

Capital Improvement Program

PROGRAM PURPOSE

The Fiscal Year (FY) 2020/21-2024/25 Capital Improvement Program (CIP) is a comprehensive five-year capital improvement plan designed to identify projects which develop and maintain the Town's infrastructure. The CIP is developed consistent with the Town Council Core Goals of maintaining the condition and availability of public facilities and transportation systems. Guidance for developing priorities for capital improvement projects is also derived from key plans, including the General Plan, Bicycle and Pedestrian Master Plan, and the Council's Strategic Priorities. Input from Town Boards and Commissions also contributed to the development of the CIP.

In January 2020, the Town Council established the 2020-22 Strategic Priorities. The Core Goals and Strategic Priorities guide the preparation of both the Capital and Operating Budgets. In terms of capital projects, the Town Council strategic priorities include: 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.

The Town's capital projects are categorized into three program areas as described below:

The Streets Program serves to develop and maintain a functional street system that is consistent with the General Plan. Objectives include providing safe and efficient traffic flow through intersections while minimizing unnecessary traffic movement and noise through residential neighborhoods; fostering safe, connected, and accessible pedestrian and bicycle travel; and providing proper street lighting on public streets. The primary source of financing for this program comes from General Fund savings and Gas Tax Fund revenues. Street projects may also receive funding from federal, state, and local grants.

Within the Streets Program, Storm Drain Fund monies are used for the construction of drainage facilities that occur in conjunction with other street improvements. Storm Drain funding is derived from a Town charge of 75 cents per square foot of impervious surface created by development. Depending on the level of development activity,

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these fees produce around \$100,000 annually.

The Utility Undergrounding Fund is another funding source utilized in the Streets Program. This fund accrues construction tax revenue of 18 cents charged for each square foot of building addition or alteration within the Town. This revenue is used for projects to relocate overhead utility lines underground to improve power reliability, reduce utility maintenance costs, and remove unsightly poles and lines. Utility Underground projects may also be funded by Pacific Gas and Electric Company's (PG&E) Rule 20A funds. Projects which will eliminate a heavy concentration of overhead electric lines in areas used extensively by the general public are nominated by the Town to PG&E. Approved projects are then funded through the Town's allocation of Rule 20A funds, which are tariffs accumulated by PG&E as a percentage of electric bills. The Town's allocation typically is in the range of \$60,000 to \$100,000 annually.

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 \$580,633. Additional funds may be distributed to local projects on a competitive basis.

Another revenue source used in the Street program are impact fees. The 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 approximately \$110,000 annually. In addition, the Refuse Vehicle Road Impact Fee is estimated to generate \$610,000 for FY 2020/21.

The Public Facilities Program includes projects for purchasing, constructing, or making capital repairs to public buildings, structures, and equipment. Town buildings include the Civic Center, Library Facility, Police Operation Building, and the Parks and Public Works Service Center. The program also provides partial service to the Adult and Youth Recreation Centers, which are Town-owned buildings leased to Los Gatos-Saratoga Community Education and Recreation. There is no designated funding for this program, and any allocations generally come from General Fund prior year savings or grant funds applied to qualified improvements.

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The Parks Program includes projects for parks, trails, park buildings, urban forestry, and beautification. This capital plan also does not have a designated revenue source, and funding is currently dependent on budgeted allocations from General Fund savings, grants, and other sources. Park projects may on occasion include community volunteer services for minor construction and clean-up projects.

PROGRAM PROCESS

A CIP project includes design, construction, acquisition, rehabilitation, or non-routine maintenance that generally costs \$25,000 or more with a minimum useful life of 5 years at a fixed location. The CIP identifies priority capital maintenance, facilities, and improvements needed within the next five years, with cost estimates based on current year dollars. Estimates for carry-forward projects are updated as necessary to a recent engineer's estimate based on current design specifications. Equipment, operating, and maintenance costs incurred as an outcome of CIP projects are identified and included in the Operating Budget.

Under direction from the Town Manager's Office, the Parks and Public Works Department lead the preparation of project proposals for consideration in the current Capital Improvement Program (reflected in detail in a separate document). In coordination with other Town Departments and with the preparation of the Operating Budget, capital improvement projects and funding sources were reviewed and selected to meet the Town's priorities. The proposed CIP Budget is then presented to the Planning Commission during a public hearing for review and recommendation to ensure that the projects are consistent with the Town's General Plan. At the end of the process, the Town Council conducts a public hearing, considers the Planning Commission's recommendation, and has final approval authority.

This Operating and Capital Summary Budget document limits the Town's CIP financial information to the first year of the plan as it relates to the Town's Operating Budget. The full five-year project outlook is available in the separate Capital Improvement Program Budget document.

CAPITAL IMPROVEMENT PROGRAM

SUMMARY OF CIP REVENUES AND EXPENDITURES

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
REVENUES						
<i>Other Taxes</i>	\$ 23,165	\$ 31,838	\$ 28,390	\$ 30,000	\$ 9,521	\$ 30,000
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	798,015	1,306,153	1,641,512	3,122,607	2,951,481	7,282,528
<i>Town Services</i>	7,500	-	52,094	46,500	227,224	296,500
<i>Licenses & Permits</i>	658,660	1,381,591	844,064	822,053	787,051	822,053
<i>Interest</i>	66,951	93,199	127,251	35,740	23,700	35,540
<i>Other Revenues</i>	741,160	181,505	784,084	1,411,279	843,642	523,027
TOTAL REVENUES	2,295,451	2,994,286	3,477,395	5,468,179	4,842,619	8,989,648
Transfers In						
<i>Operating Transfers</i>	7,593,867	2,638,224	2,685,220	7,994,884	8,295,591	3,401,479
Total Transfers In	7,593,867	2,638,224	2,685,220	7,994,884	8,295,591	3,401,479
Total Revenues & Transfers In	\$ 9,889,318	\$ 5,632,510	\$ 6,162,615	\$ 13,463,063	\$ 13,138,210	\$ 12,391,127
EXPENDITURES						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	3,654	892	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	6,863,376	10,041,533	8,987,510	13,164,778	5,707,768	13,202,501
TOTAL EXPENDITURES	6,867,030	10,042,425	8,987,510	13,164,778	5,707,768	13,202,501
Transfers Out						
<i>Operating Transfers</i>	308,905	631,616	533,616	533,616	533,616	533,616
Total Transfers Out	308,905	631,616	533,616	533,616	533,616	533,616
Total Expenditures & Transfers Out	\$ 7,175,935	\$ 10,674,041	\$ 9,521,126	\$ 13,698,394	\$ 6,241,384	\$ 13,736,117

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The following schedule summarizes the Capital Improvement projects completed, not proceeding, or withdrawn in FY 2019/20:

**COMPLETED OR WITHDRAWN CIP PROJECTS
FY 2019/20**

		<u>Est Exp Prior To FY 2019/20</u>	<u>Expenditures During FY 2019/20</u>	<u>Total Budgeted</u>
<i>GFAR Projects</i>				
Neighborhood Emergency Preparedness (CERT)	<i>Completed</i>	\$ 45,809	\$ 4,119	\$ 49,928
Energy Efficiency Upgrade - Town-wide	<i>Completed</i>	1,477,566	221,681	1,699,247
Cut-Through Traffic/Wood Road Roundabout	<i>Completed</i>	222,284	-	222,284
Downtown Parking Study	<i>Completed</i>	25,437	133,455	158,892
One-Way Downtown Street Pilot	<i>Completed</i>	27,662	188,706	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>	11,611,961	716,314	12,328,275
<i>Traffic Mitigation Projects</i>				
Cut-Through Traffic/Wood Road Roundabout	<i>Not Proceeding</i>	\$ 178,327	\$ 33,446	\$ 211,772
<i>Total of Completed and Withdrawn Projects</i>		\$ 13,596,858	\$ 1,297,721	\$14,894,579

CAPITAL IMPROVEMENT PROGRAM

The following schedule summarizes the Capital Improvement projects continuing into FY 2020/21 continuing projects are defined further in following fund sections.

