

From: Phil Koen
To: Gitta Ungvari
Cc: Linda Reiners; Nicole Burnham
Subject: Aug 5 meeting
Date: Thursday, August 1, 2024 6:45:11 AM
Attachments: [injection-inline-6f42d488d148cf5d862f99497caf9f5a.png](#)
[injection-inline-209b06d63f1139b7b0da7129634c80da.png](#)
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[image008.png](#)

[EXTERNAL SENDER]

Gitta,

Please include this email thread in the FC package as back ground material.

Thank you,

Phil Koen

Begin forwarded message:

From: Phil Koen
Date: June 27, 2024 at 2:43:43 PM PDT
To: Nicole Burnham <NBurnham@losgatosca.gov>
Cc: Joe , Laurel Prevetti <LPrevetti@losgatosca.gov>, Gitta Ungvari <Gungvari@losgatosca.gov>, Mary Badame <MBadame@losgatosca.gov>, Matthew Hudes <MHudes@losgatosca.gov>, Linda Reiners
Subject: Re: Org chart

Hello Nicole,

Thank you for your reply. It sounds like you are not in a position to provide the specific information we requested in our last email. Could you please confirm that? I do not want to misrepresent your position.

If that is correct, the Ad Hoc Committee will not be able to fulfill the task we set out to do. We will report at our next public meeting Staff was unable to accommodate our request for fact gathering meetings beyond the two we have had, nor able to provide detail information the Committee requested regarding project tracking and reporting for two specific projects which were critical to our analysis and findings. It is impossible to analyze data that we don't have nor make recommendations without appropriate knowledge transfer from Staff. I am sure this is not lost on you.

If I have misunderstood your email, please correct me. Personally I am disappointed in this outcome and fail to see how this is in the best interest of the residents.

Thank you,

Phil Koen
Chair of the Finance Commission
Sent from my iPhone

On Jun 27, 2024, at 2:12 PM, Nicole Burnham <NBurnham@losgatosca.gov> wrote:



Good afternoon Phil-

Thank you for your work on this topic. I think you have done a great job of identifying aspects of the capital program where refinement might be considered. We look forward to the Ad Hoc's future insights.

At this time, we have had two meetings of the CIP Ad Hoc and both meetings covered similar questions and content. From your email below, it appears you have identified relevant issues and topics that the Finance Commission could discuss and, depending on the outcome of that discussion, recommend actions for Town Council to consider in light of its other priorities for staff work. As mentioned at the Finance Commission meeting when the Ad Hoc's were created and in other communications, the Ad Hoc is responsible for completing its own analysis, compilations, and/or documents without staff involvement after the initial meeting.

Thank you for your continued work on the Finance Commission.



<!--[if !vml]--><!--[endif]-->Nicole Burnham • Director
Parks and Public Works • 41 Miles Avenue, Los Gatos, CA 95030
Desk: 408.399.5774 • nburnham@losgatosca.gov
www.losgatosca.gov • <https://www.facebook.com/losgatosca>

From: Phil Koen

Sent: Friday, June 21, 2024 11:06 AM
To: Nicolle Burnham <NBurnham@losgatosca.gov>; Joe [REDACTED]
Cc: Laurel Prevetti <LPrevetti@losgatosca.gov>; Gitta Ungvari <GUngvari@losgatosca.gov>
Subject: Re: Org chart

[EXTERNAL SENDER]

Nicole,

Thank you for your reply. I have copied Joe on your reply.

We would like to schedule another "fact gathering" meeting towards the end of July. So far this last meeting was the only session we have had to gather data.

In a meeting of the next meeting it would be helpful if you were to scrub the CIP list by grouping projects into the three categories we discussed- 1) design/bid/build projects; 2) projects that are not D/B/B but are active projects and 3) projects which are place holders or reserve construction are no active construction plans.

Also if you could provide us the detail project tracking spreadsheets for the two projects we mentioned previously, that would be helpful. The goal of our next meeting is to gain an understanding of the current project tracking and management tools used by PPW to manage projects to schedule and budget. I understand these documents exist and are the principal tracking tool to manage CIP projects. We need to see these.

Lastly of the CIP projects you are closing in FY 25, could you provide a list of these projects, the original adopted budget and adopted schedule completion date, the actual total spend and the actual completion date. We are interested in understanding the historical rate of completing projects on time and on budget. We will only look at FY 25.

Once we have all the data, the Ad Hoc committee will be in a position to analyse the data and form our recommendations. Of course feel free to share with us any recommendations you would like to also make. This should be a team effort.

Again thank you for meeting with us and I think the next session should conclude our fact gathering.

Phil Koen

Sent from my iPhone

On Jun 21, 2024, at 10:30 AM, Nicolle Burnham <NBurnham@losgatosca.gov> wrote:



Hi Phil-

Thank you for this response. I've provided feedback to your comments below.

I do want to let you know that I work with Ad Hoc committees from two other Commissions and it is not the Town's practice for staff to work through issues with the Ad Hoc. In all cases, the Ad Hoc members meet with staff once at the beginning of their work to frame the issues and obtain background on publicly available information. The Ad Hoc members then meet on their own and do their own work and analysis. Once the Ad Hoc has developed recommendations, the Ad Hoc presents a report with its recommendations to the full Commission to consider and discuss. The Commission then makes a recommendation to Town Council for potential policy changes or other actions, if any are deemed necessary.

We are looking forward to hearing the feedback you and Joe provide to the Finance Commission and the Commission's subsequent recommendation to Town Council. In the meantime, my team is continuing to work on delivering the projects in the CIP.



Nicolle Burnham • Director

Parks and Public Works • 41 Miles Avenue, Los Gatos, CA 95030

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From: Phil Koen [REDACTED]

Sent: Tuesday, June 18, 2024 8:49 AM

To: Nicolle Burnham <NBurnham@losgatosca.gov>

Cc: Joe [REDACTED]

Subject: Org chart

[EXTERNAL SENDER]

Hi Nicole,

Thank you for meeting with us yesterday. Again, I apologize for being late.

I found the meeting to be very constructive. I also went back and found the org chart that you had previously sent me.

I thought I should summarize several key points that we discussed. If any of these are incorrect, please let us know:

1. The CIP budgeting process begins in February and is concluded by mid-April. This is a very tight timeline and gives limited opportunity for PPW to react to any changes mandated by TC during the budget review process. Not all unfunded "chartered" projects have been fully scoped (schedule and budget) making it difficult to prioritize. The Town should consider beginning the process in October with an initial update/priority setting meeting with the Town Council. There should be a list of "chartered projects" that are properly scoped presented to the TC for their consideration. TC should work from this fully vetted list to add or delete from the draft CIP plan.

We begin project evaluation in January, and present to Council in February or so. The limited staff resources have prevented us from detailing out all potential future projects; however, a more robust prioritization process is something staff would like to consider.

