

ADOPTED Capital Budget

Fiscal Year 2015



CITY OF
**PALO
ALTO**



CITY OF
**PALO
ALTO**

Fiscal Year 2015 Adopted Capital Budget

City Council

Nancy Shepherd, Mayor

Liz Kniss, Vice Mayor

Marc Berman Patrick Burt

Karen Holman Larry Klein

Gail Price Gregory Scharff

Greg Schmid

James Keene

City Manager

Vacant

Assistant City Manager/Chief Operating Officer

Lalo Perez

Director of Administrative Services/Chief Financial Officer

Walter C. Rossmann

Director, Office of Management and Budget

David Ramberg

Assistant Director of Administrative Services

Joe Saccio

Assistant Director of Administrative Services

Marc Berman

Finance Committee Chair



CITY OF
**PALO
ALTO**

The government of the City of Palo Alto exists to promote and sustain a superior quality of life in Palo Alto. In partnership with our community, our goal is to deliver cost-effective services in a personal, responsive, and innovative manner.

The City of Palo Alto's Values

Quality - Superior delivery of services

Courtesy - Providing service with respect and concern

Efficiency - Productive, effective use of resources

Integrity - Straight-forward, honest and fair relations

Innovation - Excellence in creative thought and implementation

TABLE OF CONTENTS

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Table of Contents

PAGE	ITEM DESCRIPTION
------	------------------

TABLE OF CONTENTS

INTRODUCTION

1	City Council Transmittal Letter
16	Budget Acknowledgments
17	CIP Organizational Chart
19	The Capital Budget Process and Document
27	Budget Awards
28	Summary of Capital Improvement Program Revenue
33	Debt Policy and Obligations

FINANCIAL SUMMARY

41	2015-19 CIP Summary by Fund
43	2015-19 Capital Improvement Projects
52	Capital Projects by Fund — Total Expenditures
53	Capital Projects by Fund — Total Funding Sources
54	General Fund Capital — Total Expenses by Category
55	General Fund Capital — Total Funding Sources
56	General Fund Total Expense by Category for FY2015-19
57	FY 2014 Adopted CIP Projects

CAPITAL FUND PROJECTS

63	General Fund Overview
----	-----------------------

GENERAL FUND PROJECTS

69	Infrastructure Map
----	--------------------

Buildings and Facilities

73	PF-93009	Americans with Disabilities Act Compliance
75	AC-14000	Art Center Auditorium Audio, Visual, and Furnishings
76	AC-14001	Baylands Nature Interpretive Ctr. Exhibit Improvements
77	PF-01003	Building Systems Improvements
79	PF-14004	California Avenue Parking District Parking Improvements
81	PE-09003	City Facility Parking Lot Maintenance
83	PE-18016	Civic Center Fire Life Safety and Electrical Upgrades
84	PE-15020	Civic Center Waterproofing Study

Table of Contents

PAGE	ITEM DESCRIPTION
86	PF-02022 Facility Interior Finishes Replacement
88	PE-14012 Junior Museum & Zoo Improvements
90	PF-17000 Municipal Services Center Building A, B, & C Roofing Rehabilitation
92	PF-15000 Rinconada Pool Locker Room
94	PF-00006 Roofing Replacement
96	PF-14003 University Avenue Parking District Parking Improvements
98	PE-15011 Ventura Buildings Improvements
	Streets and Sidewalks
103	PO-12001 Curb and Gutter Repairs
104	PE-13017 El Camino Median Landscape Improvements
106	PL-15001 Embarcadero Road Corridor Improvements
108	PE-12011 Newell Road/San Francisquito Creek Bridge Replacement
110	PO-89003 Sidewalk Repairs
112	PO-11000 Sign Reflectivity Upgrade
114	PO-05054 Street Lights Improvements
115	PE-86070 Street Maintenance
117	PO-11001 Thermoplastic Lane Marking and Striping
	Parks and Open Space
121	AC-86017 Art in Public Places
123	PE-15029 Baylands Interpretive Center Improvements
124	PE-15028 Baylands Levee Improvements Feasibility Study
126	PG-06003 Benches, Signage, Fencing, Walkways, and Perimeter Landscaping
127	PE-17005 Boulware Park Improvements
128	PG-14002 Cameron Park Improvements
129	PG-18000 Golf Course Driving Range Net and Artificial Turf Replacement
130	PE-18012 Hoover Park Improvements
132	PE-18010 Mitchell Park Improvements
133	OS-09001 Off-Road Pathway Resurfacing and Repair
135	OS-00001 Open Space Trails and Amenities
137	PE-15022 Palo Alto Community Gardens Irrigation System
139	PG-09002 Park and Open Space Emergency Repairs
140	PG-14001 Peers Park Improvements
141	PG-14000 Ramos Park Improvements
142	PE-08001 Rinconada Park Improvements
144	PE-18015 Robles Park Improvements
145	PG-14003 Seale Park Improvements
146	PG-13001 Stanford/Palo Alto Soccer Turf Replacement

Table of Contents

PAGE	ITEM DESCRIPTION	
148	PG-06001 Tennis and Basketball Court Resurfacing	
		Traffic and Transportation
153	PL-04010 Bicycle & Pedestrian Transportation Plan Projects	
155	PE-13011 Charleston/Arastradero Corridor Project	
157	PL-14000 El Camino Real & Churchill Avenue Intersection Improvements	
159	PE-11011 Highway 101 Pedestrian/Bicycle Overpass Project (formerly PL-11000)	
161	PL-14001 Matadero Creek Trail	
163	PL-00026 Safe Routes to School	
165	PL-05030 Traffic Signal and Intelligent Transportation System (ITS) Upgrades	
167	PL-12000 Transportation and Parking Improvements	
		Miscellaneous
171	AS-10000 Salaries and Benefits - General Fund CIP Projects	
		ENTERPRISE FUND PROJECTS
175	Enterprise Funds Overview	
		Electric Fund
183	Electric Fund Map	
185	EL-06001 230 KV Electric Intertie	
187	EL-14000 Coleridge/Cowper/Tennyson 4/12 kV Conversion	
189	EL-15000 Colorado/Hopkins System Improvement	
190	EL-89031 Communications System Improvements	
192	EL-13000 Edgewood/Wildwood 4 kV Tie	
193	EL-89028 Electric Customer Connections	
195	EL-15001 Electric Substation Battery Replacement	
197	EL-98003 Electric System Improvements	
199	EL-02011 Electric Utility GIS	
201	EL-09000 Middlefield Underground Rebuild	
203	EL-13003 Rebuild UG District 16	
205	EL-11006 Rebuild UG District 18	
207	EL-14002 Rebuild UG District 20	
209	EL-10006 Rebuild UG District 24	
211	EL-16000 Rebuild UG District 26	
212	EL-14005 Reconfigure Quarry Feeders	
214	EL-13002 Relocate Quarry Road/Hopkins Substations 60 kV Line (Lane A & B)	
216	EL-02010 SCADA System Upgrades	
217	EL-11014 Smart Grid Technology Installation	

Table of Contents

PAGE	ITEM DESCRIPTION	
219	EL-89044 Substation Facility Improvements	
220	EL-89038 Substation Protection Improvements	
222	EL-08001 UG District 42 - Embarcadero Rd. (Between Emerson & Middlefield)	
224	EL-11009 UG District 43 - Alma/Embarcadero	
226	EL-12001 UG District 46 - Charleston/El Camino Real	
228	EL-11010 UG District 47 - Middlefield, Homer Avenue, Webster Street and Addison Avenue	
230	EL-13007 Underground Distribution System Security	
232	EL-06003 Utility Control Center Upgrades	
234	EL-04012 Utility Site Security Improvements	
		Fiber Optics Fund
239	FO-10000 Fiber Optics Customer Connections	
241	FO-10001 Fiber Optics Network System Improvements	
		Gas Fund
245	Gas Fund Map	
247	GS-13002 Gas Equipment and Tools	
249	GS-12001 Gas Main Replacement - Project 22	
251	GS-13001 Gas Main Replacement - Project 23	
253	GS-14003 Gas Main Replacement - Project 24	
255	GS-15000 Gas Main Replacement - Project 25	
257	GS-16000 Gas Main Replacement - Project 26	
259	GS-80019 Gas Meters and Regulators	
260	GS-11002 Gas System Improvements	
262	GS-80017 Gas System, Customer Connections	
264	GS-15001 Security at City Gas Receiving Stations	
265	GS-03009 System Extensions - Unreimbursed	
		Water Fund
269	Water Fund Map	
271	WS-09000 Seismic Water System Upgrades	
272	WS-11003 Water Distribution System Improvements	
273	WS-13002 Water Fusion and General Equipment/Tools	
275	WS-12001 Water Main Replacement - Project 26	
277	WS-13001 Water Main Replacement - Project 27	
279	WS-14001 Water Main Replacement - Project 28	
281	WS-15002 Water Main Replacement - Project 29	
283	WS-16001 Water Main Replacement - Project 30	
285	WS-80015 Water Meters	

Table of Contents

PAGE	ITEM DESCRIPTION	
287	WS-08001 Water Reservoir Coating Improvements	
289	WS-80014 Water Service Hydrant Replacement	
290	WS-15004 Water System Master Plan	
292	WS-11004 Water System Supply Improvements	
294	WS-80013 Water System, Customer Connections	
296	WS-02015 Water, Gas, Wastewater Utility GIS Data	
		Wastewater Collection Fund
301	Wastewater Collection Fund Map	
303	WC-99013 Sewer Lateral/Manhole Rehab/Replacement	
305	WC-80020 Sewer System, Customer Connections	
307	WC-14001 Wastewater Collection System Rehabilitation/Augmentation Project 27	
309	WC-15001 Wastewater Collection System Rehabilitation/Augmentation Project 28	
311	WC-16001 Wastewater Collection System Rehabilitation/Augmentation Project 29	
313	WC-17001 Wastewater Collection System Rehabilitation/Augmentation Project 30	
315	WC-19001 Wastewater Collection System Rehabilitation/Augmentation Project 31	
317	WC-13001 Wastewater Collection System Rehabilitation/Augmentation Project 26	
319	WC-13002 Wastewater Fusion and General Equipment/Tools	
321	WC-15002 Wastewater System Improvements	
		Wastewater Treatment Fund
325	WQ-14001 Biosolids Facility	
327	WQ-04011 Facility Condition Assessment & Retrofit	
328	WQ-14004 Fixed Film Reactor Rehabilitation	
330	WQ-14002 Laboratory and Environmental Services Building	
331	WQ-80021 Plant Equipment Replacement	
332	WQ-14003 Primary Sedimentation Tank Rehabilitation	
		Storm Drainage Fund
337	Storm Drainage Fund Map	
339	SD-13002 Matadero Creek Storm Water Pump Station and Trunk Lines Improvements	
341	SD-15008 Storm Drain Master Plan Update	
343	SD-06101 Storm Drain System Replacement and Rehabilitation	
		Airport Fund
347	AP-15001 Temporary Airport Terminal	
		OTHER FUND PROJECTS
351	Other Funds Overview	
		Vehicle Replacement Fund
355	VR-15001 Emergency Repair and Replacement Program	

Table of Contents

PAGE	ITEM DESCRIPTION	
357	VR-16000 Scheduled Vehicle and Equipment Replacements	
359	VR-15000 Scheduled Vehicle and Equipment Replacements	
361	VR-17000 Scheduled Vehicle and Equipment Replacements	
363	VR-19000 Scheduled Vehicle and Equipment Replacements	
365	VR-18000 Scheduled Vehicle and Equipment Replacements	
		Technology Fund
369	TE-14002 Library Virtual Branch	
371	TE-05000 Radio Infrastructure Replacement	
373	TE-10001 Utilities Customer Billing System Continuous Improvements	
		Supplemental Information
377	CIP Projects Budgeted in Prior Years	
383	Index by Project Number	
387	Americans with Disabilities Act	
388	Glossary	

INTRODUCTION

THIS PAGE IS INTENTIONALLY LEFT BLANK.

