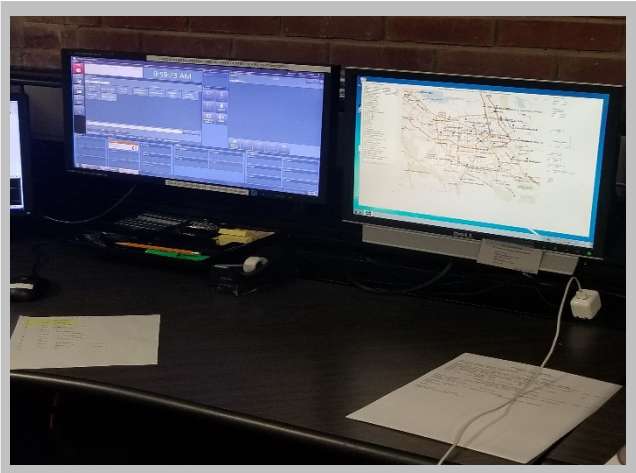
Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	Summer 2019	Design	Project development
	Fall 2019	Procurement	Procurement of equipment and installation
	Fall 2020	Completion	Project completion

IT DISASTER RECOVERY IMPROVEMENTS										Project 841-6104
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
<i>Transfer from MIS</i>	\$ 7,942	\$ 22,213	\$ 169,845	\$ -	\$ 169,845	\$ -	\$ -	\$ -	\$ -	\$ 200,000
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 7,942</b>	<b>\$ 22,213</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Services/Supplies/Equipment</i>	-	-	-	-	-	-	-	-	-	-
<i>Site Acquisition &amp; Preparation</i>	-	-	-	-	-	-	-	-	-	-
<i>Consultant Services</i>	-	-	-	-	-	-	-	-	-	-
<i>Project Construction Expenses</i>	7,942	22,213	169,845	-	169,845	-	-	-	-	200,000
<b>TOTAL GFAR</b>	<b>\$ 7,942</b>	<b>\$ 22,213</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 7,942</b>	<b>\$ 22,213</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ 169,845</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 200,000</b>



Equipment Projects



<b>Project Name</b>	Computer-Aided Dispatch and Records Management System (CAD/RMS)	<b>Project Number</b>	841-6301
<b>Department</b>	Police	<b>Project Manager</b>	Captain D'Antonio
<b>Description</b>	This project upgrades the Police Departments current Computer Aided Dispatch and Records Management System (CAD/RMS).		
<b>Location</b>	This project is located at Police Administration Building.		
<b>Project Background</b>	<p>The Los Gatos Monte Sereno Police Department has an immediate need to replace its Computer Aided Dispatch and Records Management System (CAD/RMS). The Los Gatos Monte Sereno Police Department and the City of Sunnyvale have been in a cost sharing agreement since October 2016, and the Town needs an independent system.</p> <p>The Department seeks an integrated solution that offers the capability to comply with existing and upcoming mandates, capture ongoing statistical data, accurately measure performance, better equip first responders with relevant information, reduce report writing time, enhance internal cross-training, and be technologically progressive. Enhancements will give CAD/RMS terminal access to sworn and non-sworn support personnel, including physical access at two sites and mobile access in 14 vehicles.</p>		
<b>Operating Budget Impacts</b>	This project will use staff time for management. The staff time for this project is included in the Operating Budget.		



Equipment Projects

<b>Project Components &amp; Estimated Timeline</b>	Spring 2019	Bid process	Project bidding & contract award
	Fall 2019	Procurement	Procurement of equipment and installation
	Summer 2020	Completion	Project completion

COMPUTER-AIDED DISPATCH AND RECORDS MANAGEMENT SYSTEM										Project 841-6301
SOURCE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Transfer from Equipment Replacement	\$ 10,290	\$ 14,186	\$ 510,814	\$ -	\$ 510,814	\$ -	\$ -	\$ -	\$ -	\$ 535,290
<b>TOTAL SOURCE OF FUNDS</b>	<b>\$ 10,290</b>	<b>\$ 14,186</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 535,290</b>
USE OF FUNDS	Prior Yrs Actuals	2019/20 Estimated	Estimated Carryfwd to 2020/21	2020/21 New Funding	2020/21 Budget (with Carryfwd)	2021/22 Proposed	2022/23 Proposed	2023/24 Proposed	2024/25 Proposed	Total Project
<b>GFAR</b>										
Salaries and Benefits	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
Services/Supplies/Equipment	-	-	-	-	-	-	-	-	-	-
Site Acquisition & Preparation	-	-	-	-	-	-	-	-	-	-
Consultant Services	-	-	-	-	-	-	-	-	-	-
Project Construction Expenses	10,290	14,186	510,814	-	510,814	-	-	-	-	535,290
<b>TOTAL GFAR</b>	<b>\$ 10,290</b>	<b>\$ 14,186</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 535,290</b>
<b>TOTAL USE OF FUNDS</b>	<b>\$ 10,290</b>	<b>\$ 14,186</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ 510,814</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 535,290</b>









*Reference*



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**Glossary of Terms**

**Accrual Basis Accounting** - Under this accounting method, transactions are recognized when they occur, regardless of the timing of related cash receipts and disbursements.

**Adoption** - Formal action by the Town Council which sets the spending limits for the fiscal year. The Town's budget is adopted by Council resolution.

**Appropriation** - An authorization made by the Town Council that permits officials to incur obligations against and to make expenditures of government resources. Appropriations are typically granted for a one-year period.

**Audit** - Prepared by an independent Certified Public Accountant (CPA), the primary objective of an audit is to determine if the Town's Financial Statements present fairly the Town's financial position and results of operations in conformity with generally accepted accounting principles. In conjunction with its performance of an audit, it is customary for an independent auditor to issue a Management Letter stating the adequacy of the Town's internal controls as well as recommending improvements to the Town's financial management practices.

**Bonds** - A bond is a written promise to pay a specified sum of money (called the face value or principal amount) at a specified date or dates in the future (called the maturity date) together with period interest at a specified rate. Bonds are typically used to finance capital facilities.

**Budget** - As the Town's financial operating plan for the fiscal year, the budget displays the estimated expenditures (costs) for providing services and the estimated sources of revenue (income) to pay for them. Once the Town Council adopts the budget, the total becomes the maximum spending limit. Los Gatos' budget encompasses a single fiscal year (July 1 through June 30).

**Budget Amendment** - The Council has the sole responsibility for adopting the Town's budget and may amend or supplement the budget at any time after adoption. The Town Manager has the authority to approve administrative adjustments to the budget as outlined in the Financial and Administrative Policies set by Council.

**Budget Document** - The official financial spending and resource plan submitted by the Town Manager and adopted by the Town Council explaining the approved budget to the public and Town Council.

**Budget Message** - Included in the opening section of the budget, the Budget Message provides the Council and the public with a general summary of the most important aspects of the budget, comparative data from previous fiscal years, goals and objectives, and the views and recommendations of the Town Manager.

**Budget Overview** - This section provides an overview of the changes adopted in the budget. Additionally, the significant impacts of budgetary changes are outlined along with dollar amounts (increase/decrease).

**Budget Policies** - General and specific guidelines adopted by the Council that govern the financial plan's preparation and administration.



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**Glossary of Terms**

**Capital or Community Improvements** - Capital or community improvements are major construction, acquisition, or maintenance/repair projects. Typical examples of major construction would include new street improvements, park development, and public buildings. Acquisition includes land for parks and open space. Major maintenance/repairs may include street resurfacing or modifications to public buildings.

**Capital Improvement Program (CIP)** - The plan or schedule of expenditures for major construction of roads, sidewalks, Town facilities, and/or park improvements and for the purchase of equipment. The Town of Los Gatos' CIP follows a five-year schedule. Although the Town adopts the CIP budget in a process which is separate from the adoption of the budget, the budget incorporates the first year of the five-year CIP.

**Capital Projects Fund** - In governmental accounting, a fund that accounts for financial resources to be used for the acquisition or construction of capital facilities. The total cost of a capital project is accumulated in a single expenditures account which accumulates until the project is completed, at which time the fund ceases to exist.

**Capital Outlay** - Expenditures which result in the acquisition of or additions to fixed assets. Examples include land, buildings, machinery, equipment, and construction projects.

**Capital Assets** – See “Fixed Assets.”

**Cash Basis Accounting** - A basis of accounting under which transactions are recognized only when cash is received or disbursed.

**CDBG (Community Development Block Grant)** - Federal grant funds distributed from the U.S. Department of Housing and Urban Development that are passed through to the Town. The Town primarily uses these funds for housing rehabilitation, public improvements, and local social programs.

**Construction Tax** - A construction tax is imposed upon the construction of any building, portion of a building, or a mobile home lot. Construction by definition means either new construction or enlargement. The taxes imposed are based upon a set rate per square foot as follows:

- a) **Capital Improvement Tax** - \$0.18 for each square foot of building addition or alteration
- b) **Underground Utility Tax** - \$0.18 for each square foot of building addition or alteration
- c) **Park Fund Tax** - \$0.04 for each square foot of building addition or alteration

**Contingency** - A budgetary reserve set aside for emergencies or unforeseen expenditures not otherwise budgeted.

**Contingent Liabilities** - Items which may become liabilities of the Town but are undetermined at a given date, such as pending lawsuits, unsettled disputed claims, unfilled purchase orders, and uncompleted contracts.

**Contract Services** - Services provided to the Town from the private sector or other public agencies.



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**Glossary of Terms**

**Contributed Capital** - Resources which are extremely restricted for the acquisition or construction of capital assets. This category includes, but is not limited to, capital grants, residual equity transfers in, and contributions from developers.

**Cost Allocation** - A fair and equitable methodology for identifying and distributing direct and indirect cost from a service provider to the service consumer. In the Town's case, the general fund is the service provider and the external funds are the service consumer.

**Deficit** - The excess of liabilities over assets.

**Department** - A major organizational unit of the Town that has been assigned overall management responsibility for an operation or a group of related operations within a functional area.

**Developer Fees and Permits** - Fees that are charged for various development-related services or permits based upon actual cost to the Town for providing the service or permit.

**Documentary Transfer Tax** - Imposed on the transfer of real property, exclusive of any lien or encumbrance. The Town receives 50% of such revenue collected by Santa Clara County.

**Encumbrance** - Commitment against an approved budget for unperformed (executory) contract for goods or services. Encumbrances cease when the obligation is paid or otherwise terminated. A purchase order is a common encumbrance.

**Expenditure** - The outflow of funds paid or to be paid for an asset obtained or goods and services obtained. An encumbrance is not an expenditure; an encumbrance reserves funds to be expended.

**Fiscal Year** - A 12-month period to which the annual operating budget applies and at the end of which the Town determines its financial position and results of its operations. The Town's fiscal year runs from July 1 to June 30.

**Five-Year Financial Forecast** - Estimates of future revenues and expenditures to help predict the future financial condition of the community.

**Fixed Assets** - Assets which are intended to be held or used for a long term, such as land, buildings, improvements other than buildings, machinery and equipment.

**Fund** - An independent fiscal and accounting entity with a self-balancing set of accounts in which financial transactions relating to revenues, expenditures, assets, and liabilities are recorded. Funds other than the General Fund typically have a unique funding source and purpose. Establishing funds enables the Town to account for the use of restricted revenue sources and carry on specific activities or pursue specific objectives.

