



TOWN OF LOS GATOS
FINANCE COMMISSION REPORT

MEETING DATE: 04/28/2025

ITEM NO: 2

DESK ITEM

DATE: April 28, 2025
TO: Finance Commission
FROM: Chris Constantin, Town Manager
SUBJECT: Receive the Fiscal Year 2025-26 Through 2029-30 Capital Improvement Program Budget and Provide Comments and Recommendations

REMARKS:

Attachment 2 contains the staff presentation.

Attachments Received with the Staff Report:

1. CIP Staff Report to Town Council with Attachments 1 and 2

Attachment Received with this Desk Item:

2. Staff Presentation

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Proposed Capital Improvement Program FY2025/26 to 2029/30

Finance Commission Meeting
April 28, 2025
Item 2

AGENDA and RECOMMENDATION

1. Intent of Capital Improvement Program
2. Changes in Funding for Proposed FY25/26 CIP
3. Tier 1 / Tier 2 / Tier 3 Projects
4. Project Specific Changes / New Projects

Recommendation: Review the proposed Fiscal Year 2025-26 through 2029-30 Capital Improvement Program Budget and provide comments and recommendations for Town Council's consideration.

INTENT OF FY 2025/25 – 2029/30 CIP

- Support Core Goals of **Good Governance** and **Fiscal Stability**
- Take First Steps to Ensure Prudent Financial Management and Fully Funded Five-Year Capital Improvement Plan
- Build on Prior Work to Define Deferred Capital Improvement Programs for Town Facilities and Lifecycle Assets

INTENT OF FY 2025/25 – 2029/30 CIP

Effectively Manage Town Assets Including:

- Parks and Open Space: 17 Areas, 223 Acres, 9 Miles of Trail
- Roadways: 113 miles (236 lane miles), 31 Traffic Signals, 2,100 Streetlights, 576,000 Linear Feet of Sidewalk
- Public Buildings: 12 Buildings Totaling 139,373 Square Feet
- Parking Lots: 23 surface lots plus one underground parking structure
- Ancillary Assets: 5 Park Restrooms, Storm Drainage systems, Guard Rails, Retaining Walls, and Signage

CHANGES IN PROPOSED CIP

- \$4.9 million CIP
- Eliminates Measure G Transfer to CIP
- 14 Projects Completed / Consolidated / Withdrawn
- Remaining Projects Categorized by Tier



Trail Connector Signage (Staff Photo)

TIER 1 / TIER 2 / TIER 3

- Projects in Past CIP's – Tier 1 or Tier 2 (Staff Report Attachment 1)
- Other Known Needs – Tier 3 (Staff Report Attachment 2)
- Tier 1 – In Progress, Grant Funded, Substantial Progress Expected in FY25/26
- Tier 2 – All Remaining Projects in Prior CIP's
 - Divided into Four Classes Shown in Attachment 1
 - Will be Released for Work as Funding and Staff Time Permits
- Recognizes Staffing Levels are Limited and that Carryforward Funding has Been Excessive in Recent Years

PROJECT SPECIFIC CHANGES – TIER 1

- Storm Drainage Mapping – Added Storm Drain Funds to Complete Work in Progress
- Vasona Oaks Drainage (NEW) – New Project to Correct Failing Drainage System
- Shannon Road Repair – Added All Funds from Retaining Wall Project to Support Anticipated Overages in Construction Bids
- Roadside and Open Space Vegetation Management – Retained \$100,000 New Funding To Each

PROJECT SPECIFIC CHANGES – TIER 1

- Sport Court Resurfacing – Repurposed Project to Focus Efforts at La Rinconada Court
- IT Disaster Resiliency (NEW) – New Project To Support Town's Emergency Management Efforts; Funded from IT Fund
- Auto Gate Replacements at POB and PPW (NEW) – New Project to Support Site Security
- EV Chargers at 41 Miles (NEW) – Added Funds to Supplement Grant Accepted through Town Council Action on 3/4/25

NEW TIER 2 PROJECTS

- Traffic / Travel Demand Model
- Parks and Trails Master Plan
- Condition Assessment of Civic Center
- Village Lane Trash Enclosure



Photo Credit: Penner / Los Gatan



Howes Playlot (Staff Photo)

SUMMARY OF KNOWN NEEDS – TIER 3

Items / Need	Current Opinion of Potential Costs (2024\$)
Town Owned Buildings - Maintenance	\$ 20,278,913
Town Owned Buildings – Capital Needs	\$ 1,490,000
Parks ¹	\$ 28,189,000
Storm Drainage	\$ 23,126,500
Streets and Roads	\$ 166,037,000

Notes: 1. Cost does not include restoration plans for Ross Creek and Los Gatos Creek as recommended in General Plan 2040

TONIGHT'S ACTION

- Review the Proposed CIP
- Consider How to Factor Tiers into Financial Forecasts and Long-Term Financial Planning (Including Timing and Funding f Tier 2 and 3 Projects
- Consider and Comment on the Proposed Tier 1, 2 and 3 Projects