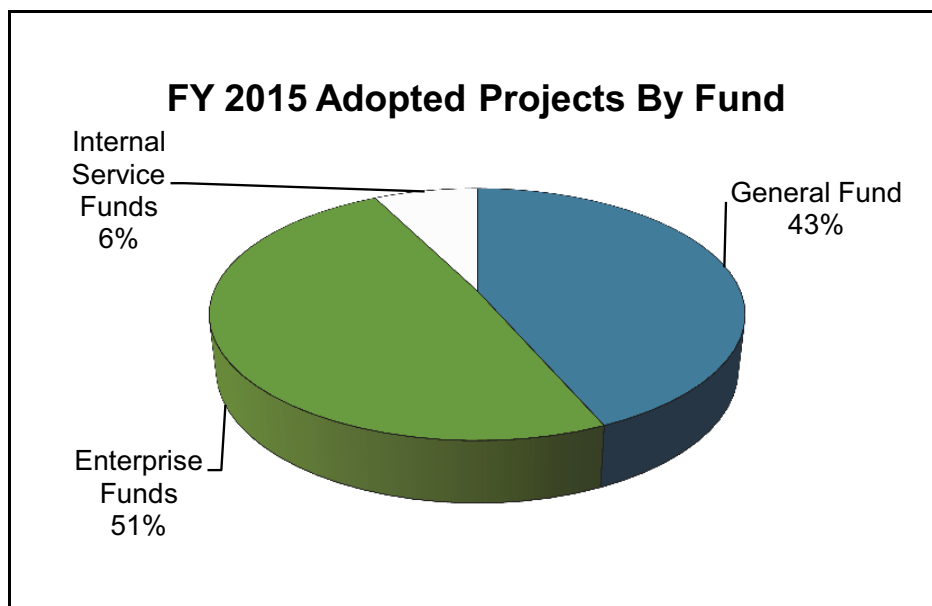
City Council Transmittal Letter

August 4, 2014

Honorable Mayor and Council Members:

INTRODUCTION

I am pleased to present the Fiscal Year 2015 Adopted Capital Budget along with the 2015-2019 Adopted Capital Improvement Program (CIP) Plan for the City of Palo Alto. This document guides the City in the planning and scheduling of infrastructure improvement projects over the next five years. The combined 2015 Adopted Capital Budget, which includes the General Fund, Enterprise Funds, and Internal Service Funds, is \$58.0 million, a decrease of \$2.8 million, or 4.7%, compared to the 2014 Adopted Capital Budget of \$60.8 million. The overall 2015-2019 CIP is \$331.2 million, a decrease of \$44.5 million, or 11.9%, compared to the 2014-2018 CIP of \$375.8 million primarily due to changes in infrastructure investments in the Refuse Fund. Details of the Adopted Capital Budget by individual fund can be found in the "2015-19 CIP Summary by Fund" section of this document.



The 2015-2019 Adopted CIP was developed in coordination with all City departments responsible for capital projects. As required by the City Municipal Code, the Planning and Transportation Commission (PTC) reviewed the Proposed CIP on May 14, 2014 and submitted its comments to the City Council prior to the plan's adoption by the City Council on June 14, 2014. A summary of the PTC meeting is included later on in this letter.

As in recent years, the Infrastructure Blue Ribbon

Commission's (IBRC) Final Report, published on December 22, 2011 guided the development of the 2015-2019 Adopted CIP. The IBRC analyzed the City's infrastructure needs, and found that "keep-up" needs were underfunded by over \$2 million per year, a backlog of "catch-up" needs existed due to the chronic underfunding of infrastructure maintenance, and another \$211 million was required for "new and replacement" projects, including a replacement of the public safety building, replacement of two fire stations, and various other transportation, parks, and facility needs, including those funded through enterprise funds.

In the years since the IBRC Final Report, the City Council has aggressively worked to improve the City's infrastructure, by increasing the annual funding of keep-up needs by \$2.2 million as well as transferring excess General Fund funds as part of the closing of a fiscal year from the General Fund to the Infrastructure Reserve starting with Fiscal Year 2012. For the last two fiscal years, \$16.5 million was transferred and it is

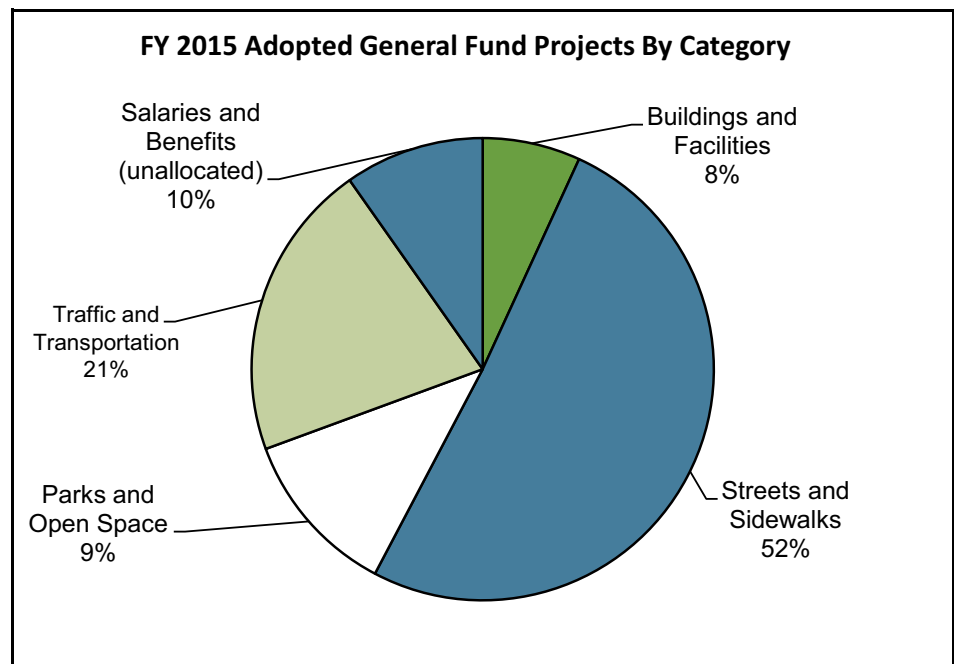
City Council Transmittal Letter

expected that as part of closing Fiscal Year 2014 another \$4 million will be transferred from the General Fund to the Infrastructure Reserve. Additionally, the City Council established the City Council Infrastructure Committee tasked with addressing the "keep-up" and "catch-up" needs of the City's infrastructure.

In June 2014, the City Council approved a recommendation from the Infrastructure Committee that included a prioritized project list and a funding plan for addressing projects on the project list. The City Council approved funding plan consists of multiple funding sources, including: projected increases in Transient Occupancy Tax (TOT) revenues resulting from the opening of new hotels, a two percent TOT rate increase - pending voter approval, funds from the Stanford University Medical Center development agreement, the Infrastructure Reserve, and a projected General Fund operating budget surplus from fiscal year 2014. In June the City Council subsequently approved a ballot measure for November 2014 to increase the TOT percentage by two percentage points from 12 to 14 percent and an update to the TOT Ordinance to confirm equal treatment of traditional and online bookings.

CAPITAL IMPROVEMENT FUND (GENERAL FUND)

In the absence of specific bond funding, the primary funding source for the Capital Improvement Fund is the annual transfer from the General Fund, budgeted at \$13.7 million in Fiscal Year 2015 and totaling \$71.8 million over the CIP. Additional funding for the capital budget comes from various sources, including: transfers from other funds (Gas Tax Fund, Transportation Impact Fee Fund, University Avenue Parking Permit Fund, and various Enterprise Funds), reimbursable grants, interest income, and various outside agencies.



The Fiscal Year 2015 Adopted Capital Budget for the General Fund Capital Improvement Fund totals \$25.2 million; \$8.8 million, or 26%, lower than the 2014 Adopted Capital Budget of \$34 million primarily due to the Golf Course Reconfiguration Project budgeted in Fiscal Year 2014. Funding for Fiscal Year 2015 projects includes \$2.4 million for buildings and facilities; \$12.8 million for street (see detailed explanation later in this letter) and sidewalk; \$2.3 million for parks and open space projects; \$5.2 million for transportation projects, and \$2.5 million for staff costs associated with administrative duties for the capital program and capital projects funded in previous years.

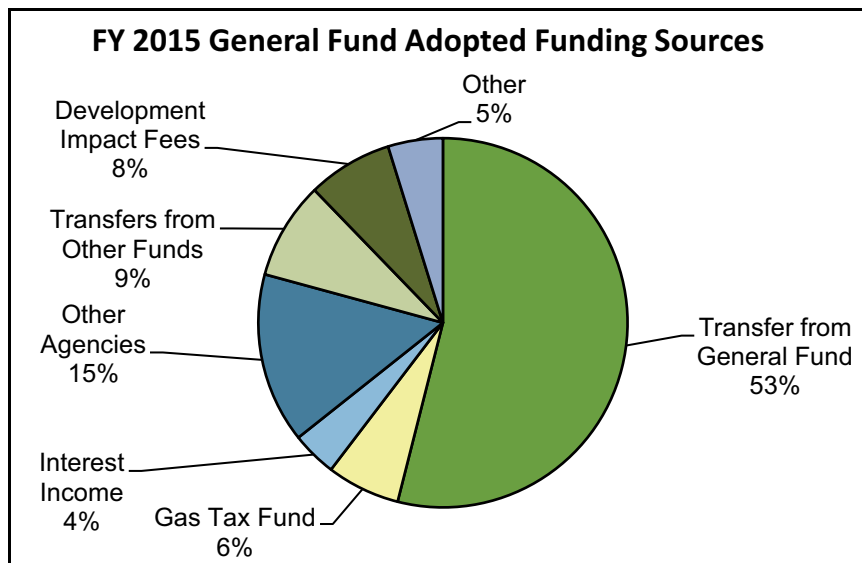
Over the course of the 2015-2019 CIP, planned investments in General Fund infrastructure are \$111.8 million. While the 2015-2019 CIP is \$12.9 million, or 10%, lower than the \$124.7 million planned in the

City Council Transmittal Letter

2014-2018 CIP, this level of investment is reflective of the City Council's continued emphasis on funding City Infrastructure projects, and is markedly higher than the funding levels planned in the preceding three years (2011-2015 CIP- \$88.6 million; 2012-2016 CIP - \$93.3 million; and 2013-2017 CIP - \$82.9 million).