CARRYFORWARD CIP PROJECTS FY 2020/21					
	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
GFAR Carryforward Projects					
Open Space Trail Upgrades	\$ -	\$ -	\$ 152,000	\$ -	\$ 152,000
Parks Playground Fibar Project	63,460	-	36,540	25,000	125,000
Charter Oaks Trail Repair Project	109	-	364,891	-	365,000
Forbes Mill Footbridge Improvements	27,397	3,207	61,224	-	91,828
Town Plaza Turf Repairs	8,116	-	28,000	-	36,116
Creek Trail & Parks Path & Parking Lot Seal & Striping	-	-	225,000	-	225,000
Outdoor Fitness Equipment	-	-	60,000	-	60,000
Trailhead Connector	214	143,747	30,479	-	174,440
Vegetation Management - Town-wide	-	-	500,707	-	500,707
Audio/Video System Upgrade	68,048	-	42,552	-	110,600
Information System Upgrade	188,975	103,553	77,026	-	369,554
Town-wide Document Imaging Project	198,011	-	16,990	-	215,000
Building Replacement at Corporation Yard	75,942	112,245	952,613	25,000	1,165,800
Police Headquarters Roof Repair	-	47,752	2,248	-	50,000
Library Carpet Replacement	-	-	56,500	-	56,500
Engineering Document Archiving	8,284	40,000	11,716	-	60,000
Facilities Assessment	24,142	-	80,000	-	104,142
Town Beautification	94,240	8,462	6,924	10,000	119,625
Silicon Valley Regional Interoperability Project (SVRIP) Service	395,176	486	62,967	-	458,628
IT Disaster Recovery Improvements	7,942	22,213	169,845	-	200,000
EOC Communications Upgrade	19,618	1,000	29,382	-	50,000
ADA Upgrade Public Restrooms - Adult Recreation Bldg.	-	-	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	150,000	450,000
Sound Mitigation in Library Lobby	-	-	22,000	-	22,000
Computer-Aided Dispatch and Records Management System	10,290	14,186	510,814	-	535,290
Street Repair & Resurfacing	8,127,884	501,698	3,305,576	1,001,661	12,936,819
Annual Street Restriping	180,228	-	144,772	25,000	350,000
Traffic Calming Projects	195,301	20,449	9,250	10,000	235,000
Curb, Gutter & Sidewalk Maintenance	2,856,864	6,539	1,367,395	300,000	4,530,798
Retaining Wall Repairs	1,422,178	4,113	436,486	100,000	1,962,777
Quito Road - Bridge Replacement	64,594	-	235,087	50,000	349,681
Guardrail Replacement Projects	136,986	205	92,809	-	230,000
Downtown Parking Lots Seal Coat & Restriping	24,915	22,500	52,585	-	100,000
Shannon Road Class 1 Multi-use Path	104	20,000	109,896	-	130,000
Sidewalk Improvements - Multiple Locations	-	-	60,000	-	60,000
Hwy 17 Bicycle & Pedestrian Bridge-Design	-	-	-	-	-
Pilot School Busing Program (Discontinued in FY 2019/20)	148,683	224,035	42,056	313,000	727,774
Bicycle & Pedestrian Improvements	95,694	122,211	272,095	-	490,000
Stormwater Master Plan	3,060	16,940	180,000	-	200,000
Stormwater System - Pollution Prevention Compliance	1,422	-	298,578	-	300,000
Public Arts Gateway	-	4,500	20,500	4,504	29,504
Downtown Streetscape Revitalization	-	-	1,972,384	-	1,972,384
Massol Intersection Improvements	31,250	35,583	383,167	-	450,000
ADA Transition Plan	-	-	110,000	-	110,000
Winchester Boulevard Complete Streets (Final Design)	-	200,053	79,948	-	280,000
Total GFAR Carryforward Projects	\$ 14,479,124	\$ 1,675,677	\$ 13,461,002	\$ 2,014,165	\$ 31,629,968

CAPITAL IMPROVEMENT PROGRAM

CARRYFORWARD CIP PROJECTS FY 2020/21

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
Traffic Mitigation Carryforward Projects					
Hwy 17 Bicycle & Pedestrian Bridge-Design	\$ -	\$ 147,005	\$ -	\$ -	\$ 147,005
Traffic Signal Modernization	22,594	102,406	563,262	415,027	1,103,289
Bicycle & Pedestrian Improvements	40,972	378	33,650	-	75,000
Highway 17/9 Interchange and Capacity Improvements	-	-	600,000	-	600,000
Total Traffic Mitigation Carryforward Projects	\$ 63,566	\$ 249,789	\$ 1,196,912	\$ 415,027	\$ 1,925,294
Grants and Awards Carryforward Projects					
Charter Oaks Trail Repair Project	\$ 72,833	\$ -	\$ 75,218	\$ -	\$ 148,051
Trailhead Connector	-	343,000	-	-	343,000
ADA Upgrade Public Restrooms - Adult Recreation Bldg.	51,882	-	67,000	-	118,882
Guardrail Replacement Projects	-	-	980,100	-	980,100
Shannon Road Class 1 Multi-use Path	-	-	-	940,100	940,100
Hwy 17 Bicycle & Pedestrian Bridge-Design	-	86,995	-	-	86,995
Pilot School Busing Program (Discontinued in FY 2019/20)	-	-	-	87,000	87,000
Traffic Signal Modernization	41,381	15,601	1,769,418	-	1,826,400
Bicycle & Pedestrian Improvements	112,627	168,900	-	-	281,527
Winchester Boulevard Complete Streets (Final Design)	-	-	-	-	-
Total Grants and Awards Carryforward Projects	\$ 278,723	\$ 614,496	\$ 2,891,736	\$ 1,027,100	\$ 2,617,128
Storm Drain Carryforward Projects					
Hernandez Avenue Storm Drain Improvements	\$ 17,180	\$ -	\$ -	\$ -	\$ 17,180
Bicknell Road Storm Drain Improvements	145,432	15,500	35,258	25,000	221,190
Annual Storm Drain Improvements	29,700	-	270,300	150,000	450,000
Total Storm Drain Carryforward Projects	\$ 192,312	\$ 15,500	\$ 305,558	\$ 175,000	\$ 688,370
Underground Utility Projects					
Utility Undergrounding Improvements	\$ -	\$ -	\$ 2,330,000	\$ 4,436,000	\$ 6,766,000
Shannon Road Class 1 Multi-use Path	-	49,000	70,204	-	-
Total Underground Utility Carryforward Projects	\$ -	\$ 49,000	\$ 2,400,204	\$ 4,436,000	\$ 6,766,000
Gas Tax Carryforward Projects					
Street Repair & Resurfacing	\$ 7,880,666	\$ 1,801,282	\$ -	\$ 1,210,054	\$ 10,892,003
Total Gas Tax Carryforward Projects	\$ 7,880,666	\$ 1,801,282	\$ -	\$ 1,210,054	\$ 10,892,003
Total of Carryforward Projects	\$ 22,894,392	\$ 4,405,745	\$ 20,255,412	\$ 9,277,346	\$ 54,518,763

CAPITAL IMPROVEMENT PROGRAM

The following schedule summarizes the new Capital Improvement projects and total of new funding for FY 2020/21. New projects are defined further in following fund sections.

NEW CIP PROJECTS FY 2020/21					
	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
<i>GFAR Projects</i>					
Adult Recreation - Floor Repair	\$ -	\$ -	\$ -	100,000	\$ 100,000
Kennedy Sidewalk - LGB to Englewood	-	-	-	-	-
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	83,000
Local Road Safety Plan	-	-	-	28,000	28,000
Winchester Class IV Bikeway	-	-	-	688,555	688,555
VMT Mitigation Program	-	-	-	250,000	250,000
Parking Program Implementation	-	-	-	198,500	198,500
<i>Traffic Mitigation Projects</i>					
	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Grants and Awards Projects</i>					
Kennedy Sidewalk - LGB to Englewood	\$ -	\$ -	\$ -	\$ -	\$ -
E. Main St. Speed Table/Raised Crosswalk	-	-	-	86,200	86,200
Local Road Safety Plan	-	-	-	72,000	72,000
Winchester Class IV Bikeway	-	-	-	293,900	293,900
<i>Total of New CIP Projects</i>	\$ -	\$ -	\$ -	\$ 3,925,155	\$ 3,925,155
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TOTAL OF CARRYFORWARD AND NEW CIP PROJECTS	\$ 22,894,392	\$ 4,405,745	\$ 20,255,412	\$ 13,202,501	\$ 58,443,918

Capital Improvement Program

GENERAL FUND APPROPRIATED RESERVE FUND 411

FUND PURPOSE

The General Fund Appropriated Reserve (GFAR) accounts for funds designated for use in the Town's ongoing program for the development of facilities and general infrastructure improvements. This includes basic needs such as street and parking lot repair and resurfacing; repair or replacement of curbs, gutters, and retaining walls; and maintenance of other Town facilities. GFAR also provides for community improvements, such as Town beautification projects and traffic calming, and for foundational aspects of Town government such as technology projects and master planning work.