2. The initial "new capital target" budget is established by Finance and has historically been set at \$600k. This is the forecasted annual transfer of "new funding" from the GF to the GFAR for the upcoming budget cycle. It is unclear as to how this amount is established given that as of the end of FY 23 there was \$10.4m in the GF Capital/Special Project reserve. Additionally, historical transfers have greatly exceeded this amount. It should be noted that at the May 21, 2024 TC meeting, PPW staff flashed an annually transfer of \$1.1m for each of the next 5 years. There was no explanation as to why that was the correct amount as opposed to the historical \$600k. More work needs to be done to answer the question - what is the proper amount that should be annually budgeted for capital expenditures based on the Town's invested capital and new capital investment requirements? As a benchmark, the annual gross depreciation expense is \$4.1m. Follow up question - is the investment in roads capitalized and depreciated? What is PPW's view on what should the annual capital spend required to maintain the Town's current infrastructure investment? How do we know this? We need to develop the proper "business model" for CIP and set expectations accordingly. The Town has a well established and long standing process for how funds are allocated across various funds and accounts. The focus of PPW staff is on project specific budgets and accounts.

3. The detail CIP project list needs to be fully scrubbed. There are "projects" listed that aren't really "active" CIP projects (e.g., project 9930), as well as projects that are very simple to execute co-mingled with complex design/bid/build projects which require substantial management oversight. The CIP list should provide an emphasis on the complex projects that are truly active and require staff time to track schedule and spend vs. the adopted project plan. The 80/20 rule is operative here. There does not appear to be formal monthly reviews of any projects let alone the most complex projects where actual vs plan performance is discussed, and corrective actions plans if required are formed. It is also unclear as to whether there is a formal monthly project close process, so all CIP projects are up to date as of the end of each accounting period. Without a formal close process, it will be impossible to determine the true "burn rate" and determine whether projects are really on time and on budget until a milestone is reached. At that point, it may be too late. The CIP is a budget document rather than a project management tool. Its function is to document what projects are funded, and projects are presented by technical category. Staff does manage some projects as design-bid-build while others don't require that level of design or oversight. The project management protocol used for a project does not relate to the fact that the project is funded or what the funding source is, which is what the CIP documents.

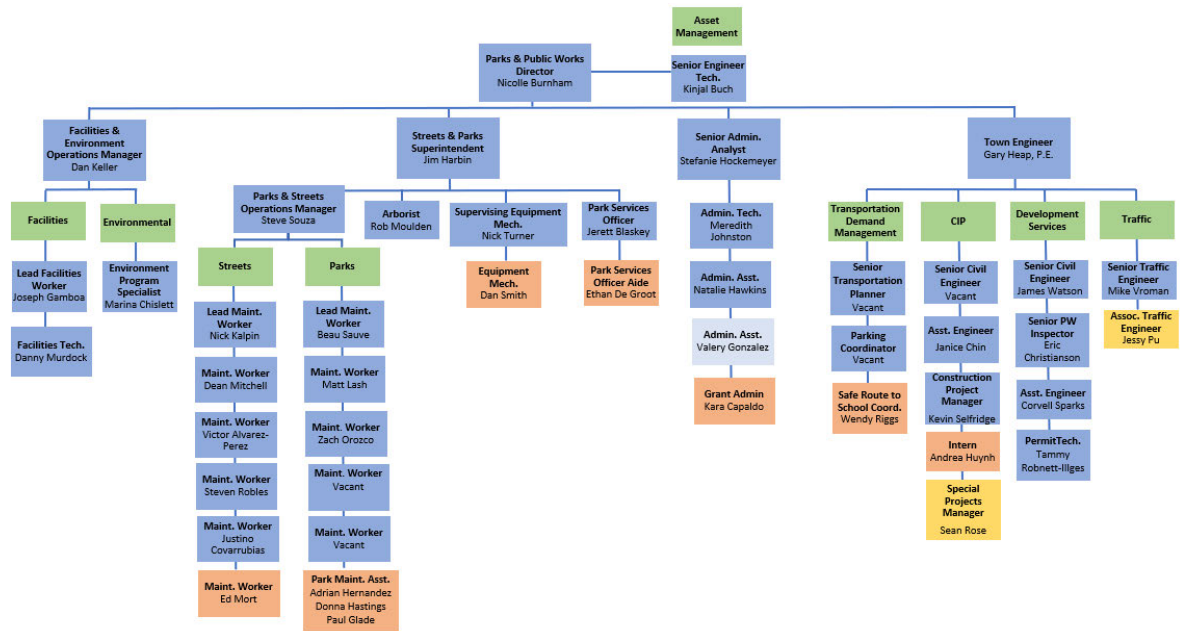
4. All CIP tracking is done on spreadsheets. There is no integrated CIP accounting package that will automatically produce detail CIP standardize tracking reports. As a follow up we would like to look at the underlying CIP tracking spreadsheets for 2 projects - 0227 Traffic Signal Modernization and 4505 Trail Head Connector. We will schedule a meeting in a couple of weeks to review this with PPW so we can gain a better understanding of the current system. To clarify, the Town's accounting system is used to log project revenues and expenditures and reporting is available from that system. PPW consults the accounting system to reconcile project budgets as needed. Project budgeting is made public through the budget process, when Town Council actions are required during a project (e.g., construction award, etc.), and again at project close out.

5. We understand that the ERP upgrade that is currently in progress will not include a CIP accounting module when it initially goes live. With 64 projects in flight and a projected capital spend for FY 24 and FY 25 of \$17.9m and \$7.1m respectively, we are concerned that the current accounting and tracking systems are not robust enough to provide sufficient control and visibility over the CIP spending in a timely fashion. We believe we heard that current PPW leadership shares this concern. As a follow up we should schedule a joint discussion with Finance and PPW to fully understand the risks associated with the current ERP implementation approach and what the plan is to improve CIP tracking and reporting in the future. To be clear, the ERP system will be used to track all town related finances – operating and capital. Our current system is tracking all the financial information related to all capital projects. As discussed at our meeting, PPW is working to improve our processes around capital project management. We have implemented a number of improvements in the past two years and more are under consideration. As implementation of the ERP system moves forward, staff will work closely with our partners in other Town Departments to optimize use of the information available.

6. There are currently only 2 people in CIP in addition to the Town Engineer responsible for managing the CIP budget. All agreed that this was inadequate staffing to properly manage the FY 25 CIP budget. Of the 64 CIP projects, approximately 31 are sufficiently complex that require active oversight. Given the current headcount, the staff has capacity to manage appropriately 20 projects. As a follow up discussion, we should discuss a strategy to "bleed off" the excess projects to restore balance. Given this level of Staffing, we are extremely concerned about the Town's ability to manage a projected FY 24 capital spend of \$17.9m (the Town has never had an annual spend at this level) let alone the projected FY 25 spend. Staff is actively working to complete active projects and good progress is being made in this regard. As explained at our meeting, we know that the projected spending plan for 24/25 is high, because a number of larger projects are either in construction, were recently bid, or will be bid in the fall. Staff continues to work on delivering all of the projects that Town Council has approved in the adopted budget document.

7. I have attached some documents that were presented to the TC at the May 21, 2024 meeting. The FC did not have a chance to review these schedules. We should do that at our next meeting. I would encourage you to review this material and watch the Town Council meeting to hear the discussion of these items. Again, thank you for taking the time to meet with us. We look forward to continuing to work through these issues with you. If I have misstated anything, please feel free to correct our understanding. We need to get this right.