The decrease from the 2014-2018 CIP is primarily attributable to the Golf Course Reconfiguration and Baylands Athletic Center Improvements Project (PG-13003, \$8.0 million) that was funded in Fiscal Year 2014. Funding for this project will carry over to Fiscal Year 2015, however it is not reflected in the 2015-2019 CIP as no additional funding is allocated to this project as part of the CIP. In June 2014, the City Council approved a recommendation to increase the funding for this project by \$2.5 million, from \$8.3 million to \$10.8 million, due to higher than anticipated construction costs for this project. The increase of \$2.5 million was offset by \$1.3 million in revenue from the use of imported soil for the project and \$1.2 million from an increase in debt issuance. Total debt issuance for this project is now anticipated to be \$6.2 million. Work in this project has not yet commenced, as the final regulatory permits have not been received. It is anticipated that staff will return to the City Council for further direction on this project after issuance of this document.

A significant portion of the adopted capital budget is focused on continuing to address the City's Infrastructure backlog which was estimated at \$41.5 million in Fiscal Year 2011. Approximately 3.3% (\$3.7 million) of the 2015-2019 General Fund Adopted CIP addresses "catch-up" needs, while 50.1% of the CIP addresses "keep-up" needs (\$56.0 million), as identified by the Infrastructure Blue Ribbon Commission (IBRC) in its December 22, 2011 final report. The IBRC report identified that the "keep-up" category had been historically underfunded, which led to the backlog. Beginning with the Fiscal Year 2013 budget process, the annual transfer from the General Fund to the Capital Improvement Fund was increased by \$2.2 million. The City Council approved this increased level of transfer in order to keep-up with infrastructure maintenance needs and avoid a further increase to the "catch-up" backlog.



A key recommendation of the IBRC report was the establishment of an Infrastructure Management System (IMS) that will maintain an inventory of the city's infrastructure and track and budget for catch-up and keep-up needs. Staff is currently working with a consulting firm to evaluate the City's existing asset management practices and develop recommendations for implementation of an IMS. Implementation will likely occur in phases in Fiscal Year 2015, with the first phase focused on the specific needs identified by IBRC.

In the interim period between publication of the IBRC Final Report and establishment of an IMS, staff has continued to maintain and update the infrastructure spreadsheet tools that were generated by the IBRC. Staff has used these spreadsheet tools to guide the CIP's designation of funds for "keep-up", and to fund projects from the backlog of "catch-up". As outlined in the following table, the Adopted Fiscal Year 2015-

City Council Transmittal Letter

2019 CIP is expected to reduce the total catch-up backlog by \$10.7 million, or 26%, from \$41.2 million to \$30.5 million.

IBRC “Catch-up” Category	IBRC Final Report “Catch-up” Backlog	“Catch-up” amount funded to date, or included in Adopted CIP	FY 2015-2019 Backlog
Buildings	\$5.0 million	\$1.3 million	\$3.7 million
Cubberley	\$6.9 million	\$0.7 million	\$6.2 million
Parks	\$14.4 million	\$3.1 million	\$11.3 million
Surface ^a	\$14.9 million	\$5.6 million	\$9.3 million ^b
TOTAL	\$41.2 million	\$10.7 million	\$30.5 million

a. The IBRC Final Report Catch-up amount for this category included medians, sidewalks, and parkinglots.

b. The IBRC Final Report Surface “Catch-up” figure included \$6 million for the Charleston/Arastradero Corridor Project. This project is now included as part of City Council’s infrastructure funding plan, and will reduce the remaining backlog amount from \$9.3 million to \$3.3 million.

In this CIP, it is programmed that the annual transfer from the General Fund will increase by 2.5% in each year of the CIP. In addition to identifying the backlog in “catch-up” and “keep-up” funding, the IBRC also identified major capital expenditures of \$210.7 million for “new and replacement” needs, including the replacements of the Public Safety Building and the Municipal Services Center.

CITY COUNCIL APPROVED INFRASTRUCTURE PLAN

While the funding transferred from the General Fund to the Capital Improvement Fund each year represents a sizable commitment, it is not sufficient to address ongoing needs identified in the IBRC report. In February, 2013 the Infrastructure Committee was established to study this challenge, prioritize needs, and identify funding solutions. Over the course of the past year and a half, the Infrastructure Committee has met regularly, while considering options from the public and staff recommendations.

In June 2014 the City Council approved a recommendation from the Infrastructure Committee that included a prioritized project list and a funding plan that was in part dependent upon a two percent Transient Occupancy Tax (TOT) increase scheduled for voter consideration in November 2014. The plan included funding for the Highway 101 Pedestrian Bicycle Bridge, the Bicycle and Pedestrian Plan, improvements at Byxbee Park, a new parking garage on California Avenue, a new downtown parking garage, replacement of two outdated fire stations, and the land and project costs associated with a new public safety building. The plan's funding sources included the issuance of debt (certificates of participation (COPs)) associated with anticipated TOT revenue increases resulting from new hotels and from a proposed 2% TOT rate increase, funds from the Stanford University Medical Center development agreement, parking-in-lieu funds, and the Infrastructure Reserve (\$8.5 million in accumulated funds and \$4.0 million from a projected Fiscal Year 2014

City Council Transmittal Letter

excess operating budget surplus). In June 2014, the TOT increase by two percentage points from 12% to 14% was approved by the City Council to be placed on the November 2014 ballot.

It is important to note that the Adopted CIP, for the most part, does not include projects included in Infrastructure Plan except for a few projects. As approved in the Fiscal Year 2014 to 2018 Adopted CIP, this CIP assumes utilization of Stanford University Medical Center development agreement funds for the Bicycle and Pedestrian Transportation Plan project (\$1.2 million in each year of the CIP) and also assumes that \$1.7 million for the Highway 101 Pedestrian/Bicycle Bridge will be funded by the Infrastructure Plan, unless an alternate funding source can be identified. It is anticipated that staff will return to the City Council during 2015, or as part of the FY 2016 budget process, for authorization to begin specific Infrastructure Plan projects and for associated budget amendment ordinance actions.

CAPITAL IMPROVEMENT PLAN REVIEW AND PRIORITIZATION PROCESS

An extensive review and prioritization process was completed in determining which projects would be recommended as part of the 2015-2019 CIP. The review and prioritization process employed several key principles and strategies:

City Council Top 3 priorities: The projects included in the 2015-2019 Adopted CIP align with the City Council priorities adopted on February 1, 2014 as follows:

1. Comprehensive planning and action on land use and transportation: the Built Environment, Transportation, Mobility, Parking and Livability
2. Infrastructure Strategy and Funding
3. Technology and the Connected City

Infrastructure Committee and City Council-Approved Infrastructure Plan: As described previously, this CIP only covers a portion of the Infrastructure Plan approved by the City Council in June 2014. However, the Adopted CIP has been developed to ensure that \$12.5 million in Infrastructure Reserve (IR) funding is available for the City Council-approved Infrastructure Plan during the five year CIP plan. As a consequence of the timing of reimbursable grant expenditures and receipt of grant funds, the IR balance is estimated to fluctuate during the five-year CIP between \$7.7 million and \$17.7 million.

It is important to note that in prior years, per prior Council direction, grant reimbursements were programmed in the year expenditures were programmed. Often times, however, a project that might span multiple years is fully funded in the first year; funds for the project are encumbered, and the encumbrance balance is reduced as the project progresses. If a grant is "reimbursable", meaning that the funds are given to the City after certain expenditures occur, the IR essentially "fronts" the funding, and is subsequently reimbursed. A concerted effort was made as part of this CIP to program grant receipts in the year they are anticipated to be received rather than in the year expenses are first programmed. It is hoped that this overlay of a cash flow analysis will give a better picture of available IR funds and will align Infrastructure Plan funding needs with the IR balance in a given fiscal year.

Health and Safety Implications: Any project that might have a health and safety implication was prioritized before other projects. While very few new projects are included in the CIP, the Civic Center Fire Life Safety

City Council Transmittal Letter

and Electrical Upgrades project was added to ensure that funding for an assessment and upgrade of the fire life safety systems in City Hall is planned when necessary (FY 2019). Similarly, the Safe Routes to School Project, which is partially offset by a transfer from the Gas Tax Fund, was not reduced despite projected reductions in gas tax receipts during the next five years. Adjustments were made elsewhere in the plan to ensure that this project continues to be fully funded.

Annual Allocations: There are a number of capital projects that are funded on a recurring basis. Historical spending amounts in these projects were reviewed and corresponding adjustments are included to ensure that the appropriate level of funding is being allocated.

Studies and Master Plans: In reviewing the projects included in the 2014-2018 CIP and proposed by departments for 2015-2019, there were certain projects where the figures were based on preliminary estimates as the actual scope and feasibility of the project is currently unknown. The projects in this category will continue to be evaluated, and upon completion of the applicable study, master plan, etc., recommendations to fund the projects will be considered for inclusion in future capital improvement plans. The largest example in this category is the Baylands Boardwalk Repair project. The 2014-2018 CIP included construction funds for the repair of the Boardwalk (\$1.7 million). As part of the Fiscal Year 2014 Mid-Year Budget Review, however, existing funding allocated for a feasibility study and environmental analysis for this project was increased, given endangered species, permitting, and expense concerns about this project. If the study results indicate that repairs are feasible, a determination will need to be made whether or not the Capital Improvement Fund can support the expense. Results of this study are expected in late 2014.

The City's lease with the Palo Alto Unified School District for the Cubberley Community Center is set to expire at the end of 2014. On February 24, 2014, the City Council directed the City Manager to continue negotiating with the School District given certain parameters including a 20-year long-term lease and elimination of the Covenant Not To Develop, with conversion of that \$1.8 million in funding to be used towards Cubberley maintenance and improvements. Since the lease with the School District is on a calendar year basis, the Fiscal Year 2015 budget assumes payment for the Covenant Not To Develop for the first six months of the fiscal year. The second six months of the Covenant Not To Develop payment (\$1,039,777) for Fiscal Year 2015 is set aside in the Fiscal Year 2015 Operating Budget as a reserve, which can be used for Cubberley maintenance and capital needs.