Revenues which support GFAR projects are derived from General Fund operational savings, from state revenues designated for transportation purposes, from intergovernmental cost sharing agreements on joint projects, and from construction impact fees. Designated revenues are accounted for in other CIP funds, and may be used in conjunction with GFAR funds in the development of capital projects.

BUDGET OVERVIEW

A significant source of funding to the Town's capital plan is General Fund operational savings. As in past years, the Town continues to be challenged by the lack of a reliable dedicated revenue stream for capital improvements. Because of the availability of General Fund "one-time" funding sources in recent years, the Council approved "one-time" General Fund transfers to the GFAR fund in the amount of \$2.7 million for FY 2013/14, \$6.6 million for FY 2014/15, \$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, \$6.7 million transfer in FY 2019/20, and \$3.4 million transfer in FY 2020/21. After these allocations, sufficient balances are anticipated for the remaining years of the plan to accommodate allocating approximately \$550,000 from the General Fund Reserve

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General Fund Appropriated Reserve

for Capital and Special Projects from FY 2020/21 through FY 2024/25. 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.

Other sources are primarily one-time funds from the state or federal government or from special revenue funds that have often fluctuated in tandem with the economy and the state budget.

Pursuant to Article III of Chapter 15 of the Town Code, the Town collects construction impact fees in support of road construction and maintenance projects throughout the Town. Article IX of Chapter 15 authorized the establishment of three special fund accounts known as Construction Impact #1, Construction Impact #2, and Construction Impact #3. Beginning in FY 1998/99, these fees were deposited directly into GFAR for use in the Street Resurfacing Program. Total construction impact fees of \$110,000 are budgeted for FY 2020/21 consistent with prior year revenues and projected building trends.

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 is 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 \$580,633. Additional funds may be distributed to local projects on a competitive basis.

CAPITAL IMPROVEMENT PROGRAM
General Fund Appropriated Reserve

STATEMENT OF SOURCE AND USE OF FUNDS

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated for Parking</i>	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ 1,460,210	\$ -
<i>Undesignated</i>	13,310,490	16,775,448	10,696,764	7,040,686	7,040,686	16,432,781
Total Beginning Fund Balance	14,770,700	18,235,658	12,156,974	8,500,896	8,500,896	16,432,781
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	189,947	192,319	188,475	760,663	1,515,523	760,663
<i>Town Services</i>	7,500	-	52,094	46,500	225,766	296,500
<i>Licenses & Permits</i>	523,192	577,820	675,116	729,553	706,468	729,553
<i>Interest</i>	-	7,438	3,984	-	-	-
<i>Other Revenues</i>	599,369	61,998	709,458	468,755	550,408	98,000
Total Revenues	1,320,008	839,575	1,629,127	2,005,471	2,998,165	1,884,716
Transfers In						
<i>Transfer from General Fund</i>	7,298,187	2,638,224	2,335,220	6,681,884	6,982,591	3,401,479
<i>Transfer from Grant</i>	-	-	-	-	-	-
<i>Transfers from Building Maint</i>	-	-	50,000	788,000	788,000	-
<i>Transfer from MIS Fund</i>	-	-	300,000	-	-	-
<i>Transfer from Equip Replacement</i>	295,680	-	-	525,000	525,000	-
<i>Transfer from SA Housing</i>	-	-	-	-	-	-
Total Transfers In	7,593,867	2,638,224	2,685,220	7,994,884	8,295,591	3,401,479
Total Revenues & Transfers In	8,913,875	3,477,799	4,314,347	10,000,355	11,293,756	5,286,195
TOTAL SOURCE OF FUNDS	\$ 23,684,575	\$ 21,713,457	\$ 16,471,321	\$ 18,501,251	\$ 19,794,652	\$ 21,718,976
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	3,654	892	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	5,245,455	9,039,975	7,552,809	9,825,100	2,944,255	5,487,220
Total Expenditures	5,249,109	9,040,867	7,552,809	9,825,100	2,944,255	5,487,220
Transfers Out						
<i>Transfers to General Fund</i>	199,808	417,616	417,616	417,616	417,616	417,616
<i>Transfer to SA Trust</i>	-	-	-	-	-	-
Total Transfers Out	199,808	515,616	417,616	417,616	417,616	417,616
Total Expenditures & Transfers Out	5,448,917	9,556,483	7,970,425	10,242,716	3,361,871	5,904,836
Ending Fund Balance						
<i>Designated for Parking</i>	1,460,210	1,460,210	1,460,210	1,460,210	-	-
<i>Undesignated</i>	16,775,448	10,696,764	7,040,686	6,798,325	16,432,781	15,814,140
Total Ending Fund Balance	18,235,658	12,156,974	8,500,896	8,258,535	16,432,781	15,814,140
TOTAL USE OF FUNDS	\$ 23,684,575	\$ 21,713,457	\$ 16,471,321	\$ 18,501,251	\$ 19,794,652	\$ 21,718,976

CAPITAL IMPROVEMENT PROGRAM
General Fund Appropriated Reserve

The following GFAR schedules identify projects completed, withdrawn, or not proceeding in FY 2019/20, projects carried forward into FY 2020/21, and new FY 2020/21 projects, as part of the FY 2020/21-2024/25 Capital Improvement Program:

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
Completed or Withdrawn Projects					
Neighborhood Emergency Preparedness (CERT)	\$ 45,809	\$ 4,119	\$ -	\$ -	\$ 49,928
Energy Efficiency Upgrade - Town-wide	1,477,566	221,681	-	-	1,699,247
Cut-Through Traffic/Wood Road Roundabout	222,284	-	-	-	222,284
Downtown Parking Study	25,437	133,455	-	-	158,892
One-Way Downtown Street Pilot	27,662	188,706	-	-	216,368
224 W. Main Street Property Acquisition (Parking Lot 6)	7,813	-	-	-	7,813
Almond Grove Street Rehabilitation	11,611,961	716,314	-	-	12,328,275
Total of Completed Projects	\$ 13,418,532	\$ 1,264,275	\$ -	\$ -	\$ 14,682,807
Carryforward Projects					
Open Space Trail Upgrades	\$ -	\$ -	\$ 152,000	\$ -	\$ 152,000
Parks Playground Fibar Project	63,460	-	36,540	25,000	125,000
Charter Oaks Trail Repair Project	109	-	364,891	-	365,000
Forbes Mill Footbridge Improvements	27,397	3,207	61,224	-	91,828
Town Plaza Turf Repairs	8,116	-	28,000	-	36,116
Creek Trail & Parks Path & Parking Lot Seal & Striping	-	-	225,000	-	225,000
Outdoor Fitness Equipment	-	-	60,000	-	60,000
Trailhead Connector	214	143,747	30,479	-	174,440
Vegetation Management - Town-wide	-	-	500,707	-	500,707
Audio/Video System Upgrade	68,048	-	42,552	-	110,600
Information System Upgrade	188,975	103,553	77,026	-	369,554
Town-wide Document Imaging Project	198,011	-	16,990	-	215,000
Building Replacement at Corporation Yard	75,942	112,245	952,613	25,000	1,165,800
Police Headquarters Roof Repair	-	47,752	2,248	-	50,000
Library Carpet Replacement	-	-	56,500	-	56,500
Engineering Document Archiving	8,284	40,000	11,716	-	60,000
Facilities Assessment	24,142	-	80,000	-	104,142
Town Beautification	94,240	8,462	6,924	10,000	119,625
Silicon Valley Regional Interoperability Project (SVRIP) Service	395,176	486	62,967	-	458,628
IT Disaster Recovery Improvements	7,942	22,213	169,845	-	200,000
EOC Communications Upgrade	19,618	1,000	29,382	-	50,000
ADA Upgrade Public Restrooms - Adult Recreation Bldg.	-	-	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	150,000	450,000
Sound Mitigation in Library Lobby	-	-	22,000	-	22,000
Computer-Aided Dispatch and Records Management System	10,290	14,186	510,814	-	535,290
Street Repair & Resurfacing	8,127,884	501,698	3,305,576	1,001,661	12,936,819
Annual Street Restriping	180,228	-	144,772	25,000	350,000
Traffic Calming Projects	195,301	20,449	9,250	10,000	235,000
Curb, Gutter & Sidewalk Maintenance	2,856,864	6,539	1,367,395	300,000	4,530,798
Retaining Wall Repairs	1,422,178	4,113	436,486	100,000	1,962,777
Quito Road - Bridge Replacement	64,594	-	235,087	50,000	349,681
Guardrail Replacement Projects	136,986	205	92,809	-	230,000
Downtown Parking Lots Seal Coat & Restriping	24,915	22,500	52,585	-	100,000
Shannon Road Class 1 Multi-use Path	104	20,000	109,896	-	130,000
Sidewalk Improvements - Multiple Locations	-	-	60,000	-	60,000
Hwy 17 Bicycle & Pedestrian Bridge-Design	-	-	-	-	-
Pilot School Busing Program (Discontinued in FY 2019/20)	148,683	224,035	42,056	313,000	727,774
Bicycle & Pedestrian Improvements	95,694	122,211	272,095	-	490,000
Stormwater Master Plan	3,060	16,940	180,000	-	200,000
Stormwater System - Pollution Prevention Compliance	1,422	-	298,578	-	300,000
Public Art Gateway	-	4,500	20,500	4,504	29,504
Downtown Streetscape Revitalization	-	-	1,972,384	-	1,972,384
Massol Intersection Improvements	31,250	35,583	383,167	-	450,000
ADA Transition Plan	-	-	110,000	-	110,000
Winchester Boulevard Complete Streets (Final Design)	-	200,053	79,948	-	280,000
Total of Carryforward Projects	\$ 14,479,124	\$ 1,675,677	\$ 13,461,002	\$ 2,014,165	\$ 31,629,968

∞ CAPITAL IMPROVEMENT PROGRAM ∞
General Fund Appropriated Reserve

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
<i>v Projects</i>					
Adult Recreation - Floor Repair	\$ -	\$ -	\$ -	\$ 100,000	\$ 100,000
Kennedy Sidewalk - LGB to Englewood	-	-	-	-	-
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	83,000
Local Road Safety Plan	-	-	-	28,000	28,000
Winchester Class IV Bikeway	-	-	-	688,555	688,555
VMT Mitigation Program	-	-	-	250,000	250,000
Parking Program Implementation	-	-	-	198,500	198,500
<i>l of New Projects</i>	\$ -	\$ -	\$ -	\$ 3,473,055	\$ 3,473,055
<i>R Funding Project Totals</i>	\$ 27,897,656	\$ 2,939,953	\$ 13,461,002	\$ 5,487,220	\$ 49,785,830

FY 2020/21 KEY PROJECTS

The following Capital Improvement Program projects funded with GFAR funding and/or donations which flow through the GFAR are expected to be key projects in FY 2020/21.

- Street Repair and Resurfacing** – The Town’s Street Resurfacing Program of preventive and deferred maintenance includes both carryforward funds and new appropriations. The work to be performed consists of a balanced program of surface seals, street reconstructions, and pavement overlays, with supplemental ongoing maintenance activities performed by the Town’s Parks and Public Works Department staff. Approximately 86% of the proposed FY 2020/21-2024/25 CIP funding is allocated to street reconstruction, street improvements, and maintenance projects. This emphasis reflects the Town Council’s priority to address street maintenance needs. The goal is for Town streets to achieve an average Pavement Condition Index (PCI) of above 70 (100 being the highest rating possible). The Town’s cumulative investment in its streets resulted in raising the PCI from a low of 64 in 2001 to the level of 74 in 2008. Since that time, given the small amount of asphalt overlay work performed, the Town’s PCI dropped from 74 to 69 as recently as 2010. To mitigate this decline, the Town focused its resources on arterials and collector streets, and used a chip and slurry approach to enhance the PCI rating. This approach was the most economical and prudent treatment to resurface several residential neighborhoods. The current PCI for Town streets is 69, with a rating of 70 expected in 2021. Additional funding for this program has allowed for this increase in PCI. Ongoing sustained funding is necessary to avoid future drops in the PCI.

Operating Budget Impacts: Project design and oversight by the Engineering staff has been incorporated into the Engineering Program Services FY 2020/21 budget.

∞ CAPITAL IMPROVEMENT PROGRAM ∞
General Fund Appropriated Reserve

- ***Curb, Gutter, and Sidewalk*** – This project funds the annual repair and replacement of deficient curbs, gutters, and sidewalks throughout the Town. Locations for repair and replacement work are identified throughout the year by Parks and Public Works Department staff and are prioritized in coordination with the annual Street Resurfacing Program, as applicable. This program is essential for maintaining American with Disabilities Act (ADA) compliance and to address uneven sidewalk surfaces. The allocation for this ongoing project is be \$300,000 annually. At this level of funding, the program can address ADA compliance issues required as part of the pavement maintenance program, leaving very little funding remaining to address other needs, such as tripping hazards.

Operating Budget Impacts: Project oversight by the Engineering staff has been incorporated into the engineering Program Services FY 2020/21 budget on an ongoing basis.

- ***Annual Street Restriping*** – This project is an annual program to restripe the highest priority streets with thermo-plastic striping to keep streets in safe condition for use by the public. Thermo-plastic striping is thicker, more durable, and has higher visibility than roadway paint, and, in turn, improves roadway safety. Restriping work is typically done in conjunction with street paving projects and these funds may be used to support a paving project or to meet the needs outside a paving project. The ongoing annual GFAR appropriation is planned at \$25,000 for this project.

Operating Budget Impacts: Street maintenance staff time for project oversight has been incorporated into the FY 2020/21 Parks and Public Works departmental budget.

- ***Quito Bridge Replacement*** – This project funds the replacement of two functionally obsolete bridges that span San Tomas Aquino Creek along Quito Road. The project is a joint effort between the Town, the City of Saratoga, and the Santa Clara Valley Water District, with the City of Saratoga serving as the lead agency for the project. Eighty percent of the funding for the project is provided through the Federal Highway Bridge Replacement and Rehabilitation (HBRR) program, with the remaining 20% shared equally between the three participating local agencies. 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 match from the City of Saratoga, the Town of Los Gatos, and the SCVWD has increased from \$155,000 to \$300,000 for each agency.

∞ CAPITAL IMPROVEMENT PROGRAM ∞
General Fund Appropriated Reserve

Based on the April 2019 schedule from the City of Saratoga, the construction of these bridges is anticipated to be completed by 2021.

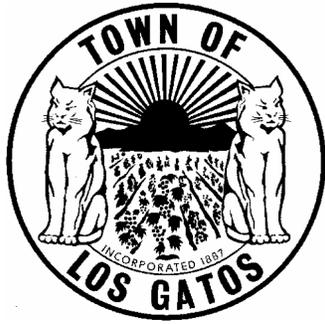
Operating Budget Impacts: Engineering staff time for coordination of this project with the City of Saratoga has been incorporated into the Operating Budget. Completion of this project will mitigate the potential cost of lawsuits from bridge failure and pre-empt the cost of replacing the bridge in an emergency situation.

The CIP includes several facilities maintenance projects to address deferred maintenance needs. This includes new flooring in the Adult Recreation Center and continued work to replace a portable building at the Parks and Public Works Service Center that has reached the end of its serviceable life.

The Town continues to advance efforts in multi-modal transportation projects with the addition of the Winchester Complete Streets project, which will enhance the functionality of Winchester Boulevard from Blossom Hill Road to the northern Town limits. Other projects include the addition of speed tables on Main Street in front of Los Gatos High School and a safety study for Blossom Hill Road between Hillbrook Drive and Camelia Terrace.