Phil Koen



From: [Phil Koen](#)
To: [Gitta Ungvari](#)
Cc: [Laurel Prevetti](#); [Nicolle Burnham](#); [Linda Reiners](#); [Mary Badame](#); [Gabrielle Whelan](#)
Subject: August Finance Commission
Date: Tuesday, July 2, 2024 8:48:00 AM
Attachments: [Pages from FY-2024-2025-Proposed-CIP-Budget \(2\).pdf](#)

[EXTERNAL SENDER]

Hello Gitta,

Now that the FY 2025 budget cycle is behind us, I would like to schedule a Finance Commission meeting for Monday August 5. The agenda will be to approve minutes from prior meetings, and two new agenda items - 1) detail review of the 7 capital projects highlighted in yellow in the attachment and 2) review of the ERP project.

Could you please check availability of the rest of the Commission to see if they can attend on August 5. Both Linda and I are available.

Under a separate email I will provide more direction regarding the information we would like to have presented to the FC for the capital projects.

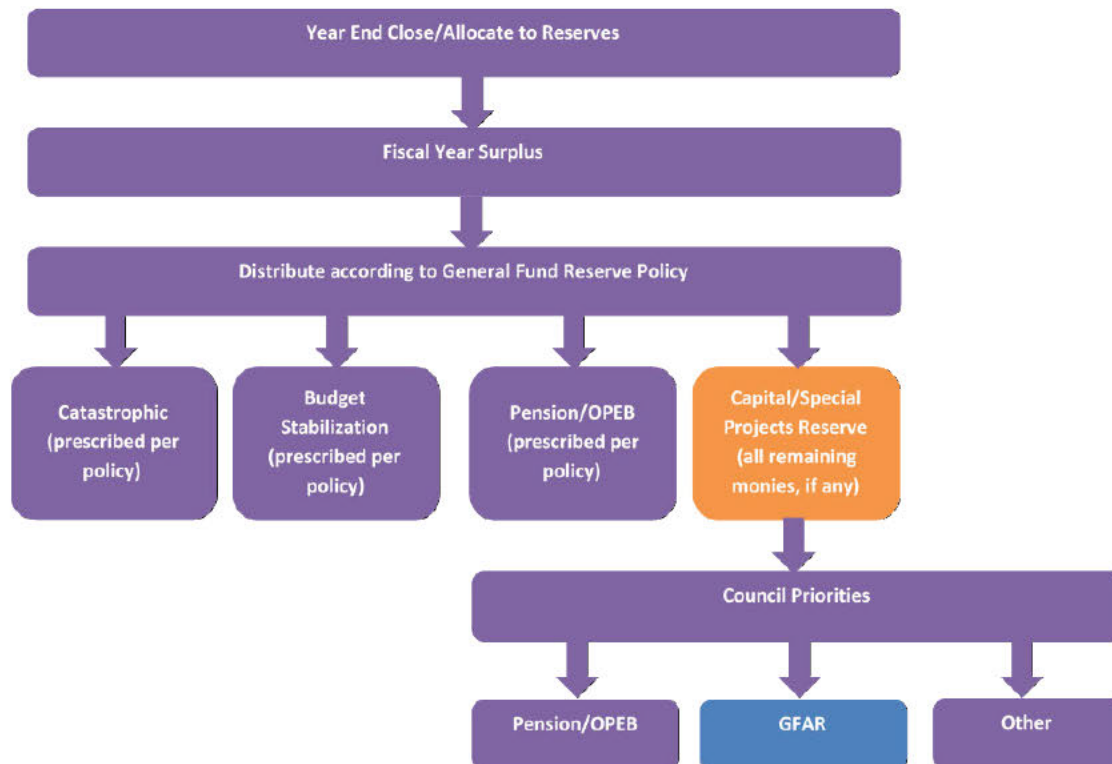
Thank you for your assistance.