CAPITAL IMPROVEMENT FUND PROJECT HIGHLIGHTS

Highlights of projects receiving additional funding or to be initiated or constructed in Fiscal Year 2015 are summarized below. Staff has identified only the highest priority projects for funding.

- Annual Street Maintenance Project (PE-86070): \$6,443,102
- Newell Road Bridge/San Francisquito Creek Bridge Replacement (PE-12012) : \$2,536,037
- Annual Sidewalk Maintenance Project (PO-89003): \$2,438,776
- Transportation and Parking Improvements (PL-12000): \$2,168,699
- Bicycle and Pedestrian Transportation Plan (PL-04010): \$1,223,957

City Council Transmittal Letter

- Rinconada Park Improvements (PE-08001): \$1,167,080
- Traffic Signal and Intelligent Transportation Systems (ITS) Upgrades (PL-05030): \$840,822
- Baylands Levee Improvements Feasibility Study (PE-15028): \$500,000
- Civic Center Waterproofing Study (PE-15020): \$258,492
- Palo Alto Community Gardens Irrigation Study (PE-15022): \$256,504

In recent years the annual allocation for the Street Maintenance CIP has seen significant increases. As recently as 2010, the annual funding amount was \$1.9 million, with \$5.7 million allocated in Fiscal Year 2014, increasing the funding three-fold. The amount allocated in Fiscal Year 2015 is \$6.5 million and for the five-year CIP is \$28.7 million. The increased expenses for this project are indicative of the City's commitment to dramatically accelerate the pace of repair and improvements to city streets given the concerns residents have raised about street conditions. The current citywide average Pavement Condition Index Score is 78. A PCI score less than 50 is considered poor and a PCI score of 80 or higher denotes very good or excellent street conditions. The City Council has adopted a goal of achieving a score of 85 by 2021 with no street having a PCI score of less than 60. However; with recent funding increases, including an additional \$2.3 million allocated over the 2015-2019 CIP, it is anticipated that the City's streets will have an average PCI score of 85 in 2019, two years sooner than the goal. The \$2.3 million increase included in the 2015-2019 CIP will allow for Alma Street and Middlefield Road to be resurfaced in a phased approach that will minimize disruption to the community. Once the citywide PCI goal is met in 2019, the annual funding for street maintenance will be reduced to a level that allows the improved street conditions to be sustained. Staff is currently configuring existing street maintenance data for use in the Metropolitan Transportation Commission's Streetsaver software application, which will enable pavement condition modeling to optimize maintenance activities and to determine future program budgets. Further, the City's five-year Paving Plan, updated annually, is available on the City's website.

The CIP also addresses other key transportation-related projects. Funding totaling \$8.4 million is allocated for the Highway 101 Pedestrian/Bicycle Overpass project. This project allows for the completion of a new pedestrian/bicycle bridge across Highway 101 at Adobe Creek and will provide safe access across Highway 101 in South Palo Alto to the Baylands and regional employment centers. It is anticipated that \$8.0 million of this project will be reimbursed by various grants. In total, this project will cost approximately \$10 million. In previous fiscal years the City allocated approximately \$1.7 million towards this project from the Infrastructure Reserve. Staff will continue to seek alternative funding sources to offset these costs, including grants and public/private partnerships.

Other transportation-related projects included in the CIP are Street Maintenance (\$28.7 million), Sidewalk Repairs (\$9.3 million), Bicycle and Pedestrian Transportation Plan (\$6.0 million), and Newell Road Bridge/San Francisquito Creek Bridge Replacement (\$2.2 million) projects. Finally, a large investment is included for the Transportation and Parking Improvements project in Fiscal Year 2015. This project, which normally receives an annual allocation of approximately \$200,000, was approved in this budget to be increased to \$2.2 million on a one-time basis. The increase will allow for important technology upgrades in the City's downtown garages, including installation of parking guidance systems (\$400,000), and access control and revenue collection equipment (\$1.6 million).

City Council Transmittal Letter

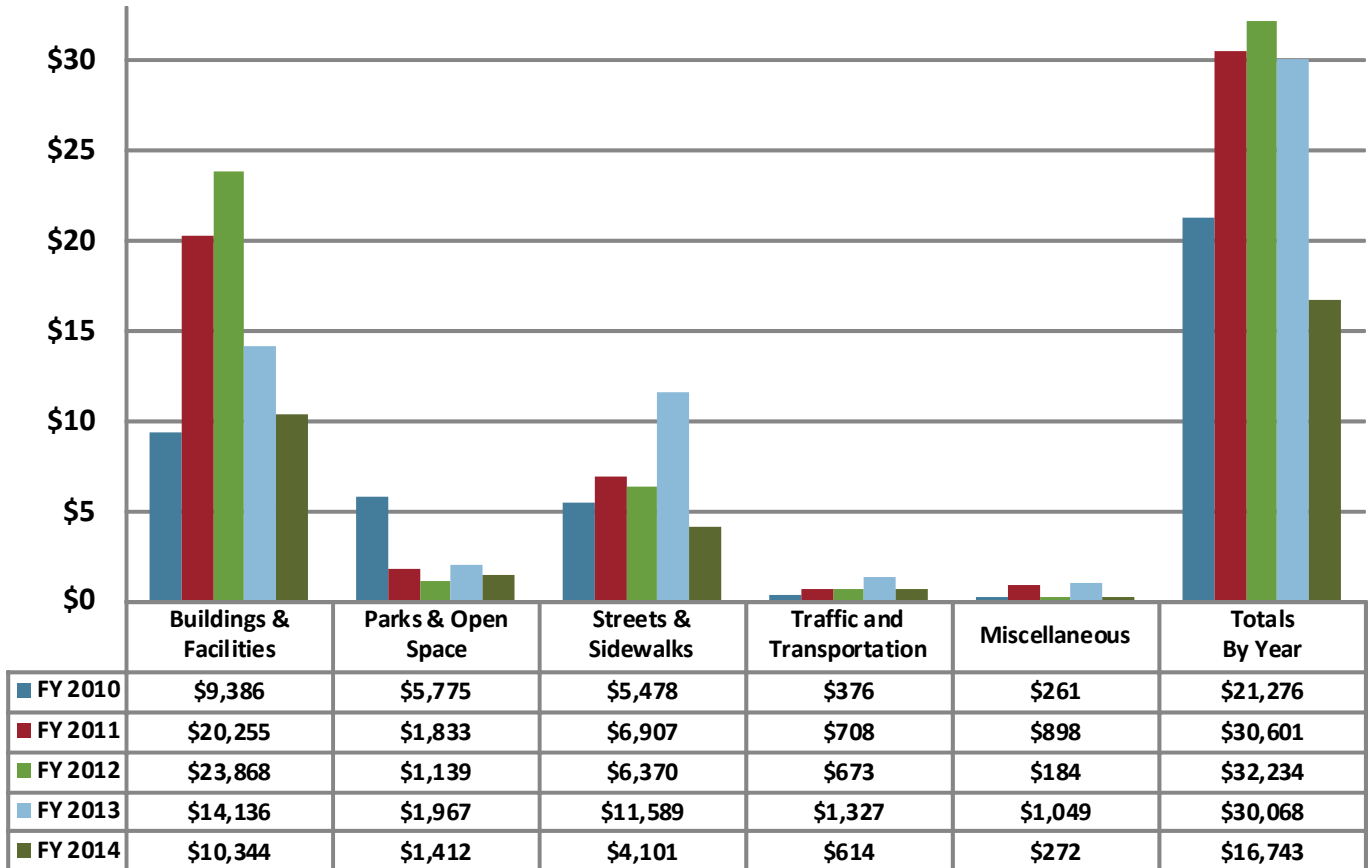
The Measure N bonds, approved by Palo Alto voters in November 2008, provided financing in the amount of \$76 million for capital improvements to the Mitchell Park, Downtown and Rinconada (formerly Main) libraries, and the Mitchell Park Community Center. In June 2010, the City successfully sold the first of two series of General Obligation bonds, providing \$55.3 million in construction funds for these library and community center projects. The City issued a second series of bonds for \$20.7 million in June, 2013 to complete the Measure N financing effort. Completion of the Mitchell Park Library and Community Center is anticipated in fall 2014. Renovations to the Rinconada Library are expected to be complete in late fall 2014. The budget for these projects was approved in prior years, and therefore does not appear in the Fiscal Year 2015 Adopted budget.

As mentioned previously, the Golf Course Reconfiguration and Baylands Athletic Center Improvements Project has not yet commenced due to issues in receiving the required regulatory permits. This project will adjust the course boundary to accommodate the San Francisquito Creek Joint Powers Authority's (SFCJPA) flood control project, and will include a new course layout accentuating the natural bay lands setting while yielding space for new athletic fields. This \$10.8 million project will be partially reimbursed with approximately \$3.0 million from the SFCJPA and \$1.3 million from the use of imported soil for the project. The remaining costs in the amount of \$6.5 million will be covered by debt financing to be funded by future golf course revenues. If the Golf Course business plan's projected revenues do not materialize after the opening of the renovated Golf Course, the General Fund may have to subsidize golf course operations.

The following graph summarizes General Fund projects by project category and provides five years of actual expenditures. It should be noted that Fiscal Year 2014 amounts reflect activity through December 31, 2013.

City Council Transmittal Letter

General Fund Capital Improvement Program Expenditures Summarized by Project Category for Five Years: Fiscal Years 2010-2014⁽¹⁾ (\$ in thousands)



(1) FY 2014 figures represent half-year expenditures (through December 31, 2013).

INFRASTRUCTURE RESERVE

Because of the need to maintain the City's infrastructure on a systematic basis, the Capital Improvement Fund receives an annual funding transfer from the General Fund. In Fiscal Year 2015, the annual transfer will be \$13.7 million. Consistent with the Long Range Financial Forecast as presented to the City Council in April 2014, the transfer will be increased by 2.5 percent every year thereafter throughout the five year period of the CIP. At the end of the CIP, the transfer amount will be \$15.1 million. The ending fund balance in the Capital Improvement Fund is often referred to as the Infrastructure Reserve (IR). Savings from completed or cancelled projects in the Capital Improvement Fund fall to the IR. The IR is also increased in some years due to additional transfers from the General Fund when there is an available budget surplus.

City Council Transmittal Letter

\$16.5 million for Fiscal Year 2012 and 2013 combined were transferred to the Capital Improvement Fund as part of closing out the annual budgets. Additionally, it is anticipated that as part of closing the Fiscal Year 2014 budget, \$4 million in excess funds will be transferred from the General Fund to the Infrastructure Reserve.

