



# Guide to the Five-Year CIP

## Introduction

The Capital Improvement Program (CIP) identifies the City's capital investments over a five-year term. It is both a fiscal and strategic device that allows for the planning, scoping, prioritization and monitoring of all capital projects. The document quantifies and defines costs, funding sources, departmental responsibilities, project phases and timing. Each year the CIP is reviewed and updated as part of the City-wide financial planning and goal-setting process. At the same time, it sets a vision for long-term planning. It is also valuable as a community outreach and communications tool as it speaks to major tax dollar investments that are placed in direct and very visible City-wide infrastructure improvements. Such projects involve larger dollar expenditures that normally have a long useful life cycle.

The CIP includes five years of projected capital needs, the first year of which will be appropriated within the annual budget process. Dollars in the first year of the five-year CIP will be authorized for spending in the project planning, bidding and award process. The remaining four years of the CIP serve as a proposed financial plan subject to annual review.

## How this Document is Organized

The CIP is broken down into three major sections. The first section is a high level overview that describes projects from a variety of informational perspectives. In this section, projects are presented by year, by category and by funding source. Each project has been assigned a categorical priority designed to support the City's overall goals. In doing so, capital projects have been assigned one of the four following priority classifications:

- Health & Safety
- Asset Preservation
- Efficiencies/Cost Savings
- Quality of Life

## Guide to the five-year CIP

The second section provides a detailed description for each capital project within an improvement area or category. These categories are designed to emphasize the particular infrastructure needs of Los Altos, as noted below:

Civic Facilities

Community Development

Transportation

Wastewater Systems

- **Civic Facilities:** Includes general upkeep, repair and replacement of parks, buildings and associated infrastructure and amenities in support of the wide variety of services the City provides to the community.
- **Community Development:** Includes general infrastructure, civic planning, storm drain, technology enhancements and facilities of a general service nature. Examples include bridges, lighting and median landscaping, technology, communications, master plan and special project studies.
- **Transportation:** Includes roadway enhancements and improvements geared towards pedestrian and bicycle safety, and efficient traffic flow. Upgrade and maintenance is a core part of this category, as well as signal lighting, street striping, traffic calming measures and intersection improvements
- **Wastewater Systems:** Includes improvements to maintain and improve essential sewer systems vital in the preservation of health and safety. This is a highly regulated and environmentally-sensitive area and exists in a self-sustaining fee-based model.

Each of the project descriptions within the various service areas display projected costs for each of the next five years including the proposed allocation for FY 2015/16, planned costs for the following four years, a brief description of each project, the identified area of priority/benefit and a brief commentary of the status of ongoing and current expenditures. For projects where the operational cost impact is known, this information is also included in the description. Inflationary factors are also included where appropriate.

In this first year of implementation of the new format, individual project descriptions have focused on the newly proposed projects while legacy active project are primarily presented on a summary status listing. As this document evolves, all active and proposed projects will be developed into individual five-year project formats.

**Other key documents** included are:

- Revenue source definitions
- A listing of Unscheduled and Unfunded Projects
- A Glossary of terms

The Capital Improvement Program is an invaluable component of the City's effort to provide a safe, healthy and attractive community.

#### **Health & Safety**

Transportation Improvements  
Streets & Roadways  
Pedestrian & Pathway  
Wastewater Systems Improvements  
Safety Communications

#### **Ensuring Quality of Life**


Community Development  
Technology & Infrastructure  
Public Safety Communications  
Civic Facilities  
Recreation/Parks/Trails  
Municipal Facilities  
Parking Lots/Buildings/Planning

#### **Asset Preservation**

Road Resurfacing  
Slurry Seal  
Facility Maintenance

#### **Efficiency**

Technology  
Geographic Mapping  
Long Term Planning



# CIP Revenue Sources

## How CIP projects are financed

When it comes to CIP projects, many cities like Los Altos, have had to develop a series of internal and external funding mechanisms. This is because local government resources are limited in nature. Many funding sources are restricted in use and subject to discretionary State subventions. Furthermore, local government revenues are highly sensitive to economic movement and prospects for increases are few and far between. As a result, Los Altos has funded a core percentage of general service improvements from its General Fund, placing such resources in direct competition with operational needs.