Efforts to make the Town more resilient in the face of wildfire threats has led to the addition of a Roadside Fire Fuel Reduction project. Through this project, vegetation along roadways in the hillsides will be reduced to lessen the ability for fires to spread and to allow for safe evacuation routes for residents should they be needed.

Building on the completion of the Parking Study from last fiscal year, the CIP includes funding to implement an employee parking permit program and to design a wayfinding program for the downtown as the first recommendations resulting from the study.



Capital Improvement Program

TRAFFIC MITIGATION FUND FUND 471

FUND PURPOSE

Pursuant to Article VII of Chapter 15 of the Town Code, the Town collects traffic impact mitigation fees to finance transportation and traffic improvements throughout the Town. Article IV of Chapter 15 authorizes the establishment of a fund into which all such fees and interest on those fees is deposited. The first traffic mitigation fees were collected on October 24, 1991. Money collected from such fees is to be used solely for construction of identified traffic and transportation projects to mitigate the traffic impacts of new development, and are not used for routine repairs and maintenance.

BUDGET OVERVIEW

Funds collected as traffic mitigation fees are recorded as deferred revenue until the time of use for appropriated projects. The administration fees collected as a percentage of this revenue are realized at the time of receipt to recognize the Town's ongoing administrative functions in providing program oversight. Appropriations of traffic mitigation funds are controlled through Town Council action, after evaluating the benefits gained by proposed projects for improving traffic conditions for vehicles, bicycles, and pedestrians.

For several years, the Town has allowed fund balances to accrue to accumulate funding for future traffic mitigation projects. Several projects, planned for upcoming years, are now in the preliminary planning stage. This planning includes the redesign and construction of the following roadways and intersections to correct the heavily travelled and congested roadway junctions to improve safety features and accommodate proper vehicular movement:

- Los Gatos Blvd/Shannon Rd
- Townwide Traffic Signal Upgrades
- Highway 17 Bicycle and Pedestrian Bridge Preliminary Design

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Traffic Mitigation Fund

FY 2020/21 KEY PROJECTS

The following key projects are budgeted in FY 2020/21:

- ***Traffic Signal Modernization*** – This project will modernize the Town’s traffic signal controllers to allow for greater control by staff, 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 NTS for \$1,800,000 of the project budget to complement the Town’s investment of traffic Impact Mitigation Funds.
- ***Bicycle and Pedestrian Improvements*** – This project will enhance bicycle and pedestrian safety and mobility Town-wide in the form of multiple projects. Early projects include work along Blossom Hill Road. Future projects will include improvements to Shannon Road and Kennedy Road. Mitigation funds will often be utilized as matching funds for grant funding.
- ***Highway 17 Bicycle and Pedestrian Bridge Design*** – Acknowledging the challenge for bicycles and pedestrians to cross Highway 17, this project will begin work on identifying alignment options for a new crossing. Early design work will position the project to be competitive for grant funds for the project construction.

Operating Budget Impacts: Engineering staff time for project management is addressed in the FY 2020/21 Operating Budget with temporary staffing funded through the specific project allocated budget.

CAPITAL IMPROVEMENT PROGRAM
Traffic Mitigation 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 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Deferred Revenue</i>	\$ 2,273,514	\$ 2,273,514	\$ 2,742,762	\$ 2,954,774	\$ 2,954,774	\$ 2,977,322
<i>Undesignated</i>	169,918	191,253	223,198	267,359	267,359	267,358
Total Beginning Fund Balance	2,443,432	2,464,767	2,965,960	3,222,133	3,222,133	3,244,680
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	-	-	-	-	-	-
<i>Interest</i>	21,335	31,945	44,161	-	-	-
<i>Other Revenues</i>	141,791	119,507	74,626	942,524	293,234	425,027
Total Revenues	163,126	151,452	118,787	942,524	293,234	425,027
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CBDG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	163,126	151,452	118,787	942,524	293,234	425,027
TOTAL SOURCE OF FUNDS	\$ 2,606,558	\$ 2,616,219	\$ 3,084,747	\$ 4,164,657	\$ 3,515,367	\$ 3,669,707
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	138,694	109,507	64,626	932,524	283,235	415,027
Total Expenditures	138,694	109,507	64,626	932,524	283,235	415,027
Transfers Out						
<i>Transfers to General Fund</i>	3,097	10,000	10,000	10,000	10,000	10,000
<i>Transfers to Equip Repalcement</i>	-	-	-	-	-	-
-	-	-	-	-	-	-
Total Transfers Out	3,097	10,000	10,000	10,000	10,000	10,000
Total Expenditures & Transfers Out	141,791	119,507	74,626	942,524	293,235	425,027
Ending Fund Balance						
<i>Deferred Revenue</i>	2,273,514	2,742,762	2,954,774	2,977,322	2,977,322	2,977,322
<i>Undesignated</i>	191,253	223,198	267,359	267,359	267,358	267,358
Total Ending Fund Balance	2,464,767	2,965,960	3,222,133	3,244,681	3,244,680	3,244,680
TOTAL USE OF FUNDS	\$ 2,606,558	\$ 3,085,467	\$ 3,296,759	\$ 4,187,205	\$ 3,537,915	\$ 3,669,707

⌘ CAPITAL IMPROVEMENT PROGRAM ⌘
Traffic Mitigation Fund

TRAFFIC MITIGATION CIP PROJECTS
FY 2020/21

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
Projects not Proceeding					
Cut-Through Traffic/Wood Road Roundabout	\$ 178,327	\$ 33,446	\$ -	\$ -	\$ 211,772
Total of Completed Projects	\$ 178,327	\$ 33,446	\$ -	\$ -	\$ 211,772
Carryforward Projects					
Hwy 17 Bicycle & Pedestrian Bridge-Design	\$ -	\$ 147,005	\$ -	\$ -	\$ 147,005
Traffic Signal Modernization	22,594	102,406	563,262	415,027	1,103,289
Bicycle & Pedestrian Improvements	40,972	378	33,650	-	75,000
Highway 17/9 Interchange and Capacity Improvements	-	-	600,000	-	600,000
Total of Carryforward Projects	\$ 63,566	\$ 249,789	\$ 1,196,912	\$ 415,027	\$ 1,925,294
New Projects					
	\$ -	\$ -	\$ -	\$ -	\$ -
Total of New Projects	\$ -	\$ -	\$ -	\$ -	\$ -
Traffic Mitigation Funding Project Totals	\$ 241,893	\$ 283,234	\$ 1,196,912	\$ 415,027	\$ 2,137,066

Capital Improvement Program

GRANTS AND AWARDS PROJECT FUND FUND 421

FUND PURPOSE

The Grants and Awards Project Fund is typically composed of projects funded by the federal Department of Housing and Urban Development's Community Development Block Grant (CDBG) Program, the Department of Transportation Seismic Safety Retrofit Program, Transportation Development Act (TDA) Article 3 Funds, Proposition 12 Funding (Safe Neighborhood Parks, Clean Water, Clean Air, and Coastal Protection Bond Act), and One Bay Area (OBAG) grants. Additional grants and awards may also be a funding source utilized in this fund. The expenditures in this fund are restricted to identified projects solely funded by grants.

BUDGET OVERVIEW

For FY 2020/21, there are nine grant funded carryforward and four new projects. Grant and Award CIP projects receive funding from a variety of sources.