The IR is also used to fund capital projects not budgeted as part of the annual budget process, provide cash flow for reimbursable grants, address unanticipated cost increases, and provide funding for urgent and not anticipated projects. In Fiscal Year 2014, for example, the IR was reduced by \$5.1 million due to City Council approved scope changes and higher than expected bids for the California Avenue Streetscape Improvements Project. Having a healthy balance in the IR is imperative, as it allows for urgent capital repairs to be completed without jeopardizing the delivery of critical services to the community. The projected balance of the Infrastructure Reserve at the end of each fiscal year from Fiscal Year 2014 through Fiscal Year 2019 is shown in Table 2.

Over time the IR has accumulated a substantial balance. As was mentioned previously, the Infrastructure Plan approved by the City Council in June, 2014 assumed usage of \$12.5 million of the Infrastructure Reserve (\$4.0 million from an anticipated operating surplus in Fiscal Year 2014 and \$8.5 million from prior years). A concerted effort was made as part of this CIP to program grant receipts in the year they are anticipated to be received rather than in the year expenses are first programmed. It is hoped that this overlay of a cash flow analysis will give a better picture of available IR funds and will align Infrastructure Plan funding needs with the IR balance in a given fiscal year.

TABLE 2: Projected Infrastructure Reserve

	FIVE-YEAR PLAN					
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
SOURCES						
General Fund Annual Capital Transfer	13,659,022	14,000,498	14,350,510	14,709,273	15,077,005	71,796,308
Interest Income	1,000,000	1,000,000	1,000,000	1,000,000	1,000,000	5,000,000
Project Reimbursements						
Development Impact Fees	1,885,183	0	0	0	0	1,885,183
Local Agency	3,774,039	5,123,250	1,810,000	4,385,000	3,385,000	18,477,289
Gas Tax Fund	1,625,000	1,400,000	1,400,000	1,375,000	1,375,000	7,175,000
Parking Permit Funds	459,800	622,900	443,900	690,400	400,000	2,617,000
Stanford U. Med. Center Agreement	1,200,000	1,200,000	1,200,000	1,200,000	1,200,000	6,000,000
Other	1,715,485	24,000	540,000	1,700,000	0	3,979,485
TOTAL SOURCES	\$25,318,529	\$23,370,648	\$20,744,410	\$25,059,673	\$22,437,005	\$116,930,265
USES						
Budgeted CIP Projects	25,183,706	22,439,387	26,655,107	21,139,785	16,341,671	111,759,656
TOTAL USES	\$25,183,706	\$22,439,387	\$26,655,107	\$21,139,785	\$16,341,671	\$111,759,656
SOURCE OVER (SHORT)	134,823	931,261	(5,910,697)	3,919,888	6,095,334	5,170,609
Infrastructure Reserve Balance, beginning	12,518,312	12,653,135	13,584,396	7,673,699	11,593,587	12,518,312
Infrastructure Reserve Balance, ending	\$12,653,135	\$13,584,396	\$7,673,699	\$11,593,587	\$17,688,921	\$17,688,921

City Council Transmittal Letter

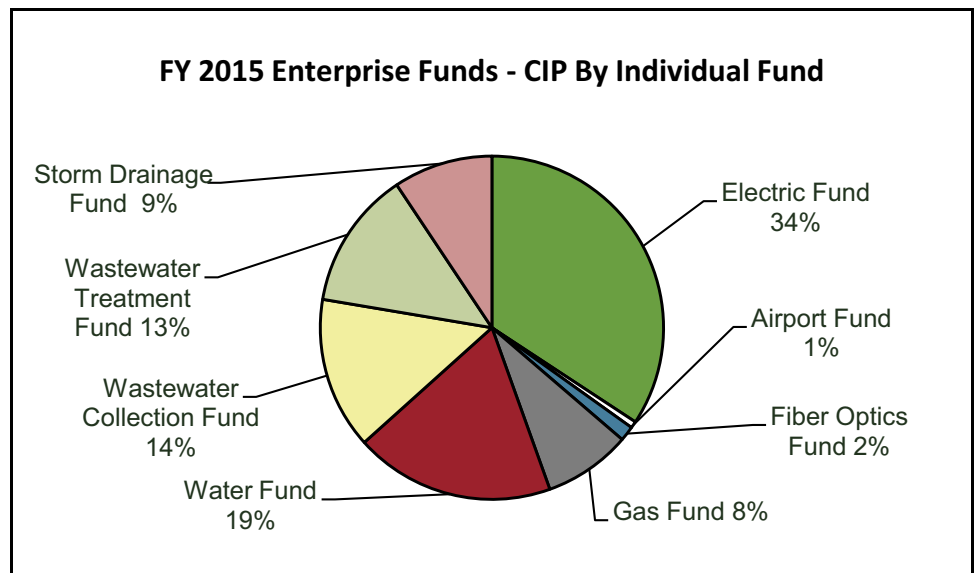
PLANNING AND TRANSPORTATION COMMISSION REVIEW

As mentioned previously, the PTC reviewed the 2015 Capital Budget and 2015-2019 Capital Improvement Program on May 14th, 2014 and determined that the projects are consistent with the Comprehensive Plan. Overall, the Commission was pleased with the relationship of CIP projects to Comprehensive Plan elements, the ranking of projects in terms of City Council priorities, and responsiveness to concerns raised by the PTC in prior years. As part of the motion determining that the CIP is consistent with the Comprehensive Plan, the PTC made two suggestions to be incorporated into the 2015-2019 CIP review process. First, the PTC suggested that a project be created to study sea level rise and potential options for addressing impacts to Palo Alto. Staff agreed with this recommendation, and as part of the adoption of the budget the City Council approved the establishment of the Baylands Levee Improvements Feasibility Study project. Secondly, the PTC requested a summary be prepared documenting changes from the 2014-2018 CIP. Staff prepared and shared this summary with the Finance Committee as part of the Finance Committee's review of the Proposed Capital Budget.

ENTERPRISE FUNDS CIP

A considerable investment is made each year from the Enterprise Funds for infrastructure needs, reflective of the City's commitment to provide safe, reliable, and cost effective services to the residents and businesses of Palo Alto. In Fiscal Year 2015, a total of \$28.4 million will be allocated towards the capital program from the Enterprise Funds, with \$205.5 million allocated over the five year period of the CIP.

The Utilities Department manages the Electric, Water, Gas, Fiber Optics, and Wastewater Collection funds, while the Public Works Department manages the Airport, Wastewater Treatment, Storm Drainage, and Refuse Funds.



Enhancements and upgrades to substations, transmission lines, and underground districts comprise the majority of Electric Fund capital projects. Over the course of the CIP, a total of \$57.1 million in the Electric Fund will be directed towards capital infrastructure, with \$9.7 million allocated in Fiscal Year 2015. Three new projects are included as part of this budget: Electric Substation Battery Replacement, Rebuild UG District 26, and Colorado/Hopkins System Improvement. Major projects funded in the Electric Fund include Smart Grid Technology Installation (\$9.5 million), Electric Customer Connections (\$17.5 million), and Electric System Improvements (\$12.8 million).

City Council Transmittal Letter

Gas Main Replacement projects comprise the majority of planned capital expenses within the Gas Fund. These projects are part of an ongoing effort to identify and replace aging and structurally deficient gas mains and services. As part of the 2015-2019 CIP, one new project is included: Gas Main Replacement - Project 26.

One new project is included in the Water Fund: Water System Master Plan. The objective of this project is to identify capital improvements and replacement rates required to ensure optimal reliability levels of service to the existing distribution and transmission conveyance system.

Managed by the Public Works Department, capital projects for Fiscal Year 2015 within the Wastewater Treatment Fund emphasize the structural condition of the Regional Water Quality Control Plant and the replacement of plant equipment in order to maintain treatment reliability. Two notable changes to the Wastewater Treatment Fund are included in the Adopted CIP, resulting in a net decrease in funding of \$58 million. Funding for the build out of the anaerobic digesters (Phase II) is not reflected in the Biosolids Facility project, as it had been in the 2014-2018 CIP. Funding is included, however, for the construction of a sludge dewatering and truckload facility (Phase I). The build out of the anaerobic digesters, which is subject to approval from the partner agencies (Stanford, Mountain View, Los Altos, Los Altos Hills and the East Palo Alto Sanitary District), will likely fall beyond the five years of the CIP if funding is secured. Secondly, an increase to the Fixed Film Reactor Rehabilitation project is included in this CIP. The construction of this project has been accelerated, as compared to the 2014-2018 CIP, due to deteriorating conditions.

The Public Works Department also manages the Storm Drainage Fund. Projects in this fund continue to be supported by revenue from the storm drainage fee increase which was approved by Palo Alto property owners in April, 2005. The Fiscal Year 2014 budget includes funding for ongoing storm drain system replacement and maintenance activities, upgrades to the Matadero Creek Storm Water Pump Station, and an update to the 1993 Storm Drain Master Plan. An updated Master Plan is needed in order to generate a validated list of future storm drain system upgrade requirements and funding needs. The property owner-approved enhanced Storm Drainage fee will sunset on June 30, 2017 unless the City Council asks the voters to reauthorize the current Storm Drainage Fee at a future general election and the voters approve the continuation of the fee. It is expected that all projects identified in the original ballot measure will be completed by Fiscal Year 2017.

INTERNAL SERVICE FUNDS

The Technology Fund has a total adopted CIP budget of \$0.4 million in Fiscal Year 2015. The Vehicle Replacement Fund has a total adopted CIP budget of \$3.9 million in Fiscal Year 2015.

Technology projects enhance service delivery to the community and to City staff through the efficient and effective implementation of information technology solutions. Projects approved for Fiscal Year 2015 include Enhancements to the City's Utility Customer Billing System (\$250,000), Library Virtual Branch (\$95,000), and Radio Infrastructure Replacement (\$100,000).

The Vehicle Replacement Fund CIP budget for Fiscal Year 2015 includes funding for the replacement of 49 vehicles and pieces of equipment. Among items to be replaced are six sedans, twelve pickup trucks, seventeen vans, three fire apparatus, six patrol vehicles, and five miscellaneous equipment units. Efforts will continue to identify the optimal size and composition of the City's vehicle and equipment fleet. This

City Council Transmittal Letter

replacement plan has been reviewed by the internal staff Fleet Review Committee to ensure appropriateness of expenditures.

PROJECT COORDINATION

As in the past, the City staff has planned Utility capital projects, such as main replacements, to coincide with street rehabilitation projects.

CAPITAL BUDGET AWARD

In February 2014, the City's 2014-2018 CIP Budget document received, for the eighth consecutive time, the "Excellence in Budgeting Award" from the California Society of Municipal Finance Officers (CSMFO). This award recognizes the CIP document as an outstanding public communication tool that conveys a wide range of information about the City's CIP projects. The award reflects the commitment of the City Council and staff to meeting the highest standards of governmental budgeting. Finance Officers (CSMFO). This award recognizes the CIP document as an outstanding public communication tool that conveys a wide range of information about the City's CIP projects. The award reflects the commitment of the City Council and staff to meeting the highest standards of governmental budgeting.