Phil Koen
Chair

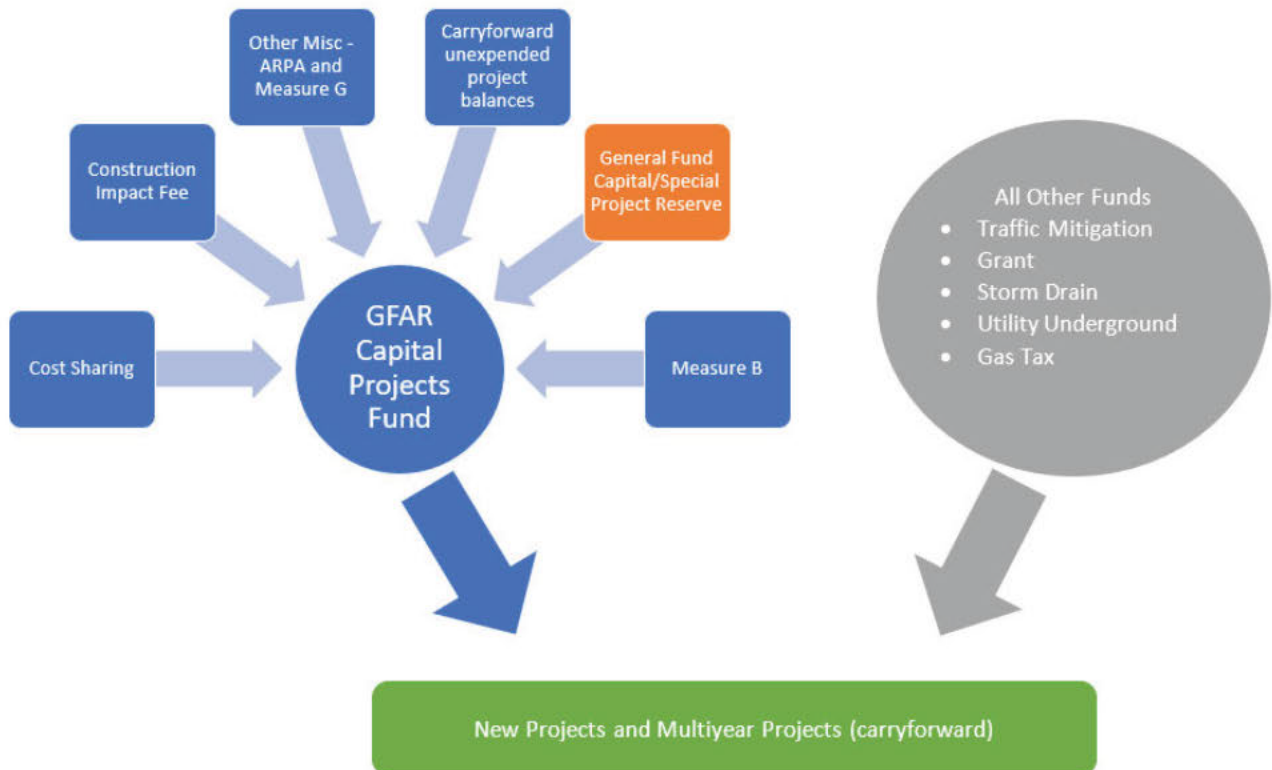
Introduction Section

| Carry-forward & FY 2024/25 CIP Projects | | | | | | | | |
|--|-------|---|--|-------------------|--------------|--------------|---------------|---------|
| | | | GFAR | Grants and Awards | Gas Tax | Other | Total | |
| CARRY-FORWARD PROJECTS | | | | | | | | |
| Streets | * | Street Repair & Resurfacing | \$ 4,219,205 | \$ - | \$ 3,360,099 | \$ - | \$ 7,579,304 | |
| | * | Pavement Rehab-Crack Seal | 360,000 | - | - | - | 360,000 | |
| | * | Annual Street Restriping | 15,000 | - | - | - | 15,000 | |
| | * | Unanticipated Repairs - Annual | 110,788 | - | - | - | 110,788 | |
| | * | Retaining Wall Repairs | 585,300 | - | - | - | 585,300 | |
| | * | Shannon Road Repair | 4,674,167 | - | - | - | 4,674,167 | |
| | * | Roadside Fire Fuel Reduction - Annual | 735,551 | 750,000 | - | - | 1,485,551 | |
| | | East Main Street Crosswalk Improvements | 253,300 | - | - | - | 253,300 | |
| | | VMT Mitigation Program | 66,665 | - | - | - | 66,665 | |
| | | Measure B Education & Encouragement | - | 68,657 | - | - | 68,657 | |
| | | Town-wide Speed Studies | - | - | - | 80,000 | 80,000 | |
| | * | Curb, Gutter & Sidewalk Maintenance | 621,147 | - | - | - | 621,147 | |
| | | Shannon Road Ped & Bikeway Improvements | 442,076 | 1,114,350 | - | 381,383 | 1,937,809 | |
| | | Utility Undergrounding Improvements | - | - | - | 299,573 | 299,573 | |
| | | Traffic Signal Modernization | - | - | - | 94,858 | 94,858 | |
| | | Downtown Streetscape Revitalization/Economic Recovery Efforts | 552,633 | - | - | - | 552,633 | |
| | | State Route 17 Corridor Congestion Relief Project | 867,000 | - | - | - | 867,000 | |
| | | Winchester Class IV Bikeway | - | - | - | - | - | |
| | | Kennedy Sidewalk & Bike Lanes - LGB to Englewood | 492,386 | 1,872,990 | - | - | 2,365,376 | |
| | | Parking Program Implementation | 488,826 | - | - | - | 488,826 | |
| | | Stormwater System - Pollution Prevention Compliance | 36,531 | - | - | - | 36,531 | |
| | | Annual Storm Drain Improvements | - | - | - | 252,219 | 252,219 | |
| | * | Loma Street Drainage | - | - | - | 350,000 | 350,000 | |
| | | Harwood/Belridge Drainage Study | - | - | - | 100,000 | 100,000 | |
| | | 709 University Avenue Drainage System Replacement | - | - | - | 200,000 | 200,000 | |
| | | 333 University Inlet Capacity Improvements | - | - | - | 50,000 | 50,000 | |
| | * | Downtown Parking Lots Seal Coat & Restriping | 65,161 | - | - | - | 65,161 | |
| | | Parking Lot 4 Repair/Waterproofing | 50,200 | - | - | - | 50,200 | |
| | | Quito Road - Bridge Replacement | 50,000 | - | - | - | 50,000 | |
| | | Highway 17 Bicycle & Pedestrian Bridge - Design | 606,714 | 449,605 | - | - | 1,056,319 | |
| | | Timber Bridge Inspection | - | - | - | - | - | |
| | Parks | | Oak Meadow Bandstand Area Improvements | 44,495 | 196,730 | - | - | 241,225 |
| | | * | Town Plaza Turf Repairs | 42,000 | - | - | - | 42,000 |
| | | Creekside Turf Replacement | 500,000 | - | - | - | 500,000 | |
| * | | Parks Playground Fibar Project | 45,149 | - | - | - | 45,149 | |
| * | | Pinehurst Community Garden | 250,059 | - | - | - | 250,059 | |
| | | Charter Oaks Trail Improvement | 474,891 | - | - | - | 474,891 | |
| | | Open Space Trail Upgrades | 152,000 | - | - | - | 152,000 | |
| | | Trailhead Connector | 696,374 | 126,579 | - | - | 822,953 | |
| * | | Vegetation Management - Town-wide | 530,417 | - | - | - | 530,417 | |
| * | | Lynn Ave Pedestrian Path Design | 184,552 | - | - | - | 184,552 | |
| Public Facilities | * | Town Beautification | 22,517 | - | - | - | 22,517 | |
| | * | Public Art Gateway Project | 37,500 | - | - | - | 37,500 | |
| | | Emergency Preparedness | 96,780 | - | - | - | 96,780 | |
| | * | Annual ADA Compliance Work | 80,000 | - | - | - | 80,000 | |
| | | Civic Center ADA Restrooms and HR Offices | 809,000 | - | - | - | 809,000 | |
| | * | Civic Center Plumbing Repair | 80,000 | - | - | - | 80,000 | |
| | * | ARC – Interim Community Center | 877,614 | - | - | - | 877,614 | |
| | | Building Replacement at Corporation Yard | 267,414 | - | - | - | 267,414 | |
| | | Engineering Counter Modification | 40,000 | - | - | - | 40,000 | |
| | | POB Space Study | 75,000 | - | - | - | 75,000 | |
| | | Library Improvements | 22,000 | - | - | - | 22,000 | |
| | | Battery Power Supply - Library | 2,818 | - | - | - | 2,818 | |
| | | ADA Upgrade for Public Restrooms - Adult Recreation Building | 151,691 | 154,108 | - | - | 305,799 | |
| | | Town-wide Document Imaging Project | 16,989 | - | - | - | 16,989 | |
| | | Enterprise Resource Planning Upgrade | 576,817 | - | - | - | 576,817 | |
| | | EOC Communications Upgrade | 6,000 | - | - | - | 6,000 | |
| | | IT Disaster Recovery Improvements | 28,080 | - | - | - | 28,080 | |
| TOTAL OF CARRY-FORWARD PROJECTS (INCLUDES NEW ALLOCATIONS) | | | \$ 21,402,807 | \$ 4,733,019 | \$ 3,360,099 | \$ 1,808,033 | \$ 31,303,958 | |
| *These carry-forward projects include new money for FY 2024/25 in the amount of \$5,826,631. | | | | | | | | |
| NEW PROJECTS | | | | | | | | |
| Streets | | Blossom Hill Rd - Union to Camden Improvements | 160,000 | 640,000 | - | - | 800,000 | |
| | | Overlook Road Tree Replacement | 40,000 | - | - | - | 40,000 | |
| | | Storm Drainage Mapping | 190,000 | - | - | 260,001 | 450,001 | |
| Parks | | Oak Meadow Park Plane Recoating | - | - | - | - | - | |
| | | Sport Court Resurfacing | 100,000 | - | - | - | 100,000 | |
| Public Facilities | | TMO Roof Repairs | 79,640 | - | - | - | 79,640 | |
| | | Fleet Service Outdoor Work Area (Design Phase) | 45,000 | - | - | - | 45,000 | |
| TOTAL OF NEW PROJECTS | | | \$ 614,640 | \$ 640,000 | \$ - | \$ 260,001 | \$ 1,514,641 | |
| TOTAL OF CARRY-FORWARD & NEW PROJECTS | | | \$ 22,017,447 | \$ 5,373,019 | \$ 3,360,099 | \$ 2,068,034 | \$ 32,818,599 | |