CAPITAL IMPROVEMENT PROGRAM
Grants and Awards Project 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 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	(354,803)	(355,110)	(108,970)	(230,496)	(230,496)	(770,986)
Total Beginning Fund Balance	(354,803)	(355,110)	(108,970)	(230,496)	(230,496)	(770,986)
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	3,093	261,534	257,968	1,047,100	72,548	1,479,200
<i>Town Services</i>	-	-	-	-	1,458	-
<i>Licenses & Permits</i>	-	-	-	-	-	-
<i>Interest</i>	-	-	-	-	-	-
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	3,093	261,534	257,968	1,047,100	74,006	1,479,200
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	3,093	261,534	257,968	1,047,100	74,006	1,479,200
TOTAL SOURCE OF FUNDS	\$ (351,710)	\$ (93,576)	\$ 148,998	\$ 816,604	\$ (156,490)	\$ 708,214
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	3,400	15,394	379,494	1,047,100	614,496	1,479,200
Total Expenditures	3,400	15,394	379,494	1,047,100	614,496	1,479,200
Transfers Out						
<i>Transfers to General Fund</i>	-	-	-	-	-	-
<i>Transfers to Grant Fund</i>	-	-	-	-	-	-
<i>Transfers to Equip Replacemnt</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	3,400	15,394	379,494	1,047,100	614,496	1,479,200
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	(355,110)	(108,970)	(230,496)	(230,496)	(770,986)	(770,986)
Total Ending Fund Balance	(355,110)	(108,970)	(230,496)	(230,496)	(770,986)	(770,986)
TOTAL USE OF FUNDS	\$ (351,710)	\$ (93,576)	\$ 148,998	\$ 816,604	\$ (156,490)	\$ 708,214

⌘ CAPITAL IMPROVEMENT PROGRAM ⌘
Grants and Awards Project Fund

The following schedule summarizes carryforward, and new Grants and Awards Project Fund CIP Projects:

GRANTS & AWARDS CIP PROJECTS
FY 2020/21

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
Carryforward Projects					
Charter Oaks Trail Repair Project	\$ 72,833	\$ -	\$ 75,218	\$ -	\$ 148,051
Trailhead Connector	-	343,000	-	-	343,000
ADA Upgrade Public Restrooms - Adult Recreation Bldg.	51,882	-	67,000	-	118,882
Guardrail Replacement Projects	-	-	980,100	-	980,100
Shannon Road Class 1 Multi-use Path	-	-	-	940,100	940,100
Hwy 17 Bicycle & Pedestrian Bridge-Prelim Design	-	86,995	-	-	86,995
Pilot School Busing Program (Discontinued in FY 2019/20)	-	-	-	87,000	87,000
Traffic Signal Modernization	41,381	15,601	1,769,418	-	1,826,400
Bicycle & Pedestrian Improvements	112,627	168,900	-	-	281,527
Winchester Boulevard Complete Streets (Final Design)	-	-	-	-	-
Total of Carryforward Projects	\$ 278,723	\$ 614,496	\$ 2,891,736	\$ 1,027,100	\$ 4,812,055
New Projects					
Kennedy Sidewalk - LGB to Englewood	\$ -	\$ -	\$ -	\$ -	\$ -
E. Main St. Speed Table/Raised Crosswalk	-	-	-	86,200	86,200
Local Road Safety Plan	-	-	-	72,000	72,000
Winchester Class IV Bikeway	-	-	-	293,900	293,900
Total of New Projects	\$ -	\$ -	\$ -	\$ 452,100	\$ 452,100
Grant and Awards Project Totals:	\$ 278,723	\$ 614,496	\$ 2,891,736	\$ 1,479,200	\$ 5,264,155

FY 2020/21 KEY PROJECTS

The following Capital Improvement Plan projects are funded with grant funding and are expected to be Key Projects in FY 2020/21:

- **Traffic Signal Modernization** – This project will modernize the Town’s traffic signal controllers to allow for greater control by staff, ensure that the current system meets current safety standards, and increase the traffic flow. The Town was awarded several grants totaling \$1.8M for this project. Full completion of this project relies on increases Traffic Impact Fees related to development projects

Operating Budget Impacts: Engineering staff time for project management is addressed in the FY 2020/21 Operating Budget.

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Grants and Awards Project Fund

- ***Guardrail Replacement Project*** – This project will bring guardrails throughout the Town up to current safety standards by replacing outdated guardrails.

Operating Budget Impacts: Engineering staff time for project management is addressed in the FY 2020/21 Operating Budget with additional temporary staffing required to deliver the project included in the project budget.

- ***Trailhead Connector Project*** – This project will fund the design of a trailhead connection for Los Gatos Creek Trail to Highway 9. The project will become a ‘shovel ready’ project which allows the Town to be in a better position to obtain grant funding to fund project construction. The project is an identified priority within Measure B and the Town’s adopted Bicycle and Pedestrian Master Plan.

Operating Budget Impacts: Engineering staff time for project management is addressed in the FY 2020/21 Operating Budget with additional temporary staffing required to deliver the project included in the project budget.

- ***Highway 17 Bicycle & Pedestrian Bridge*** – This project will fund the conceptual engineering for a potential bicycle and pedestrian bridge. Crossing Highway 17 in the project vicinity is a barrier for bicyclists and pedestrians. This is a suggested path included in the Safe Routes to School Phase 1 Study.

Operating Budget Impacts: Engineering staff time for project management is addressed in the FY 2020/21 Operating Budget.

Capital Improvement Program

STORM DRAIN FUNDS FUNDS 461, 462, 463

FUND PURPOSE

The Town's three Storm Drain Funds are designated for support of the storm drain systems that carry surface runoff water off the Town's streets and route it into curbside catch basins. From there, runoff enters an underground pipe system that ultimately flows to San Francisco Bay. These Storm Drain Funds construct and maintain the Town's facilities, which collect and transport the surface runoff water.

Storm Drain revenues are a designated portion of the fees collected from private development building permit fees. Town Code Section 24.60.010 *et seq.* requires fees to be paid in conjunction with development in specified local drainage areas. Fees collected are placed in one of these three funds, known as Storm Drain Basin #1 (Fund 461), which encompasses the eastern portion of Los Gatos Town limits; Storm Drain Basin #2 (Fund 462), which encompasses a central corridor through the Town; and Storm Drain Basin #3 (Fund 463), which encompasses the Town's west side. The use of these funds is restricted to the construction of drainage facilities located in the designated areas.

BUDGET OVERVIEW

The use of these fees is controlled through Town Council action, and the benefit of each project is evaluated for improving a designated local drainage area. Expenditures from storm drain fees are limited to new construction only, not repair or maintenance work

FY 2020/21 KEY PROJECTS

Bicknell Road and Annual Storm Drain Improvements are scheduled for 2020, and Hernandez Avenue Storm Drain Improvements is scheduled for FY 2024/25.

☞ CAPITAL IMPROVEMENT PROGRAM ☜

Storm Drain Fund - 461

Staff will complete a Storm Drain Capital Project Master Plan in FY 2020/21 which will identify needed Town-wide improvements and their associated costs.

STATEMENT OF SOURCE AND USE OF FUNDS

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	721,199	795,382	809,379	932,418	932,418	993,375
Total Beginning Fund Balance	721,199	795,382	809,379	932,418	932,418	993,375
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	67,807	12,885	121,427	45,000	60,957	45,000
<i>Interest</i>	6,376	1,112	1,612	4,150	-	4,470
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	74,183	13,997	123,039	49,150	60,957	49,470
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	74,183	13,997	123,039	49,150	60,957	49,470
TOTAL SOURCE OF FUNDS	\$ 795,382	\$ 809,379	\$ 932,418	\$ 981,568	\$ 993,375	\$ 1,042,845
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	-	-	-	50,000	-	50,000
Total Expenditures	-	-	-	50,000	-	50,000
Transfers Out						
<i>Transfers to General Fund</i>	-	-	-	-	-	-
<i>Transfers to Equip Replcement</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	-	-	-	50,000	-	50,000
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	795,382	809,379	932,418	931,568	993,375	992,845
Total Ending Fund Balance	795,382	809,379	932,418	931,568	993,375	992,845
TOTAL USE OF FUNDS	\$ 795,382	\$ 809,379	\$ 932,418	\$ 981,568	\$ 993,375	\$ 1,042,845