**Fund Accounting** - System used by non-profit organizations, particularly governments. Since there is no profit motive, accountability is measured instead of profitability. The main purpose is stewardship of financial resources received and expended in compliance with legal requirements.



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**Glossary of Terms**

**Fund Balance** - Also known as financial position, fund balance is the excess of current assets over current liabilities and represents the cumulative effect of revenues and other financing sources over expenditure and other financing uses.

**GAAP - (Generally Accepted Accounting Principles)** - Uniform standards for financial accounting and reporting. They govern the form and content of the basic financial statements of the Town.

**Gas Tax Fund** - The Gas Tax Fund is used to account for revenues and expenditures apportioned under the Streets and Highways Code of the State of California. Expenditures may be made for any street-related purpose in the Town's system of streets.

**General Fund** - In governmental accounting, fund used to account for all assets and liabilities of a non-profit entity, except those particularly assigned for other purposes in another more specialized fund. The General Fund is the primary operating fund of the Town.

**General Government** – Includes offices and departments to support the Town Council, Town Clerk, Town Manager, Town Attorney, Town Treasurer, Human Resources, Finance, Community Development, Police, Parks and Public Works, and Library functions.

**General Liability Self Insurance Fund** - The General Liability Self Insurance Fund is used to provide the Town with liability and property insurance. Coverage is provided through the Town's participation in a joint powers agreement through the Association of Bay Area Governments (ABAG).

**Grant** - External contribution, and/or gift of cash, or other asset typically from another governmental entity to be used or expended for a specific purpose, activity, or facility. An example is Community Development Block grant funding from the federal government.

**Housing Set-Aside Fund** – This fund is used to account for the Redevelopment Agency's 20% set-aside property tax increment revenues and the associated expenditures to be used for increasing or improving low and moderate income housing.

**Improvements** - Buildings, structures, or attachments to land such as sidewalks, trees, drives, tunnels, drains, and sewers.

**Intergovernmental Revenue** - Revenue received from other governmental agencies and municipalities, such as grants from the state or federal government.

**Inter-Fund Transfers** - When the Town moves money between its various funds, it makes an inter-fund transfer, referred to as "transfers in" and "transfers-out." In aggregate, transfers in and out offset each other for the fiscal year.

**Levy** - (Verb) To impose taxes, special assessments, or service charges for the support of governmental activities. (Noun) The total amount of taxes, special assessments, or service charges imposed by Santa Clara County levying property taxes.

**Licenses and Permits** - Revenues earned by the issuance of licenses or permits levied in accordance with the benefits conferred by the license or permit.



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**Glossary of Terms**

**Lighting and Landscape Fund** - The Town has formed six landscape and lighting district funds established by written consent of the property owners owning all of the property within the boundaries of the district.

**Objective** - A statement of specific direction, purpose, or intent based on the needs of the community and the goals established for a specific program or service level.

**Ordinance** - A formal legislative enactment by the Town Council. It has the full force and effect of law within Town boundaries unless pre-empted by a higher form of law. An Ordinance has a higher legal standing than a Resolution and is typically codified in a Town's municipal code.

**Operating Budget** - The operating budget is the primary means by which most of the financing of acquisition, spending, and service delivery activities of a government are controlled. The use of annual operating budgets is required by law.

**Personnel** - Town staff.

**Program** - As subdivisions of departments, programs are budgetary or organizational units of government with limited sets of work responsibilities within their respective departments. Programs also serve to increase budgetary accountability. Los Gatos' budget is compiled on a program basis.

**Property Tax** – A tax Imposed on real property (land and permanently attached improvements). The tax is based upon the assessed value of such property. The tax rate may not exceed 1% of assessed value.

**Reserve** - An account used to indicate that a portion of fund equity is designated, undesignated, or legally restricted for a specific purpose.

**Resolution** - A special order of the Town Council, which has a lower legal standing than an ordinance.

**Resources** - Total amounts available for appropriation including estimated revenues, inter-fund transfers, and beginning fund balances.

**Revenue** - Sources of income which the Town receives during a fiscal year. Examples of revenue include taxes, intergovernmental grants, charges for services, resources forwarded from the prior year, operating transfers for other funds, and other financing sources such as the proceeds derived from the sales of fixed assets.

**Revenue Estimate** - A formal estimate of how much revenue will be earned from a specific revenue source for some future period; typically, a fiscal year.

**Road Impact Fees** - Pursuant to Article III of Chapter 15 of the Town Code, the Town collects road impact fees to finance road construction and maintenance projects throughout the town. Article IX of Chapter 15 authorizes the establishment of special fund accounts known as Road Impact #1, Road Impact #2, and Road Impact #3, into which all such fees are deposited. Because the road systems generally follow drainage patterns, the existing drainage basin map boundaries are used to track and expend funds for road construction and maintenance.



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**Glossary of Terms**

The amount of each fee collected is based on an estimate of the weight of the loads to be hauled to or from the project and the weight of heavy vehicles to be used in connection with the project. The fee is collected for Building Permits, Grading and Landscape Permits, Improvement Contracts, and Encroachment Permits. Money collected from such fees is to be used solely for design, construction, and repair of Town streets and installation of sidewalk curb cut ramps when such a requirement is triggered by the level of work as provided by the Americans with Disabilities Act, within the prescribed area. Projects will be brought forward on an as-needed basis.

**SA Trust Fund** – Fund used to account for the proceeds of notes, and other forms of indebtedness, and the expenditure of these funds to pay the debt, administrative services and projects with the specified boundaries of the Successor Agency of the Town of Los Gatos Redevelopment Agency.

**Sales Tax** – 1% of taxable sales is returned to the Town by the State Board of Equalization on a monthly direct deposit basis. Under the “Triple Flip” agreement, 0.25% of the 1% is now received in association with property tax but remains sales tax in substance.

**Special Revenue Fund** - In governmental accounting, a fund used to account for the proceeds of a special revenue source (other than special assessments, expandable trusts, or for major capital projects) that are legally restricted to expenditure for a specified purpose.

**Service Charge** - Charges for specific services rendered.

**Services and Supplies** - Expenditures for services and supplies which are directly related to a department's primary service activities.

**State Gas Tax Funds** - Portions of the tax rate per gallon levied by the State of California on all gasoline purchases are allocated to cities throughout the state. These funds are restricted to expenditures for transit and street-related purposes.

**Supplemental Appropriation** - An appropriation approved by the Council after the initial budget is adopted.

**Taxes** - Compulsory charges levied by the Town, county, or state governments for the purpose of financing services performed for the community's benefit.

**Town Code** - A legal compilation of Town Council-approved ordinances currently in effect. The code defines Town policy with respect to areas such as planning, etc.

**Transfers In/Out** - Money transferred from one Town fund to another. Differs from revenues and expenses - see definition of these terms, above.



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**TOWN OF LOS GATOS DONATION OPPORTUNITIES  
FY 2020/21 LIST OF TOWN NEEDS**

To ensure that all donations and contributions are sought and accepted in an ethical manner, the Council established a Donation and Solicitation Policy. A list of Town needs was developed to identify goods, services, and other contributions to enhance Town services, programs, and events. The recommended needs for FY 2020/21:

**PUBLIC SAFETY**

- Volunteer Program Materials and Equipment
- Specialized Public Safety Equipment and Supplies, including Support for Canine Program
- Training Support for Public Safety Staff and Volunteers
- Equipment, Supplies and Materials to support Police Operations
- Community Outreach Program Supplies

**LIBRARY SERVICES**

- Children, Youth, and Adult Program Collections, Supplies and Services
- Library Books, media items and other items for public circulation
- Funding to Support Technological Enhancements, including Digital Services
- Equipment and Services to Support Historical Preservation Efforts
- Resource support for Collection Development and Reference, Local History, and Library Policy

**SENIOR SERVICES**

- Home emergency kits geared towards the needs of seniors

**COMMUNITY EVENTS**

- Supplies, Materials, and Services for Special Community and Volunteer Events and Activities
- Funding for the realization of Public Art projects or Donations of Public Art subject to Public Art Selection Policy

**TOWN PARKS AND FACILITIES**

- Beautification Materials and Services for Town Parks, Open Space, and Infrastructure; Land for Parks and Open Space
- Contributions that Support Recreation or Expansion of Athletic Fields
- Contributions that support multi-modal transportation.

**SUSTAINABILITY**

- Contributions to Help Minimize Impacts on Local, Regional, and Global Ecosystems through Conservation, Reduced Pollution, Increased Efficiency, and Protection of Wildlife, Vegetation, and other Ecosystems.

**TECHNOLOGY**

- Equipment, Software and Services to Enhance Communication with the Public and Organizational Productivity





**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 6

ADDENDUM

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DATE: May 18, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Operating and Capital Budgets

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for Fiscal Year (FY) 2020/21
  - 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25
- C. Approve Budget Adjustments for FY 2019/20:
  - 1. Authorize a Total Revenue Decrease Adjustment in the Amount of \$1,699,411 [Decrease Sales Tax by \$618,744, Decrease Transient Occupancy Tax (TOT) by \$974,678, and Decrease Business License Tax by \$105,989] and
  - 2. Authorize an Expenditure Decrease Adjustment in the Amount of \$4,232,500 to Reflect that the Additional Discretionary Payment Toward the Unfunded Pension Liability to CalPERS is Scheduled After July 1, 2020.

**REMARKS:**

A Council Member had the following inquiry and staff's response is below.

**Please provide the Departments for the vacancies noted on page A-23.**

At the point in time that the Budget document was prepared, we had eight vacancies actively in recruitment (five in the Police Department and one each in the Library, Community Development, and Parks and Public Works Departments). The additional vacancy that had not yet started recruitment at that time was in the Police Department.

Attachment 4 contains public comment received before 11:01 a.m. Monday, May 18, 2020.

**PREPARED BY:** Stephen Conway  
Finance Director

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

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PAGE 2 OF 2

SUBJECT: Operating and Capital Budgets

DATE: May 18, 2020

Attachments previously distributed with the Staff Report:

1. FY 2020/21 Proposed Operating and Capital Budget
2. FY 2020/21 – FY 2024/25 Proposed Capital Improvement Program Budget
3. Town of Los Gatos Donation Opportunities: FY 2020/21

Attachment distributed with this Addendum:

4. Public Comments received before 11:01 a.m. Monday, May 18, 2020.



---

**Subject:** Building an Honest Budget

**From:** Rick Tinsley <[rnt97@yahoo.com](mailto:rnt97@yahoo.com)>

**Sent:** Monday, May 11, 2020 2:13 PM

**To:** Marcia Jensen <[MJensen@losgatosca.gov](mailto:MJensen@losgatosca.gov)>; BSpector <[BSpector@losgatosca.gov](mailto:BSpector@losgatosca.gov)>; Rob Rennie <[RRennie@losgatosca.gov](mailto:RRennie@losgatosca.gov)>; Marico Sayoc <[MSayoc@losgatosca.gov](mailto:MSayoc@losgatosca.gov)>

**Cc:** Richard Tinsley <[ricktinsley1@gmail.com](mailto:ricktinsley1@gmail.com)>

**Subject:** Building an Honest Budget

Los Gatos Town Council Members,

In preparation for the annual budget process please remember the following GFOA best practices as pointed out in prior Finance Committee and Town Council meetings:

1. Compare proposed budgets to previous ACTUAL results to clearly understand proposed increases or decreases in spending. Future budgets are necessarily estimates since none of us possess a crystal ball. On the other hand as time passes, prior period budgets (fiction) are replaced with actual results (facts). Comparing a proposed budget to a known fictional prior budget is obfuscation at its worst and violates all measures of common sense and transparency. It is intentionally misleading as it compares a proposed budget to historical numbers that are already known to be false.
2. Budgets should use ACTUAL salaries for all active employees, not falsely inflated top step pay levels for all employees.
3. Budgets should list ACTUAL headcounts by department clearly delineating both active and vacant positions projected by month. Budgets should be based on honest estimates of active employees actually drawing a paycheck, not falsely inflated headcounts assuming every possible job is filled 365 days per year with top step pay which is knowingly inaccurate. Currently the Town web site shows at least nine paid job openings and there may be more. In three recent fiscal years this intentionally inflated headcount added \$1.7M - \$1.9M per year to the budget which in turn removed these same amounts from the Town Council's authority to allocate resources(as detailed in my Jan 22, 2020 email to the Town Council).