CONCLUSION

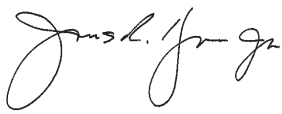
The Adopted capital budget for Fiscal Year 2015 in the amount of \$58.0 million allocates \$25.2 million in the General Fund, \$28.5 million in the Enterprise Fund, and \$4.3 million in Internal Service Funds. Projects funded in this CIP were selected after carefully reviewing priorities, anticipated future needs, and available resources. Addressing the City's infrastructure backlog remains a high priority for the community, the City Council, and staff. At its annual retreat on February 1, 2014, the City Council reiterated its commitment to addressing the City's infrastructure needs by once again naming "Infrastructure Strategy and Funding" as a top priority.

In the years since the IBRC Final Report, the City Council has aggressively worked to improve the City's infrastructure, by increasing the annual funding of keep-up needs by \$2.2 million. Additionally, the City Council established the City Council Infrastructure Committee tasked with addressing the "keep-up" and "catch-up" needs of the City's infrastructure. In June 2014, the City Council approved a recommendation from the Infrastructure Committee that included a prioritized project list and a funding plan for addressing projects on the project list. The City Council approved funding plan consists of multiple funding sources including: projected increases in TOT revenues resulting from the opening of new hotels, a two percent TOT rate increase - pending voter approval, funds from the Stanford University Medical Center development agreement, the Infrastructure Reserve, and a projected General Fund operating budget surplus from Fiscal Year 2014. In June, the City Council subsequently approved a ballot measure for November 2014 to increase the TOT percentage by two percentage points from 12 percent to 14 percent and an update to the TOT Ordinance to confirm equal treatment of traditional and online bookings. These actions, and hopefully a voter approval of the ballot measure, will go a long way towards solving the City's infrastructure crisis the Council began to tackle head on in 2010.

City Council Transmittal Letter

I would like to thank our dedicated City Council for its leadership and our Executive Leadership Team and the entire staff for providing outstanding services to our community. Special thanks to Walter C. Rossmann, Director of the Office of Management and Budget, Brad Eggleston, Assistant Director of Public Works, and their respective teams as well as Eric Bilimoria, Sr. Management Analyst, who have worked countless hours during evenings and on weekends to put this budget together as well as staff across all departments who contributed to this budget.

Respectfully submitted,



James Keene

City Manager

Note: The FY 2016 Capital Budget was adopted by the City Council on June 16, 2014, with the following changes:

- Addition of \$500,000 for PE-15028 Baylands Levee Improvements Feasibility Study (P. 124)
- A reduction of \$40,000 to the Salaries and Benefits project (p. 171) due to the elimination of a Facilities Manager position assumed in the Proposed Budget and funded in part by the Capital Improvement Fund.

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Budget Acknowledgments



Department Budget Coordinators

Administrative Services

Mary Figone

City Attorney

Stacy Lavelle

City Auditor

Deniz Tunc

City Clerk

Beth Minor

City Manager

Khashayar Alaee

Community Services

Lam Do

Development Services

Jessie Deschamps

Information Technology

Sherrie Wong

Library

Karol Gallucci

People Strategy and Operations

Khashayar Alaee

Planning & Community Environment

Sherry Nikzat

Public Safety

Ian Hagerman

Public Works

Sharon Macway

Utilities

Anna Vuong

Capital Improvement Fund Review Process

Greg Betts

Rob de Geus

Brad Eggleston

Lalo Perez

Jaime Rodriguez

Walter C. Rossmann

Mike Sartor

Budget Document Producers

OMB Staff

Walter C. Rossmann

Christine Paras

Eric Bilimoria

Michael Bruckner

Paul Harper

AnaBella Gonzalez

ASD Staff

Nancy Nagel

Tarun Narayan

Joe Saccio

CIP Organizational Chart

Public Works Managed Projects

Streets — 3.42

1.14-Assoc Engineer
0.14- Inspector, Field Svc
0.10-Supv Insp/Surv PW
0.30-Management Analyst
0.11-Surveyor
0.25-Admin Assoc III
0.89-Project Eng
0.49-Sr Engineer

Parks and Landscape — 3.70

1.00-Architect/Park Planner
0.30-Management Analyst
0.25-Admin Assoc III
0.90-Engineer
0.55-Project Engineer
0.70-Sr Project Mgr

Sidewalk— 7.33

3.00-Cement Finisher
1.00-Cement Finisher Lead
0.20-Heavy Equipment Operator
0.50-Mgr Maint Operator
0.20-Sr Engineer
0.10-Supv Inspector/Surveyor PW
0.65-Assoc Engineer
0.25-Project Engineer
0.20-Project Manager
0.33-Inspector, Field Svc
0.90-Engineer

Structures and Grounds — 9.06

0.40-Sr Engineer
3.15-Project Engineer
0.28-Engineer
0.40-Mgr, Maint Operations
0.50-Engineer Tech III
1.00-Project Manager
0.20-Sr Project Manager
0.89-Management Analyst
0.80-Admin Assoc I
0.39-Admin Assoc III
0.90-Assoc Engineer
0.15-Asst Director, PW Operations

Wastewater Treatment— 0.30

0.10-Asst Manager, WQCP
0.20-Sr Engineer

Storm Drainage — 2.15

0.90-Engineer
0.65-Project Engineer
0.30-Sr Engineer
0.10-Admin Assoc I
0.10-Admin Assoc III
0.10-Management Analyst

Public Works Managed Projects (Cont'd.)

Vehicle Fund — 1.40

0.25 Fleet Manager
0.15 Asst Fleet Manager
0.05 Project Manager
0.60 Motor Equip Mech II
0.10 Motor Equip Mech – Lead
0.05 Fleet Service Coord
0.20 Admin Assoc III

Refuse— 0.65

0.35-Environmental Specialist
0.30-Mgr, Environ. Control Program

Total: 28.01 FTE

Planning and Community Environment Managed Projects

Transportation Projects

0.50 Chief Transportation Officer
0.70 Parking Manager
0.35 Senior Project Engineer
0.40 Coordinator Transp Systems Mgmt

Total: 1.95 FTE

Community Services Managed Projects

City Facilities

0.38-Program Assistant

Open Space and Science

0.10-Program Assistant

Parks

0.52-Program Assistant

Total: 1.00 FTE

Administrative Services Managed Projects

0.60-Sr Management Analyst
0.60-Contracts Administrator

Total: 1.20 FTE

Utilities Managed Projects

0.45-Asst Director Util Engineering
0.10-Cathodic Protection Tech. Asst
1.70-Electric Project Engineer
0.75-Elec Underground Inspector Lead
1.30-Electrician
3.50-Engineer
0.40-Gas Systems Technician II
3.50-Project Engineer
3.55-Senior Electrical Engineer
0.85-Supv. Electric Proj Engineer
0.75-Supervising Project Engineer
0.10-Cathodic Technician
1.60-Electric Assistant I
1.50-Electric Underground Inspector
0.65-Electrician - Lead
1.45-Engineering Technician III
1.00-Gas Systems Technician
4.02-Heavy Equipment Operator
4.00-Inspector, Field Services
7.70-Lineperson/Cable Splicer
2.80-Lineperson/Cable Splicer - Lead
1.80-Power Engineer
3.10-Sr. Project Engineer
1.19-Supervisor WGW
5.00-Util Engineer Estimator
7.88-Utility Installer/Repairer
0.54-Utility Installer/Repairer Asst
2.76-Utility Installer/Repairer - Lead
0.76-Utilities Locator
0.84-Util Inst. Repair Lead - Welding
1.26-Utl Installer Repairer - Welding
0.62-Water System Operator II
0.92-Water Meter Cross Con Tech
1.00-Overhead/Undrgrnd Troubleshooter
Total: 69.34 FTE

FY 2015 Position Totals

Public Works	28.01
Planning & Comm. Envmt.	1.95
Administrative Services	1.20
Community Services	1.00
Utilities	69.34
Total Full-time	101.50

THIS PAGE IS INTENTIONALLY LEFT BLANK.

The Capital Budget Process and Document

The annual capital budget and five-year capital improvement plan (CIP) is a spending plan for the City's infrastructure needs, which is based on the City Council priorities listed below. The City Council approved multi-year funding plans, such as the infrastructure keep-up and catch-up plan recommended by the Infrastructure Blue Ribbon Commission, and other needs.

The review of the capital budget and five-year capital improvement plan is structured around public hearings by the Planning and Transportation Commission (PTC) and the Finance Committee. The PTC is tasked with ensuring compliance of the capital budget and five-year capital improvement plan with the City Council approved Comprehensive Plan. The Finance Committee reviews all aspects of the capital budget to ensure compliance with previous City Council direction, and further incorporates community input into the process.

CITY COUNCIL TOP 3 PRIORITIES

At the start of the City's budget process, the City Council determines its main priorities for the upcoming budget period. Through an open Council dialogue, the priorities guide both budget development and department priority-setting. The public has the opportunity to provide input into this process as well as during the budget review by the Finance Committee. The following are the City Council's Top 3 Priorities for 2014:

- Comprehensive planning and action on land use and transportation: the Built Environment, Transportation, Mobility, Parking and Livability
- Infrastructure Strategy and Funding
- Technology and the Connected City

BUDGET PREPARATION

The City's annual budget process begins in September with the development of the base budget and concludes in August with the release of the adopted budget. The operating and capital budgets are developed on behalf of the City Manager, in consultation with senior management and the Director of Administrative Services, by the Administrative Services Department's Office of Management and Budget (OMB), utilizing five main sources of information:

- Community input (e.g., Infrastructure Blue Ribbon Commission)
- City Council's Top 3 Priorities and other City Council direction
- The City's annual General Fund Long Range Financial Forecast
- Service level and infrastructure needs prioritization
- Comprehensive Plan, which contains the City's official policies on land use and community design, transportation, housing, natural environment, business and economics, and community services

The Capital Budget Process and Document

Capital Budget Calendar

SEPTEMBER:

The capital budget process begins with the preparation of the capital budget guidelines and calendar by the Administrative Services Department - Office of Management and Budget. The budget guidelines are then distributed to all departments.

OCTOBER/NOVEMBER:

Departments review the prior year five-year capital improvement program (CIP). Based on the previously outlined information sources, changes to the prior year budgets are developed by the respective departments managing the City's infrastructure assets: Utilities, Information Technology, Public Works, Planning and Community Environment, and Administrative Services. Changes to the CIP might include: addition of new projects, deletion of planned projects, reprioritization of planned projects, alternative funding strategies, and revision of project costs or timelines.