FISCAL YEAR SURPLUS FLOW OF FUNDS



CAPITAL IMPROVEMENT PROGRAM



PROPOSED

CAPITAL IMPROVEMENT PROGRAM

Financial Summaries

| STREETS PROGRAM SUMMARY | | | | | | | | | |
|--|--------------------------------|---------------------------------|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|----------------------|
| | Expended Through 2022/23 | 2023/24 Estimated Actuals | Estimated Carryfwd to 2024/25 | 2024/25 Budget | 2025/26 Budget | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget | Total Budgeted |
| Reconstruction | | | | | | | | | |
| 9901 Street Repair & Resurfacing | 24,851,825 | 3,723,736 | 4,044,465 | 3,534,839 | 3,534,839 | 3,534,839 | 3,534,839 | 3,534,839 | 50,294,221 |
| 9903 Pavement Rehab-Crack Seal | 1,616,628 | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 180,000 | 2,876,628 |
| Maintenance-Safety | | | | | | | | | |
| 9902 Annual Street Restriping | 180,228 | - | - | 15,000 | 20,000 | 30,000 | 40,000 | 50,000 | 335,228 |
| 9904 Unanticipated Repairs - Annual | - | 9,572 | 10,788 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 520,360 |
| 9930 Retaining Wall Repairs | 1,595,978 | 31,499 | 535,300 | 50,000 | 50,000 | 50,000 | 50,000 | 50,000 | 2,412,777 |
| 0008 Shannon Road Repair | 433,152 | 268,745 | 4,174,167 | 500,000 | - | - | - | - | 5,376,064 |
| 0010 Blossom Hill Rd - Union to Camden Improvements | - | - | - | 800,000 | - | - | - | - | 800,000 |
| 0130 Roadside Fire Fuel Reduction - Annual | 999,809 | 186,640 | 1,385,551 | 100,000 | 100,000 | 100,000 | 100,000 | 100,000 | 3,072,000 |
| 0131 East Main Street Crosswalk Improvements | 43,700 | 18,000 | 253,300 | - | - | - | - | - | 315,000 |
| 0133 VMT Mitigation Program | 134,767 | 48,568 | 66,665 | - | - | - | - | - | 250,000 |
| 0134 Measure B Education & Encouragement | 18,671 | 52,017 | 68,657 | - | - | - | - | - | 139,345 |
| 0135 Town-wide Speed Studies | - | - | 80,000 | - | - | - | - | - | 80,000 |
| Street Improvements | | | | | | | | | |
| 9921 Curb, Gutter & Sidewalk Maintenance | 5,108,300 | 89,535 | 321,147 | 300,000 | 300,000 | 300,000 | 300,000 | 300,000 | 7,018,982 |
| 0218 Shannon Road Ped & Bikeway Improvements | 263,407 | 106,014 | 1,937,809 | - | - | - | - | - | 2,307,230 |
| 0225 Utility Undergrounding Improvements | 2,852 | - | 299,573 | - | - | - | - | - | 302,425 |
| 0227 Traffic Signal Modernization | 2,001,927 | 540,474 | 94,858 | - | - | - | - | - | 2,637,259 |
| 0235 Downtown Streetscape Revitalization/Economic Recovery Efforts | 1,929,140 | 359,867 | 552,633 | - | - | - | - | - | 2,841,640 |
| 0237 State Route 17 Corridor Congestion Relief Project | 600,000 | - | 867,000 | - | 600,000 | 600,000 | 600,000 | 600,000 | 3,867,000 |
| 0240 Winchester Class IV Bikeway | 942,062 | - | - | - | - | - | - | - | 942,062 |
| 0241 Kennedy Sidewalk & Bike Lanes - LGB to Englewood | - | - | 2,365,376 | - | - | - | - | - | 2,365,376 |
| 0242 Parking Program Implementation | 153,110 | 125,519 | 488,826 | - | - | - | - | - | 767,455 |
| 0244 Overlook Road Tree Replacement | - | - | - | 40,000 | - | - | - | - | 40,000 |
| 0414 Stormwater System - Pollution Prevention Compliance | 22,722 | 38,747 | 36,531 | - | - | - | - | - | 98,000 |
| 0420 Annual Storm Drain Improvements | 291,181 | - | 252,219 | - | - | - | - | - | 543,400 |
| 0421 Loma Street Drainage | - | - | 100,000 | 250,000 | 496,300 | - | - | - | 846,300 |
| 0422 Harwood/Belridge Drainage Study | - | - | 100,000 | - | - | - | - | - | 100,000 |
| 0423 709 University Avenue Drainage System Replacement | - | - | 200,000 | - | - | - | - | - | 200,000 |
| 0424 333 University Inlet Capacity Improvements | - | - | 50,000 | - | - | - | - | - | 50,000 |
| 0425 Storm Drainage Mapping | - | - | 190,000 | 260,001 | - | - | - | - | 450,001 |
| 0705 Downtown Parking Lots Seal Coat & Restriping | 84,839 | - | 15,161 | 50,000 | - | 10,000 | - | 10,000 | 170,000 |
| 0708 Parking Lot 4 Repair/Waterproofing | 199,800 | - | 50,200 | - | - | - | - | - | 250,000 |
| Bridges | | | | | | | | | |
| 0801 Quito Road - Bridge Replacement | 64,594 | 235,087 | 50,000 | - | - | - | - | - | 349,681 |
| 0803 Highway 17 Bicycle & Pedestrian Bridge - Design | 1,083,238 | 2,317,745 | 1,056,319 | - | - | - | - | - | 4,457,302 |
| 0804 Timber Bridge Inspection | - | - | - | - | 25,000 | 25,000 | - | - | 50,000 |
| Total Streets Projects | \$ 42,621,929 | \$ 8,331,766 | \$ 19,826,546 | \$ 6,179,840 | \$ 5,406,139 | \$ 4,929,839 | \$ 4,904,839 | \$ 4,924,839 | \$ 97,125,736 |