As fiduciaries of the Town's finances, the Town Council must require the Staff to follow these widely recognized best practices for honest and transparent budgeting.

As always, let me know if you have any questions.

Thank you,

Rick Tinsley



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**Subject:** Please provide the FY 21 5 Year model in the same format as FY 2016  
**Attachments:** 5 Yr Model - FY 2016 plan year.pdf; 5 Yr Model - FY 2021 plan year.pdf

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**From:** Phil Koen <[pkoen@intermedia.net](mailto:pkoen@intermedia.net)>  
**Sent:** Tuesday, May 12, 2020 3:32 PM  
**To:** Laurel Prevetti  
**Cc:** Marcia Jensen; BSpector; Marico Sayoc; Rob Rennie; [jvannada@gmail.com](mailto:jvannada@gmail.com); Rick Tinsley; Terry Duryea; Ron Dickel; Lee Fagot; Rick Van Hoesen ([rick.vanhoesen@gmail.com](mailto:rick.vanhoesen@gmail.com)); Lee Quintana; Maria Ristow; Heidi Owens; Catherine Somers  
**Subject:** Please provide the FY 21 5 Year model in the same format as FY 2016

Dear Laurel,

Would you be so kind as to re-publish the Five Year model in your transmittal letter, adopting the same format that was used in FY 2016. I have attached the FY 2016 version for your review. The current format is of limited value since there is no history reflected in the schedule. How is the reader able to judge the soundness of the model if actuals (or estimates) for prior years are not shown? Reflecting the adopted budget for FY 20 in addition to actuals (or estimates) for FY 2018, FY 2019 and FY 2020 would be very useful to the reader and to the Council. It looks like the public use to get this information, so I am unsure as to why the Staff changed the format. This information hopefully should not be very difficult to add.

Also, you can see that the FY 2016 version provided additional information regarding overtime, other salary and temporary employees salary. Can you expand the current template to include this information? Hopefully, this is not very difficult to do as well.

It would also be very useful if you disclosed your assumption regarding staff vacancy rates over the five-year forecast. The FY 21 budget is reflecting a \$3m increase in salary and benefits expense over the estimated number of FY 2020. The salary number is increasing \$2.6m (15%) and the total benefits are increasing \$400k (4%). There is no explanation given for the significant increase for salaries from the prior year actual. Also, there is no explanation as to why the GASB 45 medical actuarial number decreased by \$500k from the prior year estimate.

Hopefully, you will be able to publish an expanded version quickly so we could make timely comments on the budget.

Marico and Rob, I sent you an email on this subject yesterday but did not include FY 2016 as an example. Thus, I am copying you again today.

Thank you.

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Reflective of the positive economy, the Five-Year Forecast identified over \$400,000 in additional General Fund monies in FY 2015/16 which have been allocated to fund contractually obligated increases, including salary increases, contractual increases and unfunded mandates as previously discussed.

Provided below is a recap of the most recent Five-Year Financial Plan prepared in early May 2015. The updated Five-Year Financial Plan spans FY 2015/16 - 2019/2020:

**Town of Los Gatos General Fund  
Updated Five-Year Financial Plan  
(\$ millions)**

		FY 1		FY 2		FY 3		FY 4		FY 5	
Account	Revenue Category	2012/13 Actuals	2013/14 Adopted	2013/14 Actuals	2014/15 Budget	2014/15 Estimated	2015/16 Forecast	2016/17 Forecast	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast
4100	Property Tax	\$ 8.3	\$ 7.8	\$ 9.1	\$ 8.2	\$ 8.4	\$ 9.1	\$ 9.4	\$ 9.7	\$ 10.0	\$ 10.3
4110	VLF Backfill Property Tax	2.4	2.4	2.7	2.7	2.8	2.8	2.9	2.9	2.9	2.9
4200	Sales & Use Tax	8.8	7.8	8.0	8.3	8.1	8.3	8.8	9.2	9.6	9.5
4250	Franchise Fees	2.0	2.0	2.1	2.1	2.1	2.1	2.2	2.3	2.3	2.4
4251	Transient Occupancy Tax	1.3	1.0	1.5	1.3	1.5	1.5	1.5	1.6	1.6	1.7
4400	Business License Tax	1.2	1.4	1.1	1.4	1.7	1.3	1.3	1.3	1.3	1.3
4400	Licenses & Permits	3.1	2.6	3.2	2.9	2.9	3.0	3.1	3.1	3.2	3.3
4500	Intergovernmental	0.9	0.7	0.8	0.7	0.7	0.8	0.7	0.7	0.7	0.8
4600	Charge for Services	3.1	2.5	2.7	2.5	2.4	2.4	2.7	2.7	2.8	2.9
4700	Fines & Forfeitures	0.6	0.7	0.8	0.7	0.7	0.7	0.7	0.7	0.7	0.7
4800	Interest	(0.2)	0.5	1.1	0.3	0.5	0.3	0.3	0.3	0.4	0.4
4850	Other Sources	3.6	3.4	4.7	4.5	4.9	4.7	3.5	3.3	3.3	3.4
4900	Fund Transfers In	0.6	0.8	0.3	0.6	0.4	0.5	0.4	0.4	0.4	0.4
<b>TOTAL REVENUES</b>		<b>35.7</b>	<b>33.6</b>	<b>38.1</b>	<b>36.2</b>	<b>37.1</b>	<b>37.5</b>	<b>37.5</b>	<b>38.2</b>	<b>39.2</b>	<b>40.0</b>
Use of Reserves/Deposits		1.9	2.7	3.4	7.7	7.3	0.4	0.4	0.4	0.4	0.4
<b>TOTAL REVENUES &amp; TRANSFERS</b>		<b>\$ 37.6</b>	<b>\$ 36.3</b>	<b>\$ 41.5</b>	<b>\$ 43.9</b>	<b>\$ 44.4</b>	<b>\$ 37.9</b>	<b>\$ 37.9</b>	<b>\$ 38.6</b>	<b>\$ 39.6</b>	<b>\$ 40.4</b>

Account	Expenditure Category	2012/13 Actuals	2013/14 Proposed	2013/14 Actual	2014/15 Budget	2014/15 Estimated	2015/16 Forecast	2016/17 Forecast	2017/18 Forecast	2018/19 Forecast	2019/20 Forecast
5110	Salary	\$ 12.6	\$ 13.0	\$ 12.4	\$ 13.7	\$ 13.1	\$ 14.3	\$ 14.3	\$ 14.4	\$ 14.4	\$ 14.4
5130	Temporary Employees	0.9	0.6	0.8	0.6	0.7	0.8	0.7	0.7	0.7	0.7
5140	Overtime	0.6	0.4	0.5	0.4	0.4	0.4	0.4	0.4	0.4	0.4
5170	Other Salary	0.3	0.4	0.4	0.4	0.2	0.4	0.4	0.4	0.4	0.4
5200	Benefits	6.3	6.7	6.6	8.4	6.0	7.3	7.9	8.4	8.9	9.4
6000	Supplies, Materials, & Services	5.6	5.3	5.6	5.3	5.6	5.5	5.6	5.6	5.8	5.9
6000	Pass Through Expenditures	-	-	0.8	0.8	1.1	1.1	-	-	-	-
7200	Grants & Awards	0.2	0.2	0.1	0.2	0.2	0.2	0.2	0.2	0.2	0.2
7400	Utilities	0.4	0.4	0.4	0.4	0.5	0.4	0.5	0.5	0.5	0.5
7700	Fixed Assets	-	-	0.1	-	-	-	-	-	-	-
8060	Internal Service Charges	3.3	3.4	3.4	3.4	3.3	3.6	3.8	3.9	4.0	4.1
8900	Debt Service	2.0	1.9	1.9	1.9	1.9	1.9	2.0	2.0	2.0	2.0
<b>TOTAL EXPENDITURES</b>		<b>\$ 32.2</b>	<b>\$ 32.3</b>	<b>\$ 33.0</b>	<b>\$ 35.5</b>	<b>\$ 33.0</b>	<b>\$ 35.9</b>	<b>\$ 35.8</b>	<b>\$ 36.5</b>	<b>\$ 37.3</b>	<b>\$ 38.0</b>
9900	RDA Trust Fund	-	0.1	0.1	-	-	-	-	-	-	-
9900	Operating Transfers Out	-	-	-	-	0.1	-	-	-	-	-
9900	Capital Transfers Out to GFAR	1.9	2.7	2.6	7.0	7.3	0.4	0.4	0.4	0.4	0.4
9900	GASB 45 Retiree Medical Actuarial	1.2	1.3	5.8	1.3	1.3	1.5	1.6	1.6	1.6	1.6
<b>EXPENDITURES</b>		<b>35.3</b>	<b>36.4</b>	<b>41.5</b>	<b>43.8</b>	<b>41.6</b>	<b>37.9</b>	<b>37.8</b>	<b>38.5</b>	<b>39.3</b>	<b>40.0</b>
9900	Allocation	-	-	-	0.1	0.1	-	-	-	-	-
9900	Projects Reserve	-	-	-	-	-	-	-	-	-	-
9900	Transfer to Stabilization Reserve	-	-	-	-	-	-	-	-	-	-
<b>TOTAL EXPENDITURES &amp; ALLOCATIONS</b>		<b>\$ 35.3</b>	<b>\$ 36.4</b>	<b>\$ 41.5</b>	<b>\$ 43.9</b>	<b>\$ 41.7</b>	<b>\$ 37.9</b>	<b>\$ 37.8</b>	<b>\$ 38.5</b>	<b>\$ 39.3</b>	<b>\$ 40.0</b>
<b>REVENUES LESS EXPENDITURES</b>		<b>\$ 2.3</b>	<b>\$ (0.1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2.7</b>	<b>\$ -</b>	<b>\$ 0.1</b>	<b>\$ 0.1</b>	<b>\$ 0.3</b>	<b>\$ 0.4</b>
<b>ONGOING SHORTFALL MITIGATION</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ -</b>
<b>NET REVENUES LESS EXPENDITURES</b>		<b>\$ 2.3</b>	<b>\$ (0.1)</b>	<b>\$ -</b>	<b>\$ -</b>	<b>\$ 2.7</b>	<b>\$ -</b>	<b>\$ 0.1</b>	<b>\$ 0.1</b>	<b>\$ 0.3</b>	<b>\$ 0.4</b>

\*FY 2014/15 \$7.4 million in use of Reserves/Deposit is for capital projects funding, inclusive of 44.2 million for Phase 1 of the Almond Grove Street Rehabilitation Project.