DECEMBER/JANUARY:

Departments submit capital infrastructure funding requests to the Office of Management and Budget. For General Fund funded project requests, OMB, in conjunction with Public Works, prepares an initial prioritization of requests based on the previously outlined information sources for consideration by the General Fund CIP Committee. The General Fund CIP Committee consists of senior managers in the Public Works, Community Services, Administrative Services, and Planning and Community Environment departments.

JANUARY/FEBRUARY:

The General Fund CIP Committee reviews the General Fund capital budget submissions to ensure that the proposed projects align with the City Council's Top 3 Priorities and other City Council directives, can be funded with available resources, and are aligned in the five-year plan to maximize City resources.

The prioritization of Enterprise Fund CIP projects are established by the department that manages the enterprise fund. Often the prioritization of CIP projects is dictated either by the department's operational needs, CIP strategic plan, oversight committee, and/or specific Council direction.

MARCH:

The City Manager reviews and makes final decisions on the proposed capital budget and five-year Capital Improvement Program.

The Capital Budget Process and Document

APRIL:

Staff solicits input from the PTC on the proposed CIP, which reviews the CIP as it relates to the Comprehensive Plan. Comments from the PTC and staff response to PTC's comments are reported to the Finance Committee during the public budget hearing.

MAY/JUNE:

The City Manager formally presents the proposed CIP to the City Council, and subsequently to the Finance Committee, which conducts a series of public hearings. The Finance Committee presents its recommendation to the City Council. Final adoption occurs at a public hearing in June. All changes made during the public process are incorporated into the adopted budget document, which is distributed to City libraries as well as posted on the City's website.

Capital Project Criteria

The following are criteria for qualification as a capital project:

- Must have a minimum cost of \$50,000 for each stand-alone unit or combined project.]
- Must have a useful life of at least five to seven years (the purchase or project will still be functioning and not be obsolete at least five to seven years after implementation).
- Must extend the life of an existing asset or provide a new functional use for an existing asset for at least five years. Examples include extensive roof rehabilitations. These improvements are distinguished from ongoing maintenance work that may extend the life of the asset but is done on a routine basis.

PROJECT PRIORITIZATION SELECTION CRITERIA

As part of developing the capital budget, staff must prioritize how to allocate limited resources over a variety of competing needs and demands. Projects and associated funding levels are prioritized utilizing several criteria, including:

- City Council priorities;
- Alignment with the City's IBRC report and Infrastructure Plan;
- Health and safety implications;
- Historical spending levels; and
- Certainty over the feasibility, scope, and level of resources required.

An extensive discussion of the prioritization of the Fiscal Year 2015-2019 Capital Improvement Fund projects is included in the Transmittal Letter of this document.

The prioritization of Enterprise Fund CIP projects are established by the department that manages the enterprise fund. Often the prioritization of CIP projects is dictated either by the department's operational needs, CIP strategic plan, oversight committee and/or specific Council direction.

The Capital Budget Process and Document

OPERATING BUDGET IMPACT

The City uses the life cycle costing principle in planning for capital projects. All costs associated with a capital project, including operations and maintenance, will be included in the operating budget at the time of release of the applicable annual operating budget. Where applicable, the CIP budget document identifies the amount of operating expense associated with the project.

Changes to the Adopted Budget

Administrative policies provide guidelines on budget transfers, the authorization necessary to implement transfers, and appropriations after the budget is adopted.

BUDGET ADJUSTMENT

This is an adjustment to the total project appropriated amount, which was not included in the original adopted budget. These supplemental appropriations are presented to City Council in an agenda report and must be approved by the City Council. Unexpended appropriations at the end of the fiscal year are automatically carried over to the following year for open projects.

Reasons for initiating a Budget Amendment Ordinance (BAO) include:

- Recognizing unanticipated revenue, which was not projected in the budget, and appropriating related expenditure in the year received (requires 2/3 City Council approval)
- Appropriating additional funds from reserves
- Transferring dollars from the operating budget to the capital budget
- Transferring funds between projects

BUDGETARY BASIS

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

FUND STRUCTURE AND ACCOUNTING BASIS

The accounts of the City are made up of funds that help organize and account for restricted resources. A fund is defined as a fiscal and accounting entity with a self-balancing set of accounts (comprised of assets, liabilities, fund equity, revenues, and expenditures), which are segregated for the purpose of carrying out specific activities or attaining certain objectives in accordance with regulatory requirements.

The City has the following fund type categories:

The Capital Budget Process and Document

GOVERNMENTAL FUND TYPES

The Governmental Funds include the General, Special Revenue, Debt Service, and Capital Project Funds. Governmental Funds are reported using the current financial resources measurement focus and the modified accrual basis of accounting.

PROPRIETARY FUND TYPES

The Proprietary Funds, which include the Enterprise and Internal Service Funds, are used to account for the City's business-type activities. Proprietary funds are reported using the economic resources measurement focus and the full accrual basis of accounting. Revenues are recorded when earned, and expenses are recorded at the time liabilities are incurred, regardless of when the related cash flows take place.

FIDUCIARY FUND TYPES

The Fiduciary Funds account for assets held by the City in trust or as an agent for various assessment and community facilities districts. The City budget process does not include fiduciary funds.

AGENCY FUND TYPES

The Agency Funds are custodial in nature and do not involve measurement of results of operations. The City maintains three agency funds. The City budget process does not include agency funds.

Document Layout

GENERAL FUND

- Buildings and Facilities
- Parks and Open Space
- Streets and Sidewalks
- Traffic and Transportation
- Miscellaneous

ENTERPRISE FUNDS

- Airport Fund
- Electric Fund
- Fiber Optics Fund
- Gas Fund
- Water Fund
- Wastewater Collection Fund

The Capital Budget Process and Document

- Wastewater Treatment Fund
- Refuse Fund (No projects planned for Fiscal Year 2015-2019)
- Storm Drainage Fund

INTERNAL SERVICE FUNDS

- Vehicle Replacement Fund
- Technology Fund

In addition to project descriptions, this document includes detailed financial summaries for capital expenses by fund. These summaries indicate the total cost of all projects for a particular fund by category and outline the amount of grant revenues and fund transfers associated with each project. Two additional financial summaries, contained within the General Fund section, provide a greater level of detail. The table titled "2015-2019 CIP Summary by Fund" is a high-level view of each fund's capital expense net of reimbursements over the next five years. The table titled "Capital Improvement Fund Financial Summary" lists in detail the sources of funding for General Fund capital projects.

A list of prior year CIP projects is also included for quick reference. This list document is titled "Fiscal Year 2014 Adopted CIP Projects" and is located after the financial summary tables.

Maps are also included within the General Fund infrastructure management plan and enterprise fund sections, which show where projects will occur over the next five years. Finally, a glossary of terms at the end of the document defines frequently used terms.

The Capital Budget Process and Document

Understanding the Details

PROJECT NUMBERING SEQUENCE

The project number comprises seven characters. The first two are letters related to the managing department or fund. The next two digits relate to the fiscal year in which the project first received funding. The final three numbers are system-generated. For example, with project PE-15006, the “PE” denotes Public Works Engineering, the “15” indicates Fiscal Year 2015 funding, and the “006” is the sequential project number. The “Managing Department or Fund” table to the left can be used as a reference for the two-character alpha portion of the project number.

PROJECT INFORMATION

The project description pages include the following information:

- Project Description - provide the scope of work for the project.
- Project Justification - outlines the reasons for the funding recommendation.
- Supplemental Information - provides additional information that may enhance the project description and justification. Supplemental information, such as physical locations of the project and descriptions of grant funding, is provided for select projects.
- CIP Facts - provides key facts in an easy-to-locate box at the top of the page. Contains information on current project status, timeline, overall project completion, location, and managing department.
- IBRC - refers to nomenclature devised by the Infrastructure Blue Ribbon Commission (IBRC) for certain General Fund projects; “keep-up” refers to projects which address the annual maintenance of existing infrastructure; “catch-up” refers to projects which address deferred maintenance needs; “new” refers to projects which address needs not identified by “keep-up” or “catch-up.”
- Expenditures - the estimated expense of the project in future years. Costs are separated into salaries and benefits (for FY 2015 only), design, construction and "other" costs. Future project costs are estimated based on a combination of historical data on similar projects, assumptions about future inflationary factors, and professional judgments deemed appropriate.
- Continuing Appropriations - indicates the cumulative prior year budget amounts for the project as of April 1, 2014.
- Expended and Encumbered - indicates the cumulative actual expense and encumbrances as of April 1, 2014.
- Sources of Funding - indicates the City fund(s) or external revenue source(s) for the project.

Project Code	Managing Department or Fund
AC	Arts and Culture
AP	Airport Fund
AS	Administrative Services
EL	Electric Fund
FD	Fire Department
FO	Fiber Optics Fund
GS	Gas Fund
LB	Library
OS	Open Space
PD	Police Department
PE	Public Works Engineering
PF	Public Works Facilities
PG	Parks and Golf Course
PL	Planning
PO	Public Works Operations
RF	Refuse Fund
SD	Storm Drain Fund
TE	Technology Fund
VR	Vehicle Fund
WC	Wastewater Collection Fund
WQ	Wastewater Treatment Fund
WS	Water Fund

The Capital Budget Process and Document

- Impact Analysis and Support - states the impact the project will have in any of four categories:
 - Environmental: describes visual or aesthetic impact on the environment, a description of that impact, and any efforts to mitigate it.
 - Design Elements: describes design elements that will improve the visual or aesthetic elements of the project.
 - Operating: describes estimates of the annual maintenance and operating costs associated with the project. Maintenance costs include utilities, equipment maintenance or service, facilities maintenance or service, grounds/ landscape maintenance or service, custodial maintenance and others. Operating costs include new program salaries and benefits, program supplies/materials costs, and other costs.
- Relationship to Comprehensive Plan - indicates how the project furthers the implementation of the Comprehensive Plan, citing specific Comprehensive Plan policies and programs.
- Managing Department - identifies the department that has responsibility for the project.
- Board/Commission Review - City Council-appointed advisory board, commission or ad hoc committee that has oversight responsibility on a project. A project may be reviewed by more than one board or commission due to differing scope of authority assigned by the City Council. This body (bodies) provides the City Council input as to the merits of a project. The acronyms for each of these bodies are:
 - ARB: Architectural Review Board
 - HRB: Historic Resource Board
 - LAC: Library Advisory Commission
 - PAC: Public Arts Commission
 - PRC: Parks & Recreation Commission
 - PTC: Planning and Transportation Commission
 - SDOC: Storm Drain Oversight Committee
 - UAC: Utilities Advisory Commission

California Society of Municipal Finance Officers

Certificate of Award

Capital Budget Excellence Award Fiscal Year 2014

Presented to the

City of Palo Alto

For meeting the criteria established to achieve the Capital Budget Excellence Award.