| PARK & TRAILS PROGRAM SUMMARY | | | | | | | | | |
|---|--------------------------------|---------------------------------|-------------------------------------|-------------------|-------------------|-------------------|-------------------|-------------------|----------------------|
| | Expended Through 2022/23 | 2023/24 Estimated Actuals | Estimated Carryfwd to 2024/25 | 2024/25 Budget | 2025/26 Budget | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget | Total Budgeted |
| Parks | | | | | | | | | |
| 4007 Oak Meadow Bandstand Area Improvements | 22,282 | 23,223 | 241,225 | - | - | - | - | - | 286,730 |
| 4008 Oak Meadow Park Plane Recoating | - | - | - | - | - | 40,000 | - | - | 40,000 |
| 4202 Town Plaza Turf Repairs | 9,116 | - | 27,000 | 15,000 | - | - | - | - | 51,116 |
| 4404 Creekside Turf Replacement | - | - | 500,000 | - | - | - | - | - | 500,000 |
| 4605 Parks Playground Fibar Project | 92,531 | 36,820 | 20,149 | 25,000 | - | 25,000 | - | 25,000 | 224,500 |
| 4610 Pinehurst Community Garden | 14,314 | 70,627 | 200,059 | 50,000 | - | - | - | - | 335,000 |
| 4611 Sport Court Resurfacing | - | - | - | 100,000 | - | - | - | - | 100,000 |
| Trails | | | | | | | | | |
| 4503 Charter Oaks Trail Improvement | 72,942 | - | 474,891 | - | - | - | - | - | 547,833 |
| 4504 Open Space Trail Upgrades | - | - | 152,000 | - | - | - | - | - | 152,000 |
| 4505 Trailhead Connector | 692,000 | 8,006,899 | 822,953 | - | - | - | - | - | 9,521,851 |
| 4508 Vegetation Management - Town-wide | 244,826 | 5,423 | 97,458 | 432,959 | 100,000 | 100,000 | 100,000 | 100,000 | 1,180,666 |
| 4510 Lynn Ave Pedestrian Path Design | - | 55,448 | 134,552 | 50,000 | - | - | - | - | 240,000 |
| Total Parks Projects | \$ 1,148,011 | \$ 8,198,439 | \$ 2,670,287 | \$ 672,959 | \$ 100,000 | \$ 165,000 | \$ 100,000 | \$ 125,000 | \$ 13,179,696 |

Financial Summaries

| PUBLIC FACILITIES PROGRAM SUMMARY | | | | | | | | | |
|---|--------------------------------|---------------------------------|-------------------------------------|---------------------|---------------------|---------------------|---------------------|---------------------|-----------------------|
| | Expended Through 2022/23 | 2023/24 Estimated Actuals | Estimated Carryfwd to 2024/25 | 2024/25 Budget | 2025/26 Budget | 2026/27 Budget | 2027/28 Budget | 2028/29 Budget | Total Budgeted |
| Infrastructure | | | | | | | | | |
| 2002 Town Beautification | 129,422 | 17,687 | 7,517 | 15,000 | 15,000 | 15,000 | 15,000 | 15,000 | 229,625 |
| 2009 Public Art Gateway Project | 50,000 | 105,611 | - | 37,500 | 37,500 | - | - | - | 230,611 |
| 2012 Emergency Preparedness | - | - | 96,780 | - | - | - | - | - | 96,780 |
| 2013 Annual ADA Compliance Work | - | - | 10,000 | 70,000 | 20,000 | 20,000 | 20,000 | 20,000 | 160,000 |
| 2117 Civic Center ADA Restrooms and HR Offices | 74,924 | 96,076 | 809,000 | - | - | - | - | - | 980,000 |
| 2120 Civic Center Plumbing Repair | - | - | 40,000 | 40,000 | 40,000 | - | - | - | 120,000 |
| 2121 TMO Roof Repairs | - | - | 79,640 | - | - | - | - | - | 79,640 |
| 2208 ARC – Interim Community Center | - | - | 866,281 | 11,333 | - | - | - | - | 877,614 |
| 2302 Building Replacement at Corporation Yard | 2,156,661 | 239,619 | 267,414 | - | - | - | - | - | 2,663,694 |
| 2310 Engineering Counter Modification | - | - | 40,000 | - | - | - | - | - | 40,000 |
| 2311 Fleet Service Outdoor Work Area (Design Phase) | - | - | - | 45,000 | - | - | - | - | 45,000 |
| 2404 POB Space Study | - | - | 75,000 | - | - | - | - | - | 75,000 |
| 2504 Library Improvements | - | - | 22,000 | - | - | - | - | - | 22,000 |
| 2505 Battery Power Supply - Library | 439,466 | 100,716 | 2,818 | - | - | - | - | - | 543,000 |
| 2601 ADA Upgrade for Public Restrooms - Adult Recreation Building | 103,964 | 294,099 | 305,799 | - | - | - | - | - | 703,861 |
| Equipment | | | | | | | | | |
| 6003 Town-wide Document Imaging Project | 198,011 | - | 16,989 | - | - | - | - | - | 215,000 |
| 6101 Enterprise Resource Planning Upgrade | 470,129 | 555,607 | 576,817 | - | - | - | - | - | 1,602,554 |
| 6103 EOC Communications Upgrade | 24,717 | 1,000 | 6,000 | - | - | - | - | - | 31,717 |
| 6104 IT Disaster Recovery Improvements | 171,163 | 757 | 28,080 | - | - | - | - | - | 200,000 |
| Total Facilities Projects | 3,818,457 | 1,411,173 | 3,250,134 | 218,833 | 112,500 | 35,000 | 35,000 | 35,000 | 8,916,097 |
| Total Street, Parks and Trails, and Public Facilities Projects | \$ 47,588,397 | \$ 17,941,378 | \$ 25,746,967 | \$ 7,071,632 | \$ 5,618,639 | \$ 5,129,839 | \$ 5,039,839 | \$ 5,084,839 | \$ 119,221,530 |

From: [Phil Koen](#)
To: [Gitta Ungvari](#)
Subject: Re: Capex Project Review
Date: Friday, July 26, 2024 2:05:10 AM
Attachments: [inky-injection-inliner-209b06d63f3139b7bbda7129634c80da.png](#)
[inky-injection-inliner-6f42d488d348cfc86d9f9497caf9f6a.png](#)
[inky-injection-inliner-6f42d488d348cfc86d9f9497caf9f6a.png](#)
[inky-injection-inliner-209b06d63f3139b7bbda7129634c80da.png](#)

[EXTERNAL SENDER]

Hello Gitta,

Please include project 2302 - Building Replacement.

This project is a good example of a project being closed out and will inform everyone as to the final cost, scope and timeline vs. the initial approved capital plan.

Thank you

Phil Koen

On Jul 26, 2024, at 3:22 AM, Gitta Ungvari <Gungvari@losgatosca.gov> wrote:



Good afternoon Chair,

I have a quick question regarding the seven capital projects listed. The original email referenced the ARC- Interim Community Center, while the list refers to the Building Replacement at Corporation Yard.

Can you verify which one should be included in the detailed discussion?