Notably, in the Five-Year Forecast FY 2014/15 year-end estimates indicate excess revenues over expenditures in the amount of \$2.7 million. This \$2.7 million is inclusive of the Town's savings related to the payoff of the Town's CalPERS side fund liability. The side fund payoff was approved in June 2014 along with adoption of the proposed FY 2014/15 Operating Budget. Because the FY 2014/15 was adopted prior to the side fund pay-off, the \$700,000 in savings was moved to non-departmental so it would not be spent. In addition, approximately \$1.3 million of this year end savings resulted from an unusual number of separations and vacancies throughout the fiscal year.



**Town of Los Gatos General Fund 5-Year Forecast**  
(in \$ million)

Account	Revenue Category	2020/21 Budget	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
4100	Property Tax	\$ 14.7	\$ 15.1	\$ 15.8	\$ 16.2	\$ 16.7	\$ 16.5
4110	VLF Backfill Property Tax	4.0	4.0	4.1	4.2	4.3	4.3
4200	Sales & Use Tax	8.0	8.1	8.2	8.4	8.5	8.6
4250	Franchise Fees	2.5	2.6	2.7	2.8	2.9	2.9
4251	Transient Occupancy Tax	2.3	2.2	2.2	2.2	2.2	2.2
4400	Business License Tax	1.3	1.3	1.3	1.4	1.4	1.4
4400	Licenses & Permits	3.1	2.9	3.0	3.0	3.1	3.1
4500	Intergovernmental	1.0	0.7	0.8	0.8	0.9	0.9
4600	Business License Tax	4.0	4.1	4.2	4.2	4.2	4.3
4700	Fines & Forfeitures	0.4	0.4	0.4	0.5	0.5	0.5
4800	Interest	0.6	0.8	0.2	0.7	0.2	0.2
4850	Other Sources	2.3	2.2	2.2	2.2	2.2	2.2
4900	Fund Transfers In	0.6	0.5	0.5	0.5	0.5	0.5
<b>TOTAL OPERATING REVENUES &amp; TRANSFERS*</b>		<b>\$ 44.8</b>	<b>\$ 44.9</b>	<b>\$ 45.6</b>	<b>\$ 47.1</b>	<b>\$ 47.6</b>	<b>\$ 47.6</b>
	Use of Capital/Special Project Reserve - Capital	3.4	0.6	0.6	0.6	0.6	0.6
	Use of Pension/OPEB Reserve	4.2	0	0	0	0	0
	Use of Capital/Special Project Reserve - Other	0.8	0	0	0	0	0
<b>TOTAL REVENUES, TRANSFERS, AND USE OF RESERVES</b>		<b>\$ 53.2</b>	<b>\$ 45.5</b>	<b>\$ 46.2</b>	<b>\$ 47.7</b>	<b>\$ 48.2</b>	<b>\$ 48.2</b>
Account	Expenditure Category	2020/21 Budget	2021/22 Forecast	2022/23 Forecast	2023/24 Forecast	2024/25 Forecast	2025/26 Forecast
5110	Salary	20.2	19.9	19.9	20.0	20.1	20.1
5120	CalPERS Benefits	7.3	7.3	8.2	8.7	9.0	9.0
5200	All Other Benefits	4.1	4.1	4.2	4.3	4.4	4.5
6211	OPEB Pay as You Go	1.3	1.4	1.4	1.5	1.7	1.8
6000	Operating Expenditures	6.6	5.8	6.1	6.2	6.5	6.5
7200	Grants & Awards	0.2	0.2	0.3	0.3	0.3	0.3
7400	Utilities	0.6	0.6	0.6	0.7	0.7	0.7
8060	Internal Service Charges	2.4	2.7	2.8	3.0	3.2	3.4
8900	Debt Service	1.9	1.9	1.9	1.9	1.9	1.9
<b>TOTAL OPERATING EXPENDITURES</b>		<b>\$ 44.6</b>	<b>\$ 44.0</b>	<b>\$ 45.4</b>	<b>\$ 46.5</b>	<b>\$ 47.7</b>	<b>\$ 48.1</b>
	GASB 45 Retiree Medical Actuarial	0.6	0.5	0.4	0.3	0.2	0.2
	Additional Discretionary Payment - Pension	4.6	0.4	0.4	0.4	0.4	0.4
<b>TOTAL OPERATING &amp; DISCRETIONARY EXPENDITURES</b>		<b>\$ 49.8</b>	<b>\$ 44.9</b>	<b>\$ 46.2</b>	<b>\$ 47.2</b>	<b>\$ 48.3</b>	<b>\$ 48.7</b>
	Capital Transfers Out to GFAR	3.4	0.6	0.6	0.6	0.6	0.6
	Transfer to Internal Service Funds	0	0	0	0	0	0
	Pension/OPEB Transfer to Pension Trust Fund	0	0	0	0	0	0
	Allocate to Compensated Absences	0	0	0	0	0	0
	Surplus	0	0	0	0	0	0
	Allocate to Property Surplus Reserve	0	0	0	0	0	0
<b>TOTAL EXPENDITURES &amp; RESERVE ALLOCATIONS</b>		<b>\$ 53.2</b>	<b>\$ 45.5</b>	<b>\$ 46.8</b>	<b>\$ 47.8</b>	<b>\$ 48.9</b>	<b>\$ 49.3</b>
<b>NET REVENUES RESERVE TRANSFERS LESS EXPENDITURES &amp; RESERVE ALLOCATIONS</b>		<b>\$ -</b>	<b>\$ -</b>	<b>\$ (0.6)</b>	<b>\$ (0.1)</b>	<b>\$ (0.7)</b>	<b>\$ (1.1)</b>
* Due to rounding of individual categories FY 2020/21 Total Expenditures and Reserve Allocations omits \$0.1 million.							



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**Subject:**

Comments and Questions regarding FY 20/21 Proposed Budget



**Arn Andrews • Assistant Town Manager**

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**Subject:** Comments and Questions regarding FY 20/21 Proposed Budget

Town Council Members,

The proposed budget assumes relative modest revenue falloff of less than \$1.8M or 2.6% for the upcoming fiscal year. Compared to the state of California's proposed budget and indications from other local governments, that seems incredibly optimistic. While we can all hope that the drop off is this small, it would be prudent to consider more substantial revenue drops and make contingency plans accordingly. Better to do this NOW to avoid disruptive midyear budget revisions.

**1. Budgets versus Actual** -- Pages A1-A7 outline the five year forecast with no ACTUAL historical financial data for context. One of the most important ways to evaluate any plan for the next five years is to compare with what ACTUALLY happened the past five years. Yes you can scroll down several dozen pages to piece together the historical data but it would be much more transparent to show it on the same tables. Page A-4 does show 18 years of historical headcount data and it would be very instructive to show the corresponding financial information. For example, spending on Salary and Benefits (page C-8) has increased from \$21.9M to \$31.6M or 44% over the past 5 years while headcount (page A-4) has increased by only 6 heads or about 4%. That seems rather important to understand. Showing one without the other is misleading.

**2. Accurate Salary Info** -- It is nice to see some improvement in this area. Page A-5 indicates a departure from past practice by using actual plus one step increase rather than top step for all. To be clear, this is just more accurate budgeting, closer to reality, not savings as the report claims.

**3. Active versus vacant positions** -- This budget still assumes 100% of the jobs will be filled for all 365 days of the year. Page A-23 indicates the Town has nine vacant positions and is actively recruiting eight. Pages C-45 through C47 show lots of historical headcount data but it is all "Funded" or "Proposed" headcount, not ACTUAL headcount and therefore does not correlate to ACTUAL financials. Why not show ACTUAL headcount? Page D-50 shows ACTUAL vacancy rates of 9% for FY 2018/19, Estimated vacancies of 13% for FY2019/20, and a planned vacancy rate of 10% for FY 2020/21. Clearly these HR projections do not match up to the budget projections. The Town Council should ask the Staff: "Do we really expect (or need) to have all nine vacant positions filled as of July



1 and keep them all filled for the next 365 days?" Obviously the recruiting environment has improved tremendously, but the Town Council like any responsible governing body should consider whether it makes sense in the current circumstances to fill all these positions.

**4. Actual Operating Expense Growth** - Page A-12 indicates the GF OpEx for FY 2020/21 is projected to increase slightly by \$0.4M compared to the prior year's adopted budget. This is intentionally misleading as we are 10.5 months into the current fiscal year so we have much more accurate estimates with which to compare the proposed budget. Compared to the current FY2020 estimate on Page C-8, the proposed budget increases GF Salary and Benefit expenditures by \$3.1M. The Town Council should direct the Staff to cease these intentionally misleading comparisons to prior out-of-date budget projections. Regardless of whether the Town should or even can fill all those vacancies in order to spend that additional \$3.1M, the comparison to such a padded number conceals actual spending trends. Why do we have to scroll down to the 88th page in the budget document to see this? Why not put this in Section A which will be as far as most people will ever get in this 498 page document?

Thank you,

Rick Tinsley



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**Subject:** Town's proposed Agenda: Item 6, the Budget,

**From:** Lee Fagot <[leefagot@gmail.com](mailto:leefagot@gmail.com)>

**Sent:** Monday, May 18, 2020 9:59 AM

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**Cc:** Robert Schultz <[RSchultz@losgatosca.gov](mailto:RSchultz@losgatosca.gov)>; Laurel Prevetti <[LPrevetti@losgatosca.gov](mailto:LPrevetti@losgatosca.gov)>; Stephen Conway <[sconway@losgatosca.gov](mailto:sconway@losgatosca.gov)>

**Subject:** Town's proposed Agenda: Item 6, the Budget,

Madam Mayor and Council Members,

Rather than ruminating thru almost 500 pages of the Town's proposed Budget, please spend time at the Council meeting to discuss instead the real **analysis** of our Town's finances, develop **strategies** to deal with both the new **challenges** due to COVID, and to put in place a desperately needed **process** for MORE transparency, and only then put those agreed numbers into a reasonable budget plan. The contradictions in the document submitted, comparing prior budgets to this one, and future years, instead of comparing ACTUAL revenues and expenditures is like comparing wishful thinking in the past to wishful thinking in the future. Lets use FACTS that are presented in a more concise fashion. For example page C8 shows General Funds salaries and benefits increase almost \$10M the last 5 years, and 6 new employees, while page C14 (218 actual pages into the document), which shows a \$6.4M salary/benefits increase paid from all funds, since 2016/17 with a projected (actual? Can't tell) head count increase of only 4. And, we do not know if these positions were actually filled for the full fiscal years in the past.

The revenue decline projected for 2020/21 does not seem reasonable nor reflect what other government agencies in our area anticipate. Rather, both steeper declines in sales taxes, TOT and fees could be for both the near and intermediate term, as well as possible expenditure increases due to COVID's impact on our community with both preventive and remedial action needed. Yes, we have reserves, and we have shuffled them around in the past. But, lets be more forthright going forward with open discussions to how to conserve resources and still deliver the quality services our Town has provided in the past.

Our Town has good folks who could help volunteer, the Finance Committee for example, to help with analysis, and work with staff and your selves to put together a more meaningful budget and not to rush the approval. A new process has to be implemented, NOW.

Please openly discuss this budget at Tuesday's meeting and better define an improved PROCESS before making final decisions. Get community input.

Thanks, and lets all be safe.