Wherever possible, the City seeks out external funding sources. These sources, which are restricted to specific application areas, are defined below:

### Restricted Revenue Funds:

- **Roadways & Traffic**
  - Gas Tax - Financing is provided by the City's share of the State tax on gasoline, which can only be used for the research, planning, construction, improvement, maintenance, and operation of public streets and highways or public mass transit corridors.
  - Transportation Grants - Grant funding from State and Federal sources that can only be used for transportation improvement projects in the City's rights-of-way. Grants of this type in the Silicon Valley have originated from such agencies as the Valley Transit Authority, Federal Stimulus Funds, and the Metropolitan Transit Commission, among others.
  - Traffic Impact Fees - Developer fees in the form of Traffic Impact Fees (TIF) can assist in the area of traffic capacity and flow. TIF funds are generated through the increase in residential housing living units and can be applied to traffic impacts with a focus on enhancing traffic flow and calming measures. Such fees are designed to have developers contribute towards the impact of growth in the local jurisdiction.
  - State Traffic Development Act Funds - The Transportation Development Act (TDA) provides two major sources of funding for public transportation: the Local Transportation Fund (LTF) and the State Transit Assistance fund (STA). These funds are for the development and support of public transportation needs that exist in California and are allocated to areas of each County based on population, taxable sales and transit performance. The allocation of these funds is discretionary at the State level.
- **Community Facilities**
  - Park-In-Lieu Fees - Funding for open space and parks and recreation facilities can be derived from State and Federal grants and/or mostly developer fees. Developer fees in this area, referred to as Park-in-lieu Fees (PIL), are generated based on the growth in the number of livable housing units and can be applied to the acquisition, design, construction or repair of parks and recreation properties and facilities.
- **Enterprise Funds**
  - Wastewater - Funding from the services rendered on a user surcharge basis to residents and businesses located in Los Altos and municipal service charges to Los Altos Hills for their pass-through use of the City's system. These revenues also support operation and maintenance of the utility systems. The capital portion is used for underground pipelines, diversion systems, pump stations and distribution channels. CIP project costs in this area are supported by a multi-year Master Plan for this substantial utility system.

Although the City also maintains storm water systems, those utility costs are not fee-based funded at this time and rely on General Fund transfers.



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## CIP Financial Summaries

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# Projects by Category & Year

Project #	Project Name	Funding Sources	Prior Appropriations	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
<b>Parks and Trails</b>									
CF-01009	Annual Pathway Rehabilitation	In-lieu Park Fund		\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 25,000	\$ 125,000
CF-01005	Covington Class I Pathway	CIP	\$ 276,000						\$ 276,000
		In-lieu Park Fund	\$ 637,000						\$ 637,000
CF-01001	Redwood Grove Bank Stabilization	Santa Clara Valley Water District Grant	\$ 90,000						\$ 90,000
<b>Buildings</b>									
CF-01010	Annual ADA Improvements (Facilities)	CIP		\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 75,000	\$ 375,000
CF-01011	City Hall Emergency Backup Power Generator	CIP		\$ 55,000					\$ 55,000
CF-01007	City Hall HVAC System	Equipment Replacement Fund	\$ 129,891	\$ 500,000					\$ 629,891
CF-01014	City Hall Roof Replacement	CIP		\$ 175,000					\$ 175,000
CF-01003	Civic Facilities Capital Recovery Project	CIP	\$ 275,000		\$ 100,000	\$ 100,000	\$ 100,000	\$ 100,000	\$ 675,000
CF-01002	Community Center Redevelopment	CIP	\$ 273,500						\$ 273,500
		General Fund	\$ 400,000						\$ 400,000
CF-01008	Grant Park & Community Center Improvement Project	In-lieu Park Fund	\$ 75,000	\$ 400,000					\$ 475,000
CF-01004	Halsey House Renovation/Replacement Study	Donations	\$ 25,000						\$ 25,000
CF-01012	Irrigation System Replacement	CIP		\$ 50,000					\$ 50,000
CF-01013	MSC Fuel Dispensing Station Overhead Canopy	CIP		\$ 25,000					\$ 25,000
<b>Infrastructure</b>									
CD-01007	First Street Utility Undergrounding Phase II	CIP	\$ 240,000						\$ 240,000
<b>General</b>									
CD-01002	Commercial Wayfinding Sign Program	CIP	\$ 165,000						\$ 165,000
CD-01003	Public Arts Projects	Estate Donation Fund		\$ 5,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 10,000	\$ 45,000
CD-01013	Downtown Plan	CIP		\$ 5,000					\$ 5,000
		General Fund		\$ 125,057					\$ 125,057
CD-01014	Downtown Parking	Downtown Parking Fund		\$ 174,943					\$ 174,943
				\$ 100,000					\$ 100,000