⌘ CAPITAL IMPROVEMENT PROGRAM ⌘
Storm Drain Fund - 462

STATEMENT OF SOURCE AND USE OF FUNDS

	2016/17	2017/18	2018/19	2019/20	2019/20	2020/21
	Actuals	Actuals	Actuals	Adopted	Estimated	Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	949,644	1,018,786	1,752,775	1,800,549	1,800,549	1,820,151
Total Beginning Fund Balance	949,644	1,018,786	1,752,775	1,800,549	1,800,549	1,820,151
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	60,830	750,277	44,657	45,000	19,602	45,000
<i>Interest</i>	8,312	2,412	3,117	8,770	-	8,490
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	69,142	752,689	47,774	53,770	19,602	53,490
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	69,142	752,689	47,774	53,770	19,602	53,490
TOTAL SOURCE OF FUNDS	\$ 1,018,786	\$ 1,771,475	\$ 1,800,549	\$ 1,854,319	\$ 1,820,151	\$ 1,873,641
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	-	18,700	-	50,000	-	50,000
Total Expenditures	-	18,700	-	50,000	-	50,000
Transfers Out						
<i>Transfers to General Fund</i>	-	-	-	-	-	-
<i>Transfers to Equip Replcement</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	-	18,700	-	50,000	-	50,000
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	1,018,786	1,752,775	1,800,549	1,804,319	1,820,151	1,823,641
Total Ending Fund Balance	1,018,786	1,752,775	1,800,549	1,804,319	1,820,151	1,823,641
TOTAL USE OF FUNDS	\$ 1,018,786	\$ 1,771,475	\$ 1,800,549	\$ 1,854,319	\$ 1,820,151	\$ 1,873,641

CAPITAL IMPROVEMENT PROGRAM
Storm Drain Fund - 463

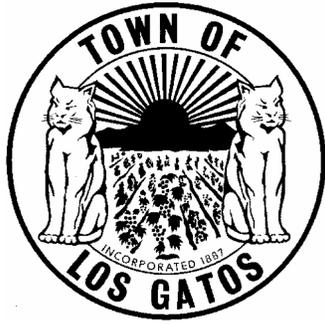
STATEMENT OF SOURCE AND USE OF FUNDS

	2016/17 Actuals	2017/18 Actuals	2018/19 Actuals	2019/20 Adopted	2019/20 Estimated	2020/21 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	(2,788)	(8,725)	(76,153)	(74,706)	(104,406)	(119,882)
Total Beginning Fund Balance	(2,788)	(8,725)	(76,153)	(74,706)	(104,406)	(119,882)
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	-
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	6,831	40,609	2,864	2,500	24	2,500
<i>Interest</i>	(18)	(45)	(1,417)	(880)	-	(1,120)
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	6,813	40,564	1,447	1,620	24	1,380
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	6,813	40,564	1,447	1,620	24	1,380
TOTAL SOURCE OF FUNDS	\$ 4,025	\$ 31,839	\$ (74,706)	\$ (73,086)	\$ (104,382)	\$ (118,502)
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	12,750	107,992	29,700	50,000	15,500	75,000
Total Expenditures	12,750	107,992	29,700	50,000	15,500	75,000
Transfers Out						
<i>Transfers to General Fund</i>	-	-	-	-	-	-
<i>Transfers to Equip Replcement</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	12,750	107,992	29,700	50,000	15,500	75,000
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	(8,725)	(76,153)	(104,406)	(123,086)	(119,882)	(193,502)
Total Ending Fund Balance	(8,725)	(76,153)	(104,406)	(123,086)	(119,882)	(193,502)
TOTAL USE OF FUNDS	\$ 4,025	\$ 31,839	\$ (74,706)	\$ (73,086)	\$ (104,382)	\$ (118,502)

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Storm Drain Funds

STORM DRAIN CIP PROJECTS
FY 2020/21

	<u>Est Exp Prior To FY 2019/20</u>	<u>Expenditures During FY 2019/20</u>	<u>Estimated Carryforward</u>	<u>New Funding FY 2020/21</u>	<u>Total Budgeted</u>
<i>Carryforward Projects</i>					
Hernandez Avenue Storm Drain Improvements	\$ 17,180	\$ -	\$ -	\$ -	\$ 17,180
Bicknell Road Storm Drain Improvements	145,432	15,500	35,258	25,000	221,190
Annual Storm Drain Improvement Prj	29,700	-	270,300	150,000	450,000
<i>Total of Carryforward Projects</i>	\$ 192,312	\$ 15,500	\$ 305,558	\$ 175,000	\$ 688,370
<i>New Projects</i>					
	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total of New Projects</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Storm Drain Project Totals:</i>	\$ 192,312	\$ 15,500	\$ 305,558	\$ 175,000	\$ 688,370



Capital Improvement Program

UTILITY UNDERGROUND FUND 472

FUND PURPOSE

This fund accounts for the resources generated and utilized for placing overhead utility lines underground in the effort to improve power reliability, reduce utility maintenance costs, and remove unsightly poles and lines.

The Utility Underground Fund generates revenue through a construction fee placed on building permits. The fee is imposed on the construction of any building, portion of a building, or mobile home lot. Construction by definition includes both new construction and improvements. The underground utility fee imposed is a fixed rate per square foot, currently set at \$0.18 for each square foot of building addition or alteration. The use of the proceeds of the fee is limited to the conversion of existing overhead utility lines to underground lines.

Utility Underground-funded projects may also be funded by Pacific Gas and Electric Company's (PG&E) Rule 20A funds. Projects that eliminate a heavy concentration of overhead electric lines in areas used extensively by the general public are nominated by the Town to PG&E. Approved projects are then funded through the Town's allocation of Rule 20A funds, which are electric tariffs accumulated by PG&E as a percentage of electric bills. The Town's allocation typically is in the range of \$60,000 to \$110,000 annually. Statewide discussions on the effectiveness of this program may lead to its cancellation, although likely in a ten-year horizon.

BUDGET OVERVIEW

The use of Utility Underground Fund fees is controlled through Town Council action, after the benefit of each project is evaluated to ensure appropriate application of the fees to eligible projects. Total cash balances currently on hand from the utility undergrounding construction tax are approximately \$3.0 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 those funds.

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Utility Underground Fund

The Town Council approved a project to underground along Los Gatos Boulevard south of Lark Avenue, which is estimated to cost \$6.8 million. Undergrounding projects have long lead times and rely on PG&E for scheduling and project delivery, often taking six years or longer from project initiation through design and construction. The current undergrounding project has been in design for several years. PG&E recently redeployed staffing to address wildfire concerns, creating uncertainty in the schedule. Staff is anticipating project construction to begin in FY 2020/21.

⌘ CAPITAL IMPROVEMENT PROGRAM ⌘
Utility Underground 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 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	2,893,649	2,941,264	3,010,132	3,091,833	3,091,833	3,074,844
Total Beginning Fund Balance	2,893,649	2,941,264	3,010,132	3,091,833	3,091,833	3,074,844
Revenues						
<i>Other Taxes</i>	23,165	31,838	28,390	30,000	9,521	30,000
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	-	-	-	-	-	3,810,558
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	-	-	-	-	-	-
<i>Interest</i>	24,450	37,030	53,311	22,490	22,490	22,490
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	47,615	68,868	81,701	52,490	32,011	3,863,048
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	47,615	68,868	81,701	52,490	32,011	3,863,048
TOTAL SOURCE OF FUNDS	\$ 2,941,264	\$ 3,010,132	\$ 3,091,833	\$ 3,144,323	\$ 3,123,844	\$ 6,937,892
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	-	-	-	-	49,000	4,436,000
Total Expenditures	-	-	-	-	49,000	4,436,000
Transfers Out						
<i>Transfers to General Fund</i>	-	-	-	-	-	-
<i>Transfers to Equip Replcement</i>	-	-	-	-	-	-
Total Transfers Out	-	-	-	-	-	-
Total Expenditures & Transfers Out	-	-	-	-	49,000	4,436,000
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	2,941,264	3,010,132	3,091,833	3,144,323	3,074,844	2,501,892
Total Ending Fund Balance	2,941,264	3,010,132	3,091,833	3,144,323	3,074,844	2,501,892
TOTAL USE OF FUNDS	\$ 2,941,264	\$ 3,010,132	\$ 3,091,833	\$ 3,144,323	\$ 3,123,844	\$ 6,937,892