Lee Fagot

845 Lilac Way

95032



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**Subject:** FW: LGCA's comments regarding Agenda Item #6 - Council Meeting May 19, 2020  
**Attachments:** FY 21 Budget letter -final.docx; Budget Development Flier 3.04.19 Balloon First (2).pdf; Budgeting Salary.pdf; structurally balanced budgets.pdf

**From:** Phil Koen <[pkoen@monteropartners.com](mailto:pkoen@monteropartners.com)>  
**Sent:** Monday, May 18, 2020 10:34 AM  
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**Subject:** LGCA's comments regarding Agenda Item #6 - Council Meeting May 19, 2020

Dear Honorable Mayor and Council Members,

We have attached a letter which details our thoughts on both the proposed FY 21 operating budget and capital budget. We have also attached two GFOA best practice reports which discuss achieving a structurally balanced budget and effective budgeting of salary and wages. We would encourage the Council to instruct the staff to comply wherever possible with these best practices.

We have also attached a budget development cycle diagram which was prepared by the City of Irvine. This shows how the City of Irvine prepares their annual budget. Please note the numerous, community out-reach meetings that were held in advance of preparing a draft budget and the departmental budget presentations that were made to the Finance Committee prior to submission to the City Council. By comparison, the Town's budget, which is over 750 pages, was first published this past Monday. There were no community budget meetings held prior to releasing the budget, other than the January Council meeting which had the FY 21 budget as an agenda item. Additionally, the Finance Committee has been prohibited from reviewing the budget and therefore the Council does not have the benefit of their expertise and insight. The first time the public has a chance to provide any meaningful input will be at this coming Tuesday Council "Zoom" meeting, where verbal comments will be limited to 3 minutes.

This does not strike us as an open and transparent process where the Council seriously wants public input. And what ever happened with the MonkeySurvey that was to provide public input on how the Town should spend an incremental \$1m if the Town had a surplus? We didn't see on the public's wish list salary increases for the Staff, but that is what the Council chose to do. We believe it is time to have a transparent and full-throated, community based discussion about how the annual budget of this Town is developed which will allow for thoughtful input from residents and expert guidance from the Finance Committee. The current process can be improved. This is a good thing and should be viewed as such.

We also want to respectfully let you know that we are not planning on attending Tuesday's virtual council meeting. Since we have spent many hours preparing our written remarks, there is nothing that can be added by attending a Zoom meeting and speaking for 3 minutes. Rather, we would prefer to let others use that precious, limited time to voice their comments to the Council. Please do not view this as a "lack of commitment" on our part. Our letter should stand on its own merit.

Thank you.



Phil Koen  
Rick Van Hoesen  
Jak VanNada

Los Gatos Community Alliance



Dear Honorable Mayor and Council Members,

We are writing to share our thoughts and observations regarding the proposed FY 21 Operating and Capital Plans. Our intent is to provide you with additional analysis, which will help inform you as to the risks of the plan. At the end of the day, it is the Council's responsibility to pass a fiscally prudent operating and capital budget.

### **Background**

As you are certainly aware, the impact of COVID 19 on the Town's financials is still unfolding and unprecedented. The Town has never seen a SIP order which has effectively shut down the Town, now approaching 90 days. We have reviewed preliminary budgets of several cities (Menlo Park, Campbell, Palo Alto, Los Altos) to better understand the planning philosophy each is employing in developing their FY 21 Operating Budgets. We think the City of Menlo Park Staff has captured their planning orientation extremely well in this communication to their Council:

**"City Staff want to emphasize that there is no historical analog in the modern economy to the COVID 19 pandemic and the prolonged stay-at-home order. It is highly likely that additional revenue impacts either positive or negative, will be known at the end of the 2020 calendar year. Further, the impacts of the COVID 19 pandemic on financial markets will likely impact CALPERS investment returns resulting in increased pension costs in years following fiscal year 2021. City staff recommends extraordinary prudence in creation of new on-going programs or services considering uncertain impacts of the COVID 19 pandemic on city revenues and expenditures".**

All the cities we reviewed built their preliminary budgets taking a "moderate" downside view of the impact of COVID 19 on their local economies. To frame this, the percentage decrease in total general fund operating revenues from the FY 20 adopted budget range from a 6% decline to approximately a 20% decline. Additionally, all cities modeled various scenarios ranging from a low impact, moderate impact, to a severe impact in developing their budgets. Based on Council feedback, the respective staffs then built the "preliminary budgets" based on a specific set of planning assumptions selected from the scenario analyses.

#### **1. General Fund Budget anticipates a "surplus" of 11,905 but shows expenditures exceeding revenues by \$7,429,224 (C-8). What does "surplus" mean given this context?**

In the Town Manager's transmittal letter, the statement is made, "the budget currently anticipates a slight surplus of \$11,905". However, when we look at schedule C-8, we find that general fund expenditures exceed revenues by \$7,429,224. In other words, this schedule is showing an operating deficit of over \$7.4 million, not a surplus.

It is important to understand how Staff is using the word "surplus". Since budgets by law must be balanced, a "balanced budget" exists when "**all sources of funds**" are equal to "**all uses of funds**". When the "sources of funds" exceeds the "uses of funds", there is a surplus. This is a statutory definition of a "balanced budget", but such budget may not in fact be financially sustainable. For example, a budget that is balanced by including the use of non-recurring revenue sources, such as the use of capital project reserves or one-time pension trust transfers, to fund on-going expenditures is not "structurally



balanced". A true structurally balanced budget is one that supports financial sustainability for multiple years into the future. The Council needs to be aware of the distinction between satisfying a statutory definition and achieving a true structurally balanced budget.

The FY 21 budget "surplus" presented by Staff has been artificially created by drawing down general fund reserves as shown below:

<b>Operating deficit on schedule C-8</b>	<b>\$(7,429,224)</b>
--	----------------------

Plus: Draw Down of Reserves

Use of Pension Reserve	\$3,270,342
------------------------	-------------

Use of Capital Projects Reserve	\$3,401,479
---------------------------------	-------------

Use of Capital Projects – one-time	\$769,308
------------------------------------	-----------

<b>"Surplus"</b>	<b>\$11,905</b>
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This schedule shows that the operating deficit on schedule C-8 is "funded" by drawing down existing general fund reserves. There is nothing wrong with this because, this is how the budget must legally be balanced. Remember by law the Town must have a "balanced budget".

If the Town wanted to show an even greater "surplus", they could achieve this by increasing the draw-down of the capital project reserve. Essentially you can manufacture whatever "surplus" you want by drawing down even more general fund reserves.

While the statement that there is a "surplus" is technically correct, it does not answer the more important question, namely, is the FY 21 budget "structurally balanced"? To determine that we need to adjust out all one-time revenue sources and one-time expenditures to get to a "structural" view of the FY 21 budget.

## **2. The FY 21 General Fund budget has a "structural deficit" of (\$1,374,237).**

The structural deficit can be computed by (A) "adjusted" operating revenues MINUS (B) "adjusted operating expenses." This will eliminate one-time sources and uses of funds to arrive at a true "run-rate" view of operating revenues and expenditures.

<b>Operating Revenues – C-8</b>	<b>\$45,751,230</b>
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Less: One Time Sources

Fund Transfers in	\$616,834
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Pass Through revenues	\$532,500
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Debt reimbursement	\$1,908,494
--------------------	-------------

Pension trust transfer	\$962,158
------------------------	-----------

<b>Adjusted Operating Revenues</b>	<b>\$41,731,244</b>
------------------------------------	---------------------



<b>Operating Expenditures – C-8</b>	<b>\$53,180,454</b>
Less: One Time Uses	
Transfers out	\$3,401,479
Debt reimbursement	\$1,908,494
Pension ADP	\$4,232,500
Pass Through expenses	\$532,500
<b>Adjusted Operating Expenditures</b>	<b>\$43,105,481</b>
<b>Structural operating Deficit</b>	<b>\$(1,374,237)</b>

Once one-time revenue and expenditure items are eliminated, the budget does not appear to be sustainable since “on going” spending levels exceed “on-going” revenue sources. Council should review all expenditures to determine if reductions can be made and thereby reduce the structural deficit.

### 3. The budget for salary and benefit expenditures is materially over-stated

Staff has historically overstated the expenditure budget for salary and benefits to create a “budget cushion” for unplanned revenue shortfalls. This was achieved by budgeting each staff position at the top step of the respective salary range, regardless of the actual pay rate, and neglecting to factor in a vacancy rate. In FY 20, the Staff is projecting a vacancy rate of 13%. Taken together, these budgeting practices have created a “budget cushion” annually in the range of \$2m to \$3m.

This practice is not in accordance with GFOA best practices. We highly recommend this should be immediately eliminated so that the Town conforms with GFOA best practices. **The budget should accurately reflect the Staff’s best estimate of the expenditures for salary and benefits, not some inflated number.** We have attached for the Council’s review the GFOA Best Practice Advisory entitled “Effective Budgeting of Salary and Wages.

You can see the impact of the Staff’s current practice by comparing the estimated salary and benefit expenditure for FY 20 of \$28,505,727 to the FY 21 budget of \$31,579,000. This computes to an 11% increase, which Council (and Staff) may know is not correct. While a portion of this can be attributed to increasing benefit costs, we estimate that at least \$2m of the \$3.1m increase is due to inflated salary expenditures. The primary source of this “cushion” is failing to include a vacancy factor in the salary budget. Staff has forecasted a vacancy rate of 10% for FY 21 (D-50) but has not factored that into the salary budget. This needs to be corrected to give Council and the public more transparency, as well as clarity regarding our future financial status.



It should also be pointed out the FY 21 budget does not include any increase arising from the POA since negotiations have not concluded and the Staff has chosen not to reflect any estimate as to what that increase may be. We continue to believe that this could add an additional \$500,000 to salary expenditures to FY 21.

**4. The General Fund Revenue forecast is optimistic when compared to other cities outlook and there is no scenario analysis**

Our review of the preliminary FY 21 budgets for several cities indicates that many are planning revenue declines ranging from 5% to 20% from the prior year adopted budget. We have found no cities that are planning the extremely modest decrease reflected in the FY 21 proposed general fund revenue budget. **To be specific, the proposed budget is reflecting only a \$571,358 reduction in total revenues compared to the adopted FY 20 budget.** Frankly, this does not pass the credulity test. The Council will be assuming significant risk adopting a budget with the currently proposed level of expenditure based on the assumption that the Town will only experience a 1.3% decrease in total revenue.

It is also important for the Council to “stress test” the proposed revenue plan. If for instance, we were to assume that the revenues were to decrease just 7.5% (near the low end of the range other cities are expecting), this would result in an incremental revenue decline of \$2.7m. Without any offsetting expense reductions, the structural deficit for FY 21 would increase to approximately \$4m (\$1.3m plus the \$2.7m). The danger here is that this would be the “run-rate” deficit the Town would be facing entering into FY 22 not the breakeven scenario shown on schedule A-7.

The Los Gatos FY 21 plan is a point forecast and does not provide any scenarios for revenues and expenditures other than what has been modeled. The Staff references a sensitivity analysis that was performed in January with respect to revenues and expenditures which was used to help establish a “base” case. This base case was constructed prior to COVID 19 and the SIP order, and is of little use in trying to understand the impact of significant decrease in revenues from sales and use tax, TOT tax, licenses and permits and charges for Town Services in a post COVID 19 environment. Given the high degree of uncertainty, the Council should consider requesting the Staff to model 2 additional scenarios to “stress test” the Town’s ability to withstand additional downside pressure on these specific revenue sources because of COVID 19.