# Projects by Category & Year

Project #	Project Name	Funding Sources	Prior Appropriations	2015/16 Budget	2016/17 Budget	2017/18 Budget	2018/19 Budget	2019/20 Budget	Total
TS-01012	Grant Road Bicycle Lane	CIP	\$ 65,000						\$ 65,000
TS-01013	Transportation Enhancements	CIP	\$ 25,000			\$ 25,000			\$ 50,000
TS-01029	School Route Improvements	Active Transportation Grant Funding			\$ 240,000	\$ 534,488			\$ 774,488
TS-01030	EI Monte/Springer Intersection Improvements	CIP			\$ 60,000	\$ 133,622			\$ 193,622
TS-01031	Illuminated Crosswalk Replacement	Traffic Impact Fees		\$ 100,000		\$ 211,000			\$ 311,000
TS-01033	Miramonte Ave Path	Traffic Impact Fees		\$ 320,000					\$ 320,000
TS-01021	Miramonte Ave/Covington Road Pedestrian Improvements	CIP	\$ 331,200						\$ 331,200
TS-01032	Speed Feedback Sign at Fremont Ave	Active Transportation Grant Funding				\$ 1,350,000			\$ 1,350,000
TS-01018	Speed Feedback Sign at Fremont Ave	CIP	\$ 250,000						\$ 250,000
TS-01022	Foodhill Expressway Improvement between EI Monte Ave & San Antonio Rd	Traffic Impact Fees		\$ 20,000					\$ 20,000
TS-01025	Collector Street Traffic Calming	Traffic Impact Fees	\$ 440,000						\$ 440,000
TS-01026	Pedestrian Master Plan	CIP		\$ 20,000					\$ 20,000
TS-01024	Speed Zone Survey	Traffic Impact Fees	\$ 222,900						\$ 222,900
TS-01014	Intersection Bicycle Loop	CIP	\$ 130,680						\$ 130,680
TS-01016	Advanced Traffic Management Study	CIP	\$ 66,000						\$ 66,000
TS-01014	Traffic Signal Improvements	CIP	\$ 127,149						\$ 127,149
TS-01016	Traffic Signal Improvements	Traffic Impact Fees	\$ 170,000						\$ 170,000
TS-01016	Traffic Signal Improvements	Traffic Impact Fees	\$ 55,000						\$ 55,000
<b>Wastewater</b>									
WW-01001	Sewer System Repair Program	Sewer	\$ 1,016,582	\$ 440,000	\$ 530,000	\$ 600,000	\$ 610,000	\$ 620,000	\$ 3,816,582

WW-01002	Structural Reach Replacement	Sewer	\$ 1,097,704	\$ 650,000	\$ 700,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 800,000	\$ 4,847,704
WW-01003	Root Foaming	Sewer	\$ 596,551	\$ 260,000	\$ 267,000	\$ 281,000	\$ 281,000	\$ 281,000	\$ 288,000	\$ 1,966,551
WW-01004	South Sewer Replacement	Sewer	\$ 682,159		\$ 530,000					\$ 1,212,159
WW-01005	CIPP Corrosion Replacement	Sewer	\$ 318,533	\$ 300,000	\$ 310,000	\$ 333,000	\$ 333,000	\$ 333,000	\$ 340,000	\$ 1,921,533
WW-01006	Fats, Oils, Grease Program (FOG)	Sewer	\$ 107,681	\$ 56,275	\$ 58,000	\$ 62,000	\$ 62,000	\$ 62,000	\$ 64,000	\$ 407,956
WW-01008	GIS Updates	Sewer	\$ 107,681	\$ 50,000	\$ 58,000	\$ 60,000	\$ 60,000	\$ 60,000	\$ 64,000	\$ 401,681
WW-01009	Sewer System Management Plan Update	Sewer	\$ 42,279		\$ 24,000			\$ 26,000		\$ 92,279
WW-01011	Sanitary Sewer Video Inspection	Sewer						\$ 380,000	\$ 400,000	\$ 780,000
<b>Equipment Replacement</b>										
	Dispatch Radio Console	Equipment Replacement Fund		250,000						\$ 250,000
	Code Enforcement Vehicle and equipment installation	Equipment Replacement Fund		34,500						\$ 34,500
	Traffic Radar Trailer with Message Board	Equipment Replacement Fund		21,000						\$ 21,000
	911/ Radio Voice Recorder	Equipment Replacement Fund		65,000						\$ 65,000
	Unmarked Vehicle Replacement	Equipment Replacement Fund		64,000						\$ 64,000
	Table and Chair Replacement	Equipment Replacement Fund		4,000	4,000					\$ 8,000
	RD 12 one-ton roller	Equipment Replacement Fund		16,207						\$ 16,207
	Bucket truck for Tree crew	General Fund		120,000						\$ 120,000
	Combination sewer jetter/vacuum truck	Sewer Fund		380,000						\$ 380,000
	Marked Patrol Vehicles (3)	Equipment Replacement Fund			142,000					\$ 142,000
	Investigation vehicles (2) and emergency equipment installation	Equipment Replacement Fund			64,000					\$ 64,000
	Building Security and interview room equipment	Equipment Replacement Fund			75,000					\$ 75,000
	Utility Truck to replace surplus vehicle	General Fund			32,242					\$ 32,242
	Lawn mower for parks and fields	Equipment Replacement Fund			79,912					\$ 79,912
<b>TOTAL</b>			<b>\$ 17,414,770</b>	<b>\$ 6,418,934</b>	<b>\$ 5,998,654</b>	<b>\$ 6,378,110</b>	<b>\$ 4,539,000</b>	<b>\$ 4,561,000</b>	<b>\$ 45,310,468</b>	