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Utility Underground Fund

UTILITY UNDERGROUND CIP PROJECTS
FY 2020/21

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
<i>Carryforward Projects</i>					
Utility Undergrounding Improvements	\$ -	\$ -	\$ 2,330,000	\$ 4,436,000	\$ 6,766,000
Sidewalk Improve Shannon/LGB/Cherry Bl	-	49,000	70,204	-	119,204
<i>Total of Carryforward Projects</i>	\$ -	\$ 49,000	\$ 2,400,204	\$ 4,436,000	\$ 6,885,204
<i>New Projects</i>					
	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total of New Projects</i>	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Total of Utility Underground Projects</i>	# \$ -	\$ 49,000	\$ 2,400,204	\$ 4,436,000	\$ 6,885,204

Capital Improvement Program

GAS TAX FUND FUND 481

FUND PURPOSE

Gas Tax Fund revenue is a State-provided funding source for the purpose of street and highway maintenance and reconstruction. Street and Highway Code Sections 2103 (originally Prop 42), 2105, 2106, 2107, and 2107.5 govern the Gas Tax Fund. Expenditures from this fund are restricted to new construction and reconstruction of Town streets. The general classification of street and road work activities consist of construction, maintenance, and overhead as follow:

Construction is the building or rebuilding of streets, roads, and bridges; and the acquisition of rights of way or their component parts, to a degree that improved traffic service is provided and geometric or structural improvements are affected. The following types of work are examples of street and road construction:

- Removal of old streets and roadbeds, and detour costs connected with a construction project
- Modification of alignment, profile, and cross-section
- Addition of a frontage street or road
- Installation of original traffic signs and markers on routes
- Complete reconstruction or an addition to a culvert
- Reconstruction of an existing bridge or installation of a new bridge
- Installations or extensions of curb, gutter, sidewalks, and under drain
- Installation or expansion of street or road lighting system

Maintenance is the preservation and upkeep of a street or road condition and the operation of a street or road facility to provide safe, convenient, and economical highway transportation. Maintenance categories include:

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Gas Tax Fund

- Patching, repairing, surface treating, and joint filling on bituminous or concrete surfaces
- Resealing street or road shoulders and side street and road approaches
- Removing landslides and restoring facilities damaged by slides
- Mowing, tree trimming, and watering within the street right-of-way
- Repairing curb, gutter, rip-rap, under drain, culverts, and drains
- Repainting of pavements, and striping and marking to the same standards
- Furnishing of power for street and road lighting and traffic control

Overhead includes those elements of cost necessary in the production of an article or performance of a service. Usually overhead relates to expenditures which do not become an integral part of the finished product or service. Overhead costs are only allowed under an approved cost allocation plan, or an equitable and auditable distribution of overhead to all departments. Components of overhead expenses include:

- Management
- Procurement
- Advertising
- Legal Costs
- Payroll
- General Accounting/Finance
- Facilities

Ineligible Activities

Although many types of work may be classified as “construction,” this does not make them automatically eligible. To be eligible, the work must be for street or road purposes. The following is a list of the types of expenditures that are not eligible:

- Costs of rearranging non-highway facilities, including utility relocation, when not a legal road or street obligation
- New installation of utilities, including water mains, sanitary sewers, and other non-street facilities
- Decorative lighting
- Work outside the right-of-way that is not a specific right-of-way obligation
- Maintenance or construction on alleys that have not been formally designated as part of the jurisdiction’s street and road system
- Improvements and maintenance to “Park and Ride” designated lots

⌘ CAPITAL IMPROVEMENT PROGRAM ⌘
Gas Tax Fund

The estimated Gas Tax revenue totals approximately \$1.2 million for FY 2020/21 reflecting the recently enacted Road Recovery and Repair Act of 2017 (SB1). The ongoing Street Repair and Resurfacing project was carried forward from FY 2019/20, as is typical. There are no new Gas

BUDGET OVERVIEW

Tax funded projects scheduled for FY 2020/21.

CAPITAL IMPROVEMENT PROGRAM
Gas Tax 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 Adopted
SOURCES OF FUNDS						
Beginning Fund Balance						
<i>Designated</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Undesignated</i>	1,651,827	694,221	703,863	854,534	854,534	311,872
Total Beginning Fund Balance	1,651,827	694,221	703,863	854,534	854,534	311,872
Revenues						
<i>Other Taxes</i>	-	-	-	-	-	-
<i>Carryforward</i>	-	-	-	-	-	-
<i>Intergovernmental</i>	604,975	852,300	1,195,069	1,314,844	1,363,410	1,232,107
<i>Town Services</i>	-	-	-	-	-	-
<i>Licenses & Permits</i>	-	-	-	-	-	-
<i>Interest</i>	6,496	13,307	22,483	1,210	1,210	1,210
<i>Other Revenues</i>	-	-	-	-	-	-
Total Revenues	611,471	865,607	1,217,552	1,316,054	1,364,620	1,233,317
Transfers In						
<i>Transfer from General Fund</i>	-	-	-	-	-	-
<i>Transfer from CDBG</i>	-	-	-	-	-	-
<i>Transfers from Bulding Maint</i>	-	-	-	-	-	-
<i>Transfer from MIS Fund</i>	-	-	-	-	-	-
<i>Transfer from Equip Replacement</i>	-	-	-	-	-	-
Total Transfers In	-	-	-	-	-	-
Total Revenues & Transfers In	611,471	865,607	1,217,552	1,316,054	1,364,620	1,233,317
TOTAL SOURCE OF FUNDS	\$ 2,263,298	\$ 1,559,828	\$ 1,921,415	\$ 2,170,588	\$ 2,219,154	\$ 1,545,189
USES OF FUNDS						
Expenditures						
<i>Salaries and Benefits</i>	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -
<i>Operating Expenditures</i>	-	-	-	-	-	-
<i>Charges for Services</i>	-	-	-	-	-	-
<i>Interest Expense</i>	-	-	-	-	-	-
<i>Capital Projects - Carryfwd</i>	-	-	-	-	-	-
<i>Capital Projects - New</i>	1,463,077	749,965	960,881	1,210,054	1,801,282	1,210,054
Total Expenditures	1,463,077	749,965	960,881	1,210,054	1,801,282	1,210,054
Transfers Out						
<i>Transfers to General Fund</i>	106,000	106,000	106,000	106,000	106,000	106,000
<i>Transfers to Equip Replcement</i>	-	-	-	-	-	-
Total Transfers Out	106,000	106,000	106,000	106,000	106,000	106,000
Total Expenditures & Transfers Out	1,569,077	855,965	1,066,881	1,316,054	1,907,282	1,316,054
Ending Fund Balance						
<i>Designated</i>	-	-	-	-	-	-
<i>Undesignated</i>	694,221	703,863	854,534	854,534	311,872	229,135
Total Ending Fund Balance	694,221	703,863	854,534	854,534	311,872	229,135
TOTAL USE OF FUNDS	\$ 2,263,298	\$ 1,559,828	\$ 1,921,415	\$ 2,170,588	\$ 2,219,154	\$ 1,545,189

∞ CAPITAL IMPROVEMENT PROGRAM ∞
Gas Tax Fund

GAS TAX CIP PROJECTS

FY 2020/21

	Est Exp Prior To FY 2019/20	Expenditures During FY 2019/20	Estimated Carryforward	New Funding FY 2020/21	Total Budgeted
Carryforward Projects					
Street Repair & Resurfacing	\$ 7,880,666	\$ 1,801,282	\$ -	\$ 1,210,054	\$ 10,892,003
Total of Carryforward Projects	\$7,880,666	\$1,801,282	\$ -	\$1,210,054	\$ 10,892,003
New Projects					
	\$ -	\$ -	\$ -	\$ -	\$ -
Total of New Projects	\$ -	\$ -	\$ -	\$ -	\$ -
Total of Gas Tax Projects	\$7,880,666	\$1,801,282	\$ -	\$1,210,054	\$ 10,892,003

FY 2020/21 KEY PROJECTS

The Gas Tax Fund has one carryforward project with remaining funding and additional appropriations:

- **Street Repair and Resurfacing** – The Town's Street Resurfacing Program of preventive and deferred maintenance includes new appropriations, using Gas Tax monies and 2016 Measure B. The work to be performed consists of a balanced program of surface seals, street reconstructions and pavement overlays, with supplemental ongoing maintenance activities performed by the Town's Parks and Public Works department staff.

Operating Budget Impacts - Engineering staff time for project design and oversight is incorporated into the operating budget workplan.