One last caution, the Council should be skeptical of the sales and use tax forecasts provided by MuniServices. The FY 20 adopted budget for sales and use tax, which was based on MuniServices models, projected \$8.1m in revenues. The Town has been under a SIP order now approaching 90 days, which has resulted in the shut-down of almost all retail transactions. This has had a material impact on Town’s sales and use tax revenues. And yet the Staff is forecasting the Sales and Use tax revenue for FY 20 to be exactly “on plan” of \$8.1m and is forecasting FY 21 to be flat to FY 20. It seems safe to say that the modeling of sales and use tax appears questionable.

**5. The GFAR total project (new plus carryforward programs) has increased over 45% from FY 2016 budget levels. Is this a reasonable level of capital improvement programs? Is there capacity to effectively manage this large number of capital programs?**



The combination of high carryforward amounts for previously approved capital projects (\$13,461,002) coupled with new projects requests (\$5,487,220) has pushed the GFAR total dollars programed to \$18,948,222, a level that is 45% higher than FY 2016 capital improvement budget. The GFAR list contains 54 projects in all and excludes the Almond Grove project, which has been completed and removed from the project list.

However, at this point it is not known which of these projects, if any, have missed the original project completion date AND/OR have exceeded the original project authorization level. Council should review each project to determine if the project should be continued or scaled back and should request explanations for any project behind schedule and/or over budget.

Once a project is approved, the money is transferred to the GFAR where it resides until spent. Historically after the initial project approval review, very little if any time is spent by the Council re-evaluating the priority of these carryforward projects in subsequent years. This leads to an accumulation of dollars that are “reserved” by the GFAR and are not readily visible to the public for inspection and may not be consistent with the Town’s current priorities.

For example, in FY 2016 the **third largest project** in dollar terms was a project to acquire the parking lot at 224 W Main (parking lot 6). At the time this was probably a worthy project. Every year the project was “carryforward” with incremental budget dollars added to the original request, but no action was taken. Finally, after four years, the decision was made to withdraw the project and make the \$1,460,210 available for other uses. **We recommend these funds be immediately released by the GFAR and returned to the general fund where they can be reprogrammed for other uses.**

The Council needs to appreciate that there is an “opportunity” cost of holding excess funds in a capital program account that is no longer needed. If you think about how these funds could have been used vs. being held in a low interest account, the “opportunity cost” could be material. If for example the Town had withdrawn this project 2 years ago and redirected the funds to make an additional ADP to CALPERS, the Town could have saved over \$200k in interest charges. The efficient allocation of our capital funds is critical and needs to be improved.

#### **6. Is the GFAR CIP truly aligned with the Town’s Strategic Priorities and provide transparency?**

The top 5 capital programs for the FY 21 capital budget capture 55% of the requested \$18.9m CIP budget. Two of those projects, Downtown revitalization for \$1,972,384 and shed replacement in corporation yard for \$977,613 do not appear to be aligned with the strategic priorities.

The downtown revitalization project is a massive undertaking which currently has no written plan that fully describes what exactly is going to be done and how this project aligns with the strategic priorities. There are no milestones associated with the proposed project and no cost details. The project background description provides no additional information other than “progress and expenditures on this project will occur only following ongoing discussions and direction from the Town Council”. This is an excellent example of how dollars can be sequestered from public view. These dollars should have never been allocated to the GFAR but rather should remain in an assigned General Fund reserve where the dollars would be clearly visible to all. This would improve transparency and accountability. Only when the project was completely developed, including detailed project timelines, cost estimates and



benefit analysis should the funds be transferred to the GFAR. This project is an excellent example of how not to use the GFAR.

By comparison, the GFAR CIP has only \$250,000 programmed for roadside fire fuel reduction, which is directly tied to the strategic priority of fire safety. This program, while a step in the right direction, only begins to address the removal of many years of accumulated fuel load along hillside roadways. This is a real danger that if not fixed, will cost lives in the event of a hillside fire. The Council needs to look at these large dollar projects and make sure that they are really required and are consistent with the strategic priorities. **It is hard to reconcile setting aside \$1.9m for the “beautification of the Town” and only \$250k to “save the Town”.**

The fifth largest project on a dollar basis in the FY 21 capital plan is the replacement of a shed on the corporation yard. This project (#2302) has been included in every GFAR CIP list since FY 2016. The original project was for \$420k and was to be completed in the fall of 2016. The project description is essentially the same today as it was when first approved in FY 2016.

Each budget cycle the budget dollars fluctuated and finally have reached a total of \$977,613, over 2 times the original project cost. The project completion date is now Spring 2021. This is another example of where projects seem to take on a life of their own once initially approved. If this was such an important project to be approved in FY 2016 but nothing was done to complete the project for over 4 years, why do we still need to spend the dollars? Why is this the fifth largest project this year and how does it tie to the Town’s strategic priorities? These are reasonable questions for the Council to have answered.

While I am sure that there is a valid explanation, the point is that these “carryforward” projects have very little inspection and once approved, will sit in the CIP budget. Therefore, the carryforward dollars for the GFAR have materially grown since FY 2016.

## Conclusion

It is our recommendation that the Council send the current draft of the FY 21 operating budget back to Staff with the direction to fine tune the revenue forecast and salary expenditure forecast and address the issues that have been pointed out. Once this is done, the Council will have a better understanding of the size of the structural deficit we are facing in FY21. Frankly, we are not surprised we are facing structural deficits given the magnitude of the impact of COVID 19.

The good news is the Town has sufficient reserves to navigate through this challenging time, and if necessary, the Council should tap these “rainy day” reserves to backfill the current revenue shortfall. Of course, if we do use these reserves, future budgets must address how to restore the reserves to their proper level.

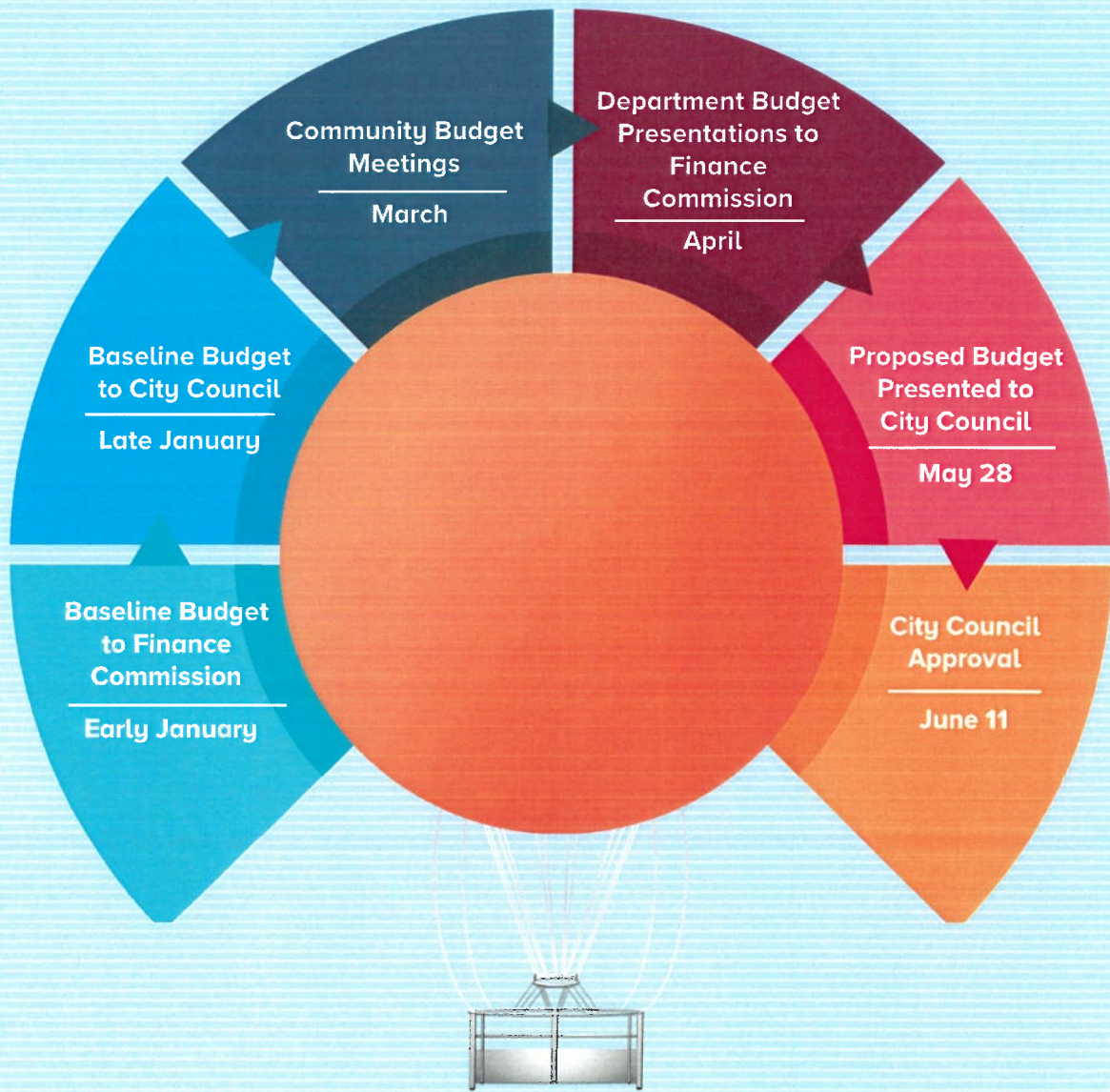
Please let us know if you have any questions on this memo.

Thank you.

Los Gatos Community Alliance



# Budget Development Cycle



For more information about the City's budget, join us at Community Budget Meetings.

Community Budget Meetings		
March 5	Lakeview Senior Center	4–5 p.m.
March 6	Orange County Great Park Artist Studios	6–7 p.m.
March 13	Quail Hill Community Center	6–7 p.m.
March 20	Portola Springs Community Center	6–7 p.m.

Visit [cityofirvine.org/budget](http://cityofirvine.org/budget) for additional details and to view our budget video.





# Irvine Transitions to a Two-Year Budget

Developed in the Context of a Five-Year Plan

Join the City of Irvine in 2019 on its journey to enhance long-term financial planning by transitioning to a two-year budget developed in the context of a comprehensive five-year financial plan.

## Why Change the Budget Cycle?

Multi-year financial planning, ongoing monitoring, frequent reporting, and prompt corrective actions when necessary are central elements of sound financial management.

The two-year budget process allows for a more stringent approach to analyzing data, tracking trends and potential problems, and calling for corrective budget action much earlier than in years past. This new enhanced financial planning approach will improve the City's long-term financial management, while also strengthening community engagement.

## How Will It Work?

The City currently utilizes a multi-year forecast through the preparation of the five-year Strategic Business Plan and updates the forecast annually as part of the City's budget process. The forecast will be enhanced with greater department details and will continue to provide a long-term look at the City's financial condition and guidance for the two-year budget.

The two-year budget will be developed within the longer-term context of the five-year Strategic Business Plan. During the first year of the two-year cycle, the City Council will receive quarterly revenue and expenditure updates, bringing forward any areas of concern. At the conclusion of the first year of the two-year cycle, the City Council will receive a mid-cycle review of year-end financials. The mid-cycle review process will provide the mechanism to:

1. Ensure that revenue and expenses forecasted at the beginning of the first year remain accurate;
2. Amend the budget to address any significant revenue shortages and/or unknown and unforeseeable expenses; and
3. Allow departments to carryover first-year balances from discretionary savings.