# Capital Improvement Program by Funding Source

	Prior Appropriations Balance as of 3/31/2015	FY 2015/16	FY 2016/17	FY 2017/18	FY 2018/19	FY 2019/20	Total Project Funding
Active Transportation Grant Funding	--	--	240,000	1,884,488	--	--	2,124,488
Community Development Block Grant	--	77,952	75,000	--	--	--	152,952
CIP	4,399,782	585,057	1,484,500	1,443,622	1,260,000	1,260,000	10,432,961
Downtown Parking Fund	--	100,000	--	--	--	--	100,000
Estate Donation Fund	--	5,000	--	--	--	--	5,000
Equipment Replacement Fund	71,673	954,707	364,912	--	--	--	1,391,292
Federal Bridge Replacement Grant	3,736,613	--	--	--	--	--	3,736,613
Gas Tax	440,044	650,000	625,000	625,000	625,000	625,000	3,590,044
General Fund	400,000	294,943	32,242	--	--	--	727,185
Halsey House Donations	25,000	--	--	--	--	--	25,000
In-lieu Park Fund	712,000	425,000	125,000	25,000	25,000	25,000	1,337,000
One Bay Area Grant	259,709	--	--	--	--	--	259,709
Santa Clara Valley Water District Grant	90,000	--	--	--	--	--	90,000
Sewer Fund	2,872,688	2,136,275	2,477,000	2,114,000	2,554,000	2,576,000	14,729,963
Technology Reserve	--	750,000	500,000	--	--	--	1,250,000
Traffic Impact Fees	873,548	440,000	75,000	286,000	75,000	75,000	1,824,548
<b>Total</b>	<b>\$13,881,057</b>	<b>\$6,418,934</b>	<b>\$5,998,654</b>	<b>\$6,378,110</b>	<b>\$4,539,000</b>	<b>\$4,561,000</b>	<b>\$41,776,755</b>

# Unscheduled & Unfunded Projects

	CIP	Traffic Impact Fee	Park-In- Lieu	Safe Routes to School	Total
<b>Civic Facilities</b>					
<b>Buildings</b>					
Downtown Parking Lot Slurry Seal	304,000	--	--	--	304,000
MSC Living Wall & Storage Sheds	190,000	--	--	--	190,000
<b>Parks/Trails</b>					
Community Plaza Renovation	3,350,000	--	--	--	3,350,000
McKenzie Park Renovation	--	--	430,000	--	430,000
Marymeade Park Renovation	--	--	300,000	--	300,000
Redwood Grove Bridge Replacement	252,000	--	--	--	252,000
Dog Park	--	--	227,000	--	227,000
Grant Park Renovation	--	--	194,000	--	194,000
Montclair Park Renovation	157,000	--	--	--	157,000
Montclair Tennis Court Lights	98,400	--	--	--	98,400
Heritage Oaks Park Renovation	64,000	--	--	--	64,000
Recreation Plan	60,000	--	--	--	60,000
<b>Community Development</b>					
<b>General</b>					
Commercial Wayfinding Sign Program II	225,000	--	--	--	225,000
Shasta Street Storm Water Improvements	150,000	--	--	--	150,000
<b>Transportation</b>					
<b>Streets/Roadways</b>					
San Antonio Road/W. Edith Intersection	1,500,000	--	--	--	1,500,000
Loyola Corners Streetscape	1,265,525	--	--	--	1,265,525
Carmel Terrace Class I Pathway	365,000	--	--	--	365,000
Foothill Expressway Landscaping	590,000	--	--	--	590,000
<b>Pedestrian/Bicycle Safety</b>					
Fremont Avenue Traffic Calming	--	2,650,000	--	--	2,650,000
Grant Road Traffic Calming	--	2,035,000	--	--	2,035,000
El Monte Avenue Traffic Calming	1,000,000	--	--	--	1,000,000
Springer Road Traffic Calming	100,000	--	--	450,000	550,000
Loyola Corners Traffic Study	75,000	--	--	--	75,000
St. Joseph Avenue Traffic Calming	35,000	--	--	311,000	346,000
Springer Road Sidewalk	164,000	--	--	--	164,000
Traffic Signal Battery Backup	132,000	--	--	--	132,000
El Monte Avenue/Cuesta Drive Signal	100,000	--	--	--	100,000
<b>Total</b>	<b>\$ 10,176,925</b>	<b>\$ 4,685,000</b>	<b>\$ 1,151,000</b>	<b>\$ 761,000</b>	<b>\$ 16,773,925</b>