Thanks,

Gitta

| Carry-forward & FY 2024/25 CIP Projects | | | | | |
|---|--------------|-------------------|--------------|---------|--------------|
| CARRY-FORWARD PROJECTS | GFAR | Grants and Awards | Gas Tax | Other | Total |
| Streets | | | | | |
| • Street Repair & Resurfacing | \$ 4,225,226 | \$ - | \$ 3,362,099 | \$ - | \$ 7,577,324 |
| • Pavement Rehab-Crack Seal | 360,000 | - | - | - | 360,000 |
| • Annual Street Restriping | 15,000 | - | - | - | 15,000 |
| • Unanticipated Repairs - Annual | 112,788 | - | - | - | 112,788 |
| • Retaining Wall Repairs | 585,300 | - | - | - | 585,300 |
| • Shannon Road Repair | 4,634,167 | - | - | - | 4,634,167 |
| • Roadside Fire Fuel Reduction - Annual | 738,551 | 750,000 | - | - | 1,488,551 |
| • East Main Street Curbwalk Improvements | 253,300 | - | - | - | 253,300 |
| • VMT Mitigation Program | 66,665 | - | - | - | 66,665 |
| • Measure B Education & Encouragement | - | 68,657 | - | - | 68,657 |
| • Town-wide Speed Studies | - | - | 80,000 | - | 80,000 |
| • Curb, Gutter & Sidewalk Maintenance | 621,147 | - | - | - | 621,147 |
| • Shannon Road Ped & Bikeway Improvements | 442,078 | 1,134,360 | - | 381,383 | 1,957,821 |
| • Utility Undergrounding Improvements | - | - | - | 295,573 | 295,573 |
| • Traffic Signal Modernization | - | - | - | 94,858 | 94,858 |
| • Downtown Streetscape Revitalization/Economic Recovery Efforts | 552,633 | - | - | - | 552,633 |
| • State Route 17 Corridor Congestion Relief Project | 867,000 | - | - | - | 867,000 |
| • Winchester Class IV Bikeway | - | - | - | - | - |
| • Kennedy Sidewalk & Bike Lanes - 108 to Englewood | 492,386 | 1,872,990 | - | - | 2,365,376 |
| • Parking Program Implementation | 488,626 | - | - | - | 488,626 |
| • Stormwater System - Pollution Prevention Compliance | 36,531 | - | - | - | 36,531 |
| • Annual Storm Drain Improvements | - | - | 252,219 | - | 252,219 |
| • Loma Street Drainage | - | - | 350,000 | - | 350,000 |
| • Horwood/Bridge Drainage Study | - | - | 100,000 | - | 100,000 |
| • 708 University Avenue Drainage System Replacement | - | - | 200,000 | - | 200,000 |
| • 333 University Inlet Capacity Improvements | - | - | 50,000 | - | 50,000 |
| • Downtown Parking Lots Seal Coat & Restriping | 65,161 | - | - | - | 65,161 |
| • Parking Lot 4 Repairs/Waterproofing | 50,200 | - | - | - | 50,200 |
| • Quito Road - Bridge Replacement | 50,000 | - | - | - | 50,000 |
| • Highway 17 Bicycle & Pedestrian Bridge - Design | 606,714 | 440,825 | - | - | 1,047,539 |
| • Timber Bridge Inspection | - | - | - | - | - |
| Parks | | | | | |
| • Oak Meadow Bandstand Area Improvements | 44,495 | 196,730 | - | - | 241,225 |
| • Town Plaza Turf Repairs | 42,000 | - | - | - | 42,000 |
| • Creekside Turf Replacement | 500,000 | - | - | - | 500,000 |
| • Parks Playground Fiber Project | 45,149 | - | - | - | 45,149 |
| • Pinehurst Community Garden | 250,009 | - | - | - | 250,009 |
| • Charter Oak Trail Improvement | 474,891 | - | - | - | 474,891 |
| • Open Space Trail Upgrades | 152,000 | - | - | - | 152,000 |
| • Trailhead Connector | 496,174 | 126,579 | - | - | 622,753 |
| • Vegetation Management - Town-wide | 532,417 | - | - | - | 532,417 |
| • Lynn Ave Pedestrian Path Design | 184,552 | - | - | - | 184,552 |
| Public Facilities | | | | | |
| • Town Beautification | 22,517 | - | - | - | 22,517 |
| • Public Art Gateway Project | 37,500 | - | - | - | 37,500 |
| • Emergency Preparedness | 96,780 | - | - | - | 96,780 |
| • Annual ADA Compliance Work | 80,000 | - | - | - | 80,000 |
| • Civic Center ADA Restrooms and MI Offices | 805,000 | - | - | - | 805,000 |
| • Civic Center Plumbing Repair | 80,000 | - | - | - | 80,000 |
| • AHC - Interim Community Center | 877,614 | - | - | - | 877,614 |
| • Building Replacement at Corporation Yard | 267,414 | - | - | - | 267,414 |
| • Engineering Counter Modification | 40,000 | - | - | - | 40,000 |
| • PCB Space Study | 75,000 | - | - | - | 75,000 |
| • Library Improvements | 22,000 | - | - | - | 22,000 |
| • Better Power Supply - Library | 2,858 | - | - | - | 2,858 |
| • ADA Upgrade for Public Restrooms - Adult Renovation Building | 151,495 | 154,108 | - | - | 305,603 |
| • Town-wide Document Imaging Project | 16,989 | - | - | - | 16,989 |
| • Enterprise Resource Planning Upgrade | 576,827 | - | - | - | 576,827 |
| • BOC Communications Upgrade | 6,000 | - | - | - | 6,000 |
| • IT Disaster Recovery Improvements | 28,080 | - | - | - | 28,080 |

-----Original Message-----

From: Phil Koen [REDACTED]
Sent: Tuesday, July 23, 2024 9:50 PM
To: Gitta Ungvari <GUngvvari@losgatosca.gov>
Cc: Linda Reiners [REDACTED]; Laurel Prevetti <LPrevetti@losgatosca.gov>; Gabrielle Whelan <GWWhelan@losgatosca.gov>; Mary Badame <MBadame@losgatosca.gov>
Subject: Capex Project Review

[EXTERNAL SENDER]

Hello Gitta,

To help center the capital project discussion, I would respectfully request Staff to focus the review discussion on the following 7 projects:

0008 - Shannon Road repair
0130 - Roadside Fuel Reduction
0218 - Shannon Ped. and bikeway improvements
0241 - Kennedy Sidewalk
0803 - Highway 17 bridge
4505 - trailhead connector
2302 - building replacement - corporate yard.

Again, we wish to avoid creating a large burden on the Staff in preparing for this discussion. Sharing with the FC the regular management reports the Staff uses to track actual spend to budget and performance to schedule, etc. is all that is required at this time. In total these 7 projects represent a total capital budget of \$29.7m.

Thank you,

Phil Koen

From: [Phil Koen](#)
To: [Gitta Ungvari](#)
Cc: [Ireiners59@gmail.com](#); [Laurel Prevett](#); [Gabrielle Whelan](#); [Mary Badame](#)
Subject: Re: Draft Agenda for August 5, 2024 Special Meeting
Date: Tuesday, July 23, 2024 5:42:52 PM
Attachments: [inky-injection-inliner-209b06d63f3139b75bda7129634c80da.png](#)
[inky-injection-inliner-6f42d488d348cfd86b9f9497caf9f6a.png](#)
[inky-injection-inliner-6f42d488d348cfd86b9f9497caf9f6a.png](#)
[inky-injection-inliner-209b06d63f3139b75bda7129634c80da.png](#)

[EXTERNAL SENDER]

Gitta,

I'll send you a more detail response later today but I wanted to make sure Staff is prepared to discuss with the FC the following ;

1. The proposed resolution for the sales tax had a finding that "Town revenues have not kept pace" with "the costs of providing services and programs to residents". The Staff did not provided the TC any documents that would support this finding. Furthermore the audited financial statements, based on my review, do not support this finding. I mentioned this in my letter to the TC. I am requesting the Staff provide the FC the documentation that supports this finding. Furthermore, I am requesting Staff to explain the internal review process that is in place to insure critical findings such as this are true and accurate. I am not aware of what the review process is and it would constructive for Staff to outline this process.