## Who Will Review the Budget?

The creation of the City's two-year budget will begin with the Finance Commission reviewing the initial baseline budget in January, followed by the City Council. After receiving input from the community, departments will present detailed and balanced budgets, along with longer-term plans to the Finance Commission in April. Following Commission input, the citywide two-year budget and five-year plan will be presented to the City Council in May for adoption in June 2019.

## How Can I Get Involved?

1. Engage with us at a Community Budget Meeting. Please view the back page.
2. Visit [cityofirvine.org/budget](http://cityofirvine.org/budget) to view additional materials, including an informational budget development video.
3. Contact the Budget Office with questions at [budget@cityofirvine.org](mailto:budget@cityofirvine.org).
4. Learn more about the City's continued efforts of fiscal responsibility at our Transparency Portal, [cityofirvine.org/transparency](http://cityofirvine.org/transparency).





## Resources

### Best Practices/Advisories

[Public Policy Statements](#)
[E-Books](#)
[Publications](#)
[Other Products](#)
[Government Finance Review](#)
[Research Reports](#)
[Resource Centers](#)
[Federal Government Relations](#)
[Canadian Finance](#)
[News and Newsletters](#)

### Consulting

[Consulting Services](#)
[Custom Research](#)

### Education

[Search for Classes](#)
[CPE Guide](#)
[Guide for Instructors](#)
[Leadership Academy](#)
[Education Policies](#)

## Effective Budgeting of Salary and Wages

[Printer-friendly version](#)

**Type:** Best Practice

### Background:

Given the funding constraints governments are facing, accurate expenditure projections are more important than ever. Since salaries make up the greatest portion of the expenditure budget, it is logical to apply forecasting techniques that can provide a true picture of where payroll dollars are headed. Another consequence of slowing revenues is the need for greater control over expenditures. Governments can use various mechanisms to manage headcount levels in light of cost constraints.

### Recommendation:

GFOA encourages every government to consider forecasting procedures that would result in more accurate expenditure projections, especially as they relate to personnel. The items shown below provide governments with the areas in which they should consider adopting practices to more effectively budget salary and wages. Additionally, in order to analyze total compensation, benefits need to be considered.

**Personnel Tracking System.** Budget payroll projections are based on the estimate of budgeted positions for the year, so providing the correct number of budgeted positions is important. The system to track budgeted positions may reside in the human resources department rather than the budget department, so it is vital that the departments work together to be consistent in reporting. The system should be able to track all types of employees, not just full-time.

**Vacancy Adjustments.** Not all positions will be filled 52 weeks per year, so expected vacancies need to be addressed in the salary budget. In doing so, however, governments should consider developing policies on how to treat these vacancies. If the government fully funds salaries associated with vacancies, it is building some potential cushion into the budget. Items to consider:

- ▶ **Start Dates.** Expected start dates for open positions may vary. Keeping track of those assumptions is important because a large dollar variance may result when an actual start date differs from the budgeted date.
- ▶ **Trends.** Since most governments experience some vacancies during the year, it may be prudent to include a hiring lag in the budget. One way to determine the dollar impact of this lag is to review trends (average filled positions per year versus average vacant positions). This analysis can be conducted at the department level or broken out by individual position. In forecasting open positions, organizations should keep in mind that technical or higher level positions are usually harder to fill.
- ▶ **Frozen or Eliminated Positions.** Many open positions are intentionally being left vacant. While some of these positions may be eliminated before the start of the fiscal year, other positions may be temporarily frozen once the fiscal year begins. The dollars saved by not filling these positions should be quantified. If the positions being eliminated are currently filled, then the government might also need to include severance payouts in the budget. Governments are also using furloughs as a means to reduce expenditures. Those cost savings should be identified as well.
- ▶ **Funded Versus Unfunded Positions.** Not every position that is requested gets approved. Approved, or funded, positions along with the money to pay for them are included in the budget. Unfunded positions, or those that were requested but not approved, should be noted, especially if management decides at some point to reconsider some of those denied position requests. Departments often include new positions in their budget requests, typically in the departmental request stage. In detailing new positions in the final budget presentation, it is useful to categorize them as funded or unfunded. This way, budget decision makers can clearly identify those unfilled positions that do not have budget dollars available. The budgetary implications of not funding those positions could also be shown.
- ▶ **Attrition (Planned Retirements).** Budget consideration should be given for those positions where employees have indicated specific retirement dates. Payouts need to be budgeted. Also, if governments use retirement incentives, the potential loss in quality of service should be considered.

**Collective Bargaining Units.** When the personnel budget is being developed, the positions that are covered under collective bargaining should be noted. The group name and representation should be identified, along with the beginning and end date of the contract. Also, the government should use consistent terminology when referring to union and non-union payroll items.



- **Contract Settlements.** Be aware of key dates in contract provisions. It may be prudent to set aside reserves for contract settlements, especially if the new terms are expected to be less favorable than those in the existing contracts.
- **Other Considerations.** Some union agreements include items such as overtime, holiday premiums, shift differentials, uniform allowances, and license/certification pay. These should also be accounted for in the budget, as failure to do so could lead to significant cost overruns.

**Impact of Inflation.** Inflation can have a significant impact on payroll forecasting. Cost-of-living adjustments often are used when forecasting personnel costs. The Consumer Price Index (CPI), a broad measure of consumer inflation, is the cost-of-living index used most often for determining salary increases. The U.S. Bureau of Labor Statistics Employment Cost Index might be a better index for this purpose, as it measures the change in the cost of labor, free from the influence of employment shifts among occupations and industries.

**Optimal Staffing Level.** One of the biggest challenges a government will face is determining the optimal level of staff needed to meet the organizations goals and objectives.

- **Comparison to Other Governments.** Some governments use a population-to-employee ratio to indicate proper staffing levels. Jurisdictions can compare themselves with surrounding communities and even specific departments, although the effects of privatization can skew such a comparison.
- **Staffing Guidelines.** The organization might have specific policy guidelines that serve as a basis for determining hiring levels. For example, some school districts set up support staffing sheets to specify what personnel can be hired. Hiring levels might be based on such factors as the number of schools in a district, the size of an individual school in square feet, or a schools enrollment.
- **Classifying Positions by Goal.** Hiring decisions should be made to fulfill strategic initiatives, based on clear goals and specific action plans that have been established to help accomplish those goals. Most governments budget personnel by department. A number of governments have moved beyond this traditional approach, however, and started to classify positions in other ways.
- **Use of Volunteers.** It is becoming increasingly common to encourage the use of volunteers in certain programs and services. Fire department staffing provides a classic example of volunteer usage.
- **Seasonal and Temporary Positions.** Some divisions or jurisdictions use part-time or seasonal employees. Park districts, for example, often adjust staffing levels by season.
- **Other Considerations.** Some governments make more use of overtime as an option instead of hiring fulltime workers. The use of retired employees for contractual services is another alternative to adding headcount.

**Compensation Approaches.** When analyzing budgeted position compensation, the following items should be considered:

- **Step and Grade Systems.** Many governments use a salary range or grade structure for budgeting individual positions. Others, however, have begun to transition away from longevity-based systems in favor of pay for performance systems.
- **Pay for Performance.** Pay for performance is intended to foster workplace productivity. The anticipated impact comes from the ability to reward performance and thereby attract and retain quality employees. A onetime bonus is an option to reward productivity and is sometimes used in lieu of a pay increase. Pay for performance faces a number of challenges, including the cost of monitoring employee performance and the design of a useful appraisal system.
- **Wage Surveys.** Monitoring the average wage increases in other jurisdictions can help a government determine the appropriate level and validity of salary range or grade structures for its own annual salary increases. This information can be obtained by subscribing to government- or industry-specific journals, engaging a consultant, reviewing peer government budget documents, or contacting other governments directly to ask questions.

**Personnel Categorization.** A traditional way of approaching the personnel budget is the view that each position directly affects the operating budget. This may not always be true, however.

- **Capital versus Operating Classification.** Consideration should be given to the percentage of time that an individual may be working on capital versus operating projects.
- **Cost Allocation.** A similar approach to moving personnel expenses out of the operating budget is the use of a well-developed cost allocation plan. Such a plan allows the government to shift costs to specific activities.
- **Funding Sources.** If a new position is created based on an outside funding source, care should be taken to ensure that the source is not a one-time occurrence.
- **Privatization or Shared Services.** To save money or improve services, many governments have turned to the private sector or to other governments as alternatives to in-house service delivery or staffing. The services most often provided collaboratively include health and human services, transit systems, airports, sewage collection, disposal of hazardous wastes, libraries, tax assessing, and title records.

**Monitoring.** Governments need to monitor the salary and wages budget through the year, not just when the budget is being put together. Should actual results deviate from the budget in a significant fashion, then adjustments need to be made.

**Committee:** [Governmental Budgeting and Fiscal Policy \(BUDGET\)](#)

**References:** ➤ GFOA Best Practice: *Examining the Benefits of Managed Competition*, 2006.

➤ GFOA Best Practice: *Budgeting for Results and Outcomes*, 2007.

➤ GFOA Best Practice: *Alternative Service Delivery: Examining the Benefits of Shared Services*, 2008.



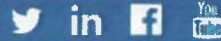


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## Achieving a Structurally Balanced Budget

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**Type:** Best Practice

### Background:

Most state and local governments are subject to a requirement to pass a balanced budget. However, a budget that may fit the statutory definition of a balanced budget may not, in fact, be financially sustainable. For example, a budget that is balanced by such standards could include the use of non-recurring resources, such as asset sales or reserves, to fund ongoing expenditures, and thus not be in structural balance. A true structurally balanced budget is one that supports financial sustainability for multiple years into the future. A government needs to make sure that it is aware of the distinction between satisfying the statutory definition and achieving a true structurally balanced budget.

### Recommendation:

GFOA recommends that governments adopt rigorous policies, for all operating funds,<sup>1</sup> aimed at achieving and maintaining a structurally balanced budget. The policy should include parameters for achieving and maintaining structural balance where recurring revenues are equal to recurring expenditures in the adopted budget.

As a first step, the government should identify key items related to structural balance. These include: *recurring and non-recurring revenues, recurring and non-recurring expenditures, and reserves.*

*Recurring revenues* are the portion of a government's revenues that can reasonably be expected to continue year to year, with some degree of predictability. Property taxes are an example of recurring revenue. A settlement from a lawsuit is a good example of non-recurring revenue.

Some revenue sources may have both non-recurring and recurring components. These sources require finance officials to exercise judgment in determining how much of the source is truly recurring. For instance, a government may regularly receive sales tax revenues, but a large part of its base may be made up of retailers with highly volatile sales. In this case, it may be prudent to regard unusually high revenue yields as a non-recurring revenue under the assumption that such revenues are unlikely to continue, making it imprudent to use them for recurring expenditures. Another example might be building permit revenues in a period of high growth in the community. Governments should review their revenue portfolio to identify non-recurring revenues and revenues with potentially volatile components, such as the examples above.

*Recurring expenditures* appear in the budget each year. Salaries, benefits, materials and services, and asset maintenance costs are common examples of recurring expenditures. Capital asset acquisitions are typically not thought of as recurring because although some capital assets may be acquired every year, they are not the same assets year after year. In general, recurring expenditures should be those that you expect to fund every year in order to maintain current/status quo service levels. In general, a government has a greater degree of flexibility to defer non-recurring expenditures than recurring ones.