2. Regarding reviewing the status of the significant capital projects, I will provide you the exact projects I would like to review. I anticipate staff would present and review the management reports the Staff uses to manage these projects. There should not be any time spent on developing new reports - just present what is used currently by staff. I am going to allocate only a hour to this agenda item and if we don't get through all the projects, we will roll forward the ones we don't review to our next meeting.

More to come —

Thank you,

Phil Koen
Sent from my iPhone

On Jul 23, 2024, at 10:38 PM, Gitta Ungvari <GUNGvari@losgatosca.gov> wrote:



Good morning Chair,

Please see draft agenda for the Finance Commission special meeting per the information you provided.

1. Discussion of the Finance Commission Chair Letter to the Town Council Regarding the Sales Tax Proposal and the Proposed Resolution Drafted by Staff.
2. Status Review of the Largest Capital Improvement Projects
3. Review of the Enterprise Resource Planning System Implementation Project

Please confirm the draft agenda by July 25 at 5 p.m.

Thanks,

Gitta

p.s. I will be travelling and will have limited email access. I will be at the office on Thursday July 25th.

From: Phil Koen
To: Linda Reiners; Joseph Rodgers; Ashley Moniz; Andrew Howard; Matthew Hudes; Rob Rennie
Cc: Laurel Prevetti; Gitta Ungvari; Gabrielle Whelan; Wendy Wood
Subject: Fwd: August Finance Commission Meeting
Date: Wednesday, July 10, 2024 11:51:05 PM
Attachments: inky-injection-inliner-6f42d488d348cfc086b6ff9497caf9f6a.png
inky-injection-inliner-209b06d63f3139b7b0da7129634c80da.png
image001.png
image002.png

[EXTERNAL SENDER]

Dear members of the FC,

Hopefully you have received a notice from Gitta that I would like to schedule a special meeting of the FC for August 5 from noon to 2 pm. at the Council Chambers.

The meeting will be focused on three items - 1) a discussion of my letter as Chair to the TC regarding the sales tax proposal and the proposed resolution drafted by Staff. While the TC voted not to proceed, it is still appropriate to review and discuss the letter and resolution since the FC was unable to do so prior to it being sent. There were a number of points raised that I believe are worthy of a short discussion; 2) a status review of the largest capital projects currently in flight. I don't believe there has ever been a detail status review of individual projects outside a budgeting cycle by the FC. I have submitted to Gitta a proposed list of the projects to review., and 3) a review of the ERP System implementation including a discussion of objectives, project scope, time phased deliverables, overall project timeline, known risks and actual spend vs approved budget. We have heard for sometime that the Town needs a new ERP platform. This will be our first opportunity to learn more about this critical project.

I am allocating 15 minutes to agenda item 1, 75 minutes to agenda item 2 and 30 minutes to agenda item 3. My hope is that we can conclude the meeting by 2pm.

Please do not respond to this email. This is meant to provide information only. I hope all of you will be able to attend.

Thank you,

Phil Koen
Chair

Begin forwarded message:

From: Gitta Ungvari <Gungvari@losgatosca.gov>
Date: July 8, 2024 at 8:48:00 PM GMT+1
To: Phil Koen [REDACTED]
Subject: RE: August Finance Commission Meeting



Good afternoon Chair,

I have confirmed that the Council Chamber will be available on August 5, 2024 at noon. I have reached out to the Commissioners with the new time. I will let you know as I hear back from them.

Thanks,

Gitta

From: Phil Koen [REDACTED]
Sent: Thursday, July 4, 2024 12:00 PM
To: Gitta Ungvari <Gungvari@losgatosca.gov>
Cc: Linda Reiners [REDACTED]; Laurel Prevetti <LPrevetti@losgatosca.gov>; Gabrielle Whelan <GWhelan@losgatosca.gov>; Mary Badame <MBadame@losgatosca.gov>
Subject: Re: August Finance Commission

[EXTERNAL SENDER]

Hello Gita,

If we could target the FC meeting for August 5 from noon - 3 pm that would be best. I know that this is a departure from our traditional schedule,

but I think it might accommodate some member's schedule.

In addition to the agenda items I mentioned, could we also add an item for the Finance Commission to review my June 29 email as Chair to the Town Council regarding the sales tax measure since they did not have an opportunity to do so. I would specifically request Staff to provide the supporting back up material which substantiates the claim the Town's revenues have not kept pace with expenditures over the years since I specifically called this out in my correspondence. We need to understand the basis for this claim.

Thank you for your assistance.

Phil Koen

On Jul 2, 2024, at 9:23 AM, Gitta Ungvari <GUngvari@losgatosca.gov> wrote:



Good morning Chair,

Our regular Finance Commission meeting is set for the second Monday of the month. The schedule approved previously for the Finance Commission did not include any meeting for the month of August. I will check the Commissioners' availability for a Special Finance Commission meeting on August 5th.

I will let you know as soon as I hear back from them.

Thanks,

Gitta

From: Phil Koen [REDACTED]
Sent: Tuesday, July 2, 2024 8:48 AM
To: Gitta Ungvari <GUngvari@losgatosca.gov>
Cc: Laurel Prevetti <LPrevetti@losgatosca.gov>; Nicolle Burnham <NBurnham@losgatosca.gov>; Linda Reiners [REDACTED] Mary Badame <MBadame@losgatosca.gov>; Gabrielle Whelan <GWwhelan@losgatosca.gov>
Subject: August Finance Commission

[EXTERNAL SENDER]

Hello Gitta,

Now that the FY 2025 budget cycle is behind us, I would like to schedule a Finance Commission meeting for Monday August 5. The agenda will be to approve minutes from prior meetings, and two new agenda items - 1) detail review of the 7 capital projects highlighted in yellow in the attachment and 2) review of the ERP project.

Could you please check availability of the rest of the Commission to see if they can attend on August 5. Both Linda and I are available.

Under a separate email I will provide more direction regarding the information we would like to have presented to the FC for the capital projects.

Thank you for your assistance.

Phil Koen
Chair

From: [Phil Koen](#)
To: [Gitta Ungvari](#)
Cc: [Linda Reiners](#); [Laurel Prevetti](#); [Gabrielle Whelan](#); [Mary Badame](#)
Subject: Capex Project Review
Date: Tuesday, July 23, 2024 9:49:42 PM

[EXTERNAL SENDER]

Hello Gitta,

To help center the capital project discussion, I would respectfully request Staff to focus the review discussion on the following 7 projects:

0008 - Shannon Road repair
0130 - Roadside Fuel Reduction
0218 - Shannon Ped. and bikeway improvements
0241 - Kennedy Sidewalk
0803 - Highway 17 bridge
4505 - trailhead connector
2302 - building replacement - corporate yard.

Again, we wish to avoid creating a large burden on the Staff in preparing for this discussion. Sharing with the FC the regular management reports the Staff uses to track actual spend to budget and performance to schedule, etc. is all that is required at this time. In total these 7 projects represent a total capital budget of \$29.7m.

Thank you,

Phil Koen