*Reserves* are the portion of fund balance that is set aside as hedge against risk. The government should define a minimum amount of funds it will hold in reserve.<sup>2</sup> This serves as a bottom line measure to help determine the extent to which structural balance goals are being achieved. If reserves are maintained at their desired levels, it is an indication that the organization is maintaining a structurally balanced budget. If reserves are declining, it may indicate an imbalance in the budget (e.g., if reserves are being used to fund on-going expenditures). It should be noted that reserves levels are not a perfect measure of structural balance, but are a good and readily available measure.

With the forgoing terms defined, a government should adopt a formal policy calling for structural balance of the budget. The policy should call for the budget to be structurally balanced, where recurring revenues equal or exceed recurring expenditures. The policy should also call for the budget presentation to identify how recurring revenues are aligned with or not aligned with recurring expenditures.<sup>3</sup>

For a variety of reasons, true structural balance may not be possible for a government at a given time. In such a case,



using reserves to balance the budget may be considered but only in the context of a plan to return to structural balance, replenish fund balance, and ultimately remediate the negative impacts of any other short-term balancing actions that may be taken. Further, the plan should be clear about the time period over which returning to structural balance, replenishing reserves, and remediating the negative impacts of balancing actions are to occur.<sup>4</sup>

**Committee:** [Governmental Budgeting and Fiscal Policy \(BUDGET\)](#)

**Notes:**

<sup>1</sup> Note that this Best Practice excludes non-operating funds like capital and debt funds. While governments should ensure that these funds are financially sustainable as well, the specific recommendations found in this Best Practice may not always be a match to the circumstances of non-operating funds.

<sup>2</sup> See GFOA Best Practice [Determining the Appropriate Level of Unrestricted Fund Balance in the General Fund](#) (2002 and 2009). GFOA recommends, at a minimum, that general-purpose governments, regardless of size, maintain unrestricted fund balance in their general fund of no less than two months of regular general fund operating revenues or regular general fund operating expenditures

<sup>3</sup> Please note that the best practice is not advocating that recurring revenues be formally allocated or earmarked to recurring expenditures, but rather is advocating that the budget presentation provide transparency as to whether recurring revenues and recurring expenditures are balanced.

<sup>4</sup> See GFOA Best Practice Replenishing Fund Balance in the General Fund. (2011).

The County of San Diego, CA was awarded the GFOA Award for Excellence for outstanding use of GFOA's Best Practice on Public Achieving a Structurally Balanced Budget. To learn more about the County's implementation process, please visit their [award page](#).

**Approved by GFOA's Executive Board:** February 2012



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**TOWN OF LOS GATOS  
COUNCIL AGENDA REPORT**

MEETING DATE: 05/19/2020

ITEM NO: 6

DESK ITEM

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DATE: May 18, 2020

TO: Mayor and Town Council

FROM: Laurel Prevetti, Town Manager

SUBJECT: Operating and Capital Budgets

- A. Consider the Town of Los Gatos Proposed Operating and Capital Budget for Fiscal Year (FY) 2020/21
  - 1. Consider the Town of Los Gatos Donation Opportunities: FY 2020/21 List of Town Needs
- B. Consider the Town of Los Gatos Proposed Capital Improvement Program for FY 2020/21 – FY 2024/25
- C. Approve Budget Adjustments for FY 2019/20:
  - 1. Authorize a Total Revenue Decrease Adjustment in the Amount of \$1,699,411 [Decrease Sales Tax by \$618,744, Decrease Transient Occupancy Tax (TOT) by \$974,678, and Decrease Business License Tax by \$105,989] and
  - 2. Authorize an Expenditure Decrease Adjustment in the Amount of \$4,232,500 to Reflect that the Additional Discretionary Payment Toward the Unfunded Pension Liability to CalPERS is Scheduled After July 1, 2020.

**REMARKS:**

Attachment 4 contains public comment received between 11:01 a.m. Monday, May 18, 2020 and 11:01 a.m. Tuesday, May 19, 2020.

**Attachments previously distributed with the Staff Report and Addendum:**

- 1. FY 2020/21 Proposed Operating and Capital Budget
- 2. FY 2020/21 – FY 2024/25 Proposed Capital Improvement Program Budget
- 3. Town of Los Gatos Donation Opportunities: FY 2020/21
- 4. Public Comments received before 11:01 a.m. Monday, May 18, 2020.

**PREPARED BY:** Stephen Conway  
Finance Director

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

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PAGE 2 OF 2

SUBJECT: Operating and Capital Budgets

DATE: May 19, 2020

Attachment distributed with this Desk Item:

5. Public Comments received between 11:01 a.m. Monday, May 18, 2020 and 11:01 a.m. Tuesday, May 19, 2020.



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**From:** Terry Duryea <tduryea@aol.com>  
**Sent:** Monday, May 18, 2020 12:24 PM  
**To:** Marcia Jensen; Rob Rennie; barbara4lg@comcast.net; Marico Sayoc; Laurel Prevetti; Arn Andrews  
**Cc:** Stephen Conway; Gitta Ungvari  
**Subject:** May 19, 2020 Town Council Meeting—Resident Comment Item 6—Proposed 2020-2021 Budget

Honorable Town Council Members

At the January 21, 2020 Town Council meeting, Staff requested Council Members to provide direction on budget assumptions, and specific direction for the preparation of the Town's Fiscal Year 2020/21 Operating and Capital Budgets. I submitted a letter to Council dated Jan 8 requesting the Council ask Staff to follow GFOA recommended best practices in developing the budget. GFOA best practices provide greater transparency than the practices the Town has followed historically.

Because I could not make the meeting, Mr. Rick Tinsley read a summary of this letter during the 3 minute resident comment period. Based on a review of the video of the meeting, multiple Council members endorsed my comments, requesting staff to consider them.

I commend staff as they took a step forward on one of my suggestions—they are now budgeting employee salaries 1 step above the current pay grade rather than at top step.

Unfortunately, the current draft budget doesn't reflect any of the other comments Council encouraged Staff to make.

The largest distortion of the proposed budget is caused by assuming there are no staff vacancies during the fiscal year. Currently there are 9, 8 of which the Town is recruiting to fill. Page D-50 of the budget document indicates the vacancy rate was 9% in 2018-2019 and is estimated to be 13% in 2019-2020. The Town projects it to be 10% in 2020-2021, but the budget does not reflect this. Allowing Staff to continue to hide a "pad" in the budget makes it difficult for Council to hold Staff accountable for their management of Town finances. "Conservative budgeting" is a good practice only so long as it does not prevent transparency.

Historically, the Town has used its budget surplus to fund Capital Improvement, and more recently ADP's for the Town's pension obligations. I encourage the Town to continue to have a "budget pad", but that it be identified and quantified.

There is a second opportunity to improve transparency. The budget document should provide comparative historical information in the same table when presenting the proposed budget and 4 year forecast. This basic presentation allows the reader to evaluate the proposed budget and forecast for reasonableness.

I ask Council to improve the transparency of the Town's financial disclosures. Having a financial transparency section on the Town's website is only effective if the information presented provides transparency.

I will not be making a comment at the Council meeting as I have a conflict with another meeting.

Respectfully submitted,  
Terry Duryea



## Gitta Ungvari

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**Subject:** Verbal Communications – Non Agenda Item? - Improving Safety of Blossom Hill Road

**From:** Joanne Justis <[joannejustis@usa.net](mailto:joannejustis@usa.net)>

**Sent:** Monday, May 18, 2020 12:31 PM

**To:** PublicComment <[PublicComment@losgatosca.gov](mailto:PublicComment@losgatosca.gov)>

**Cc:** Marico Sayoc <[MSayoc@losgatosca.gov](mailto:MSayoc@losgatosca.gov)>; Marcia Jensen <[MJensen@losgatosca.gov](mailto:MJensen@losgatosca.gov)>; Matt Morley <[MMorley@losgatosca.gov](mailto:MMorley@losgatosca.gov)>

**Subject:** Verbal Communications – Non Agenda Item? - Improving Safety of Blossom Hill Road

*I've reviewed your proposed budget but it is not clear to me if there is an actual line item to pay for the overdue upgrades needed to BH road. I'm aware that Matt is hiring an engineer to reevaluate the matter. However, that takes time and more delay. With that said, here is my communication to the Mayor and Town Council.*

XXX

To date the City Offices of Los Gatos and Police Departments, have knowledge of the unnecessary number of traffic accidents that have occurred on Blossom Hill Road by the elementary school and park – over the past decade and presently.

The average speed, amount of traffic, and splitting of a single lane to two lanes where cars pass each other – prior to where the lanes split – are the likely cause. A similar situation was resolved by creating a single lane less than a mile away from Vasona Park – past RJ Fisher School – to the Los Gatos Blvd. intersection as well as the road leading up to Louise Van Meter School and into town.

Residents have brought this matter to your attention over the years – too many times to count – without a solution. We have been told there is a budget issue for making major changes to improve the safety of this road and I'm sure – it's also a political problem. The matter needs to be addressed in the upcoming budget proposal. While lengthy studies need to be performed, accidents will continue to happen and, recently, as you are well aware of – a death occurred in December of 2019 – a man was killed in the pedestrian lane.

The duly elected governing body of the Town of Los Gatos has a "Fiduciary" responsibility to exercise Duty of Care and act in the interest of public safety immediately.



This issue is not going away any time soon. It's time for the Town to make this a priority. We don't need to hash this out any further with study after study, you just need to take action. Your proposed projects – such as the construction of restaurant parklets – in downtown Los Gatos – are NOT what I would call a “critical” project as compared to the safety of the Town's residents.

You have already been sued approximately 13 years ago and still have not improved the safety of this road since then. I ask you WHY? It's just a matter of time when the Town will be sued again for negligence. We elect officials to do what's in the best interest of all of us and in this case, it has not happened.

It's a numbers game, so who will be next to be injured or killed?

I sincerely hope that the council members will finally vote to do what's in the best interest of the Town's residents and improve the safety of Blossom Hill Road this year.

Joanne



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**Subject:** Agenda Item #6

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**From:** Phil Koen <[pkoen@monteropartners.com](mailto:pkoen@monteropartners.com)>

**Sent:** Tuesday, May 19, 2020 10:07 AM

**To:** Marcia Jensen; Marico Sayoc; BSpector; Rob Rennie

**Cc:** Laurel Prevetti; jak vannada; Rick Van Hoesen; Rick Tinsley; Ron Dickel; Terry Duryea; Lee Fagot

**Subject:** Agenda Item #6

Dear Honorable Mayor and Council Members,

There is one other item that you may want to ask Staff for clarification.

Referring to schedule C-27, the FY 20 estimate for Total Operating Expenditure of \$46.3m is really \$39.6m after subtracting the effect of the \$4.8m ADP pension payment and \$1.9m for the debt payment.

If we adjust the FY 21 budget for Total Operating Expenditure of \$49.8m by eliminating the impact of the \$4.2m planned ADP pension payment and the \$1.9m debt payment, the Total Operating Expenditures on a comparable basis to the estimate for FY 20 is \$43.6m.

The question for Staff is why are total operating expenditures in FY 21 increasing by \$4m or 10% over the estimate for FY 20? Why is it prudent in this economic climate to increase operating expenses by 10%?

I think this is a worthy question that should be answered by Staff.

Thank you.

Hil Koen