February 11, 2014



Pauline Marx

***Pauline Marx
CSMFO President***

Ken Brown

***Ken Brown, Chair
Professional Standards and
Recognition Committee***

Dedicated Excellence in Municipal Financial Reporting

Summary of Capital Improvement Program Revenue

The 2015-2019 Capital Improvement Program (CIP) Plan derives its funding from a variety of sources. The table below provides a listing of those sources along with a comparison with the 2014-2018 CIP Plan.

Revenue Source (\$000's)	Fiscal Year 2015	Fiscal Year 2016	Fiscal Year 2017	Fiscal Year 2018	Fiscal Year 2019	Total 2015- 2019 CIP Plan	Total 2014- 2018 CIP Plan	Difference
Capital Fund								
Transfer from General Fund	\$13,659	\$14,000	\$14,351	\$14,709	\$15,077	\$71,796	\$70,410	\$1,386
Interest Income	1,000	1,000	1,000	1,000	1,000	\$5,000	5,375	(375)
Gas Tax	1,625	1,400	1,400	1,375	1,375	\$7,175	8,125	(950)
Debt Financing	0	0	0	0	0	\$0	5,045	(5,045)
Development Impact Fees	1,884	0	0	0	0	\$1,884	0	1,884
Stanford U. Med. Center Agreement	1,200	1,200	1,200	1,200	1,200	\$6,000	4,800	1,200
Other Agencies	3,775	5,123	1,810	4,385	3,385	\$18,478	19,607	(1,129)
Other Revenue	1,215	24	0	1,700	0	\$2,939	0	2,939
Transfer from Parking Funds	460	623	444	690	400	\$2,617	1,319	1,298
Transfer from Enterprise Funds	500	0	540	0	0	\$1,040	0	1,040
Infrastructure Reserve	(594)	(931)	5,911	(3,919)	(6,095)	(\$5,628)	10,055	(15,683)
(Increase)/Decrease								
Total	\$24,724	\$22,439	\$26,656	\$21,140	\$16,342	\$111,301	\$124,736	(\$13,435)
Enterprise Funds								
Utility Rate Charges*	\$22,104	\$28,173	\$46,276	\$48,560	\$33,368	\$178,481	\$116,038	\$62,443
Fees and Charges	3,294	3,413	3,519	3,627	3,887	17,740	21,488	(3,748)
Storm Drainage Fee	2,660	2,555	2,649	0	0	7,864	11,013	(3,149)
Transfers between Enterprise Funds	202	222	244	268	294	1,230	7,915	(6,685)
General Fund Loan	180	0	0	0	0	180	0	180
Debt Financing	0	0	0	0	0	0	89,039	(89,039)
Total	\$28,440	\$34,363	\$52,688	\$52,455	\$37,549	\$205,494	\$245,493	\$49,040
Internal Service Funds								
Fund Balance	\$3,886	\$2,406	\$2,647	\$2,127	\$1,149	\$12,215	\$3,715	\$8,500
Transfer from General Fund	\$159	\$64	\$64	\$64	\$0	351	451	(100)
Transfer from Enterprise Funds	\$270	\$270	\$270	\$270	\$250	1,330	1,330	0
Transfer from Capital Fund	\$0	\$0	\$0	\$0	\$0	0	0	0
Stanford University	\$16	\$16	\$16	\$16	\$0	64	64	0
Total	\$4,331	\$2,756	\$2,997	\$2,477	\$1,399	\$13,960	\$5,560	\$8,400
Grand Total	\$57,494	\$59,558	\$82,341	\$76,072	\$55,290	\$330,755	\$375,789	\$44,005

* Utility Rate Charges include payments from parter agencies (Stanford, Los Altos, Los Altos Hills, Mountain View, and City of East Palo Alto Sanitary District) for Wastewater Treatment projects.

Summary of Capital Improvement Program Revenue

TRANSFER FROM GENERAL FUND

Capital projects that do not directly benefit the Enterprise Funds are funded in the Capital Improvement Fund. This fund is primarily supported by an annual transfer from the General Fund, and accounts for capital repairs to the City's roads, parks and open space, and General Fund facilities. In the 2015-2019 CIP, this transfer ranges between \$13.7 million and \$15.1 million, with the FY 2015 transfer of \$13.7 million being increased by 2.5 percent each year. The ending fund balance in the Capital Improvement Fund is often referred to as the Infrastructure Reserve (IR).

TRANSFER FROM ENTERPRISE FUNDS

The City of Palo Alto has nine Enterprise Funds. In instances where the Enterprise Funds would benefit from a General Fund project, the Enterprise Funds are charged for their proportional share. One such project is included in the FY 2015-2019 CIP; the MSC Building Roofing Replacement. This cost of this project, programmed for Fiscal Year 2017, will be split with the various Enterprise Funds according to the current usage of the space.

GAS TAX FUND

The Gas Tax Fund accounts for revenues received from the State gas tax and Federal and State grants earmarked for street improvements. Use of this fund is restricted to maintenance of the road network system of the City. Transfers from the Gas Tax Fund supports the following CIP Projects: Street Maintenance (PE-86070), Safe Routes to School (PL-00026), and Transportation and Parking Improvements (PL-12000). It should be noted that the level of Gas Tax receipts anticipated over the five years of the CIP is reduced as compared to the 2014-2018 CIP, primarily as a result of reduced gas consumption resulting from increased fuel efficiency.

DEVELOPMENT IMPACT FEES

Development impact fees are collected from developers and provide funding for the City's infrastructure related to parks, community centers, and libraries. The City Attorney provides guidance on whether a project qualifies for funding. Three Fiscal Year 2015 projects will be supported by the Transportation Impact Fee Fund: Embarcadero Corridor Improvements (PL-15001), El Camino Real and Churchill Ave. Intersection Improvements Design (PL-14000), and Traffic Signal and Intelligent Transportation Systems Upgrades (PL-05030).

OTHER AGENCIES

The City partners with local agencies to provide support to certain capital projects. In Fiscal Year 2015, the City will receive approximately \$3.8 million from other agencies in support of CIP projects: \$1.2 million from the Valley Transportation Agency for the California Avenue Streetscape Improvements project (PL-11002) and \$369,000 from CalTrans for the Newell Road Bridge project (PE-12011). Additionally, the City will receive approximately \$2.2 million from other agencies in support of the annual street maintenance program (\$512,000 from the California Department of Transportation, \$477,000 from the One Bay Area

Summary of Capital Improvement Program Revenue

Grant Program administered by the Metropolitan Transportation Commission, \$385,000 from the Santa Clara County Vehicle Registration Fee, and \$808,000 from CalTrans).

STANFORD UNIVERSITY MEDICAL CENTER DEVELOPMENT AGREEMENT

In 2011, a development agreement was established between the City of Palo Alto and the Stanford University Medical Center Parties. Funds received as part of this agreement will be used as outlined in the agreement as approved by the City Council. An allocation of \$1.2 million is planned for the Bicycle and Pedestrian Transportation Plan (PL-04010) for each year of the CIP. For additional information about the development agreement, please refer to the Special Revenue Funds section of the Fiscal Year 2015 operating budget document.

PARKING FUNDS

In Fiscal Year 2015, \$460,000 is scheduled to be transferred from the University Avenue Parking Permit Fund to the Capital Improvement Fund. This funding will be utilized for the installation of parking guidance system technology in the downtown garages, as well as for the resurfacing of parking lots. Transfers from the University Avenue Parking Permit fund are dependent upon the availability of parking receipts. The utilization of this funding for these purposes was anticipated and supported by downtown businesses as part of the Fiscal Year 2014 operating budget process. In Fiscal Year 2015, the Transportation and Parking Improvements Project (PL-12000) has been increased from its annual funding level of approximately \$0.2 million to \$2.2 million. The increase is partially attributable to the anticipated installation of parking guidance system technology (\$400,000), as mentioned above. The remaining increase (\$1.6 million) will allow for the installation of access control and revenue collection equipment in the downtown parking garages. It is assumed that this equipment will generate additional parking receipts; which will initially be used to reimburse the Capital Improvement Fund for the costs of the equipment.

ENTERPRISE FUNDS UTILITY RATE CHARGES

Enterprise Funds operate on a full cost recovery basis. Accordingly, all costs related to operations and capital projects are recovered through utility rate charges.

USER FEES AND CHARGES

Certain CIP projects in the Enterprise Funds are supported by user fees. Included in this category are certain charges to telecommunication and cable television companies pertaining to undergrounding projects. For the 2015-2019 CIP Plan, four undergrounding projects are planned, and the estimated reimbursements from telecommunication and cable television companies during this period are \$1.7 million.

Summary of Capital Improvement Program Revenue

The list of projects funded by user fees and the description of each user fee are summarized in the table below:

Enterprise Fund	Project Name	User Fee	2015-2019 CIP Plan Revenues	Description
Fiber Optics Fund	Fiber Optic Customer Connections FO-10000	Fiber Optic License Fees	\$1,000,000	Fiber optic license fees cover installation of fiber optic infrastructure for new service connections. For a list of other services refer to Utility Rate Schedule EDF-1.
Electric Fund	Electric Customer Connections (EL-89028)	Connection Fees	\$8,000,000	Connection fees cover services for installation, transformers, meters for new customer, upgrading of existing customers and temporary service connection. For a list of other services refer to Utility Rate Schedule E-15.
Gas Fund	Gas System, Customer Connections (GS-80017)	Connection Fees	\$3,451,410	Connection fees cover services for distribution system extension, service connection, meter charges and relocation. For a list of other services refer to Utility Rate Schedule G-5.
Water Fund	Water System, Customer Connections (WS-80013)	Connection Fees	\$2,369,000	Connection fees cover services for distribution system extension, service connection, meter charges, capacity fees and fire hydrants. For a list of other services refer to Utility Rate Schedule W-5.
Wastewater Collection Fund	Sewer System, Customer Connections (WC-80020)	Connection Fees	\$1,970,000	Connection fees cover services for collection system extension, service connection, relocation of facilities and manholes. For a list of other services refer to Utility Rate Schedule S-5.

STORM DRAINAGE FEE

In April 2005, property owners approved an increase in the Storm Drainage Fee through a mail ballot process conducted in accordance with Proposition 218. The ballot measure allowed for modest Storm Drainage Fee increases, based on an annual local consumer price index (CPI) or 6 percent, whichever is less. In accordance with the ballot measure, the FY 2015 approved fee increase is 2.6% based on the CPI.

The fee increase will "sunset" after 12 years (to end in Fiscal Year 2017) unless reauthorized by another property owner ballot process. The City Council appointed the Storm Drain Oversight Committee to ensure compliance with the provisions of the ballot measure.

Summary of Capital Improvement Program Revenue

TRANSFERS WITHIN ENTERPRISE FUNDS

CIP projects that benefit multiple enterprise funds are funded by the beneficiary funds.

One project is the application of the Geographic Information System (GIS) (WS-02014) that benefit the Water, Gas and Wastewater Collection Funds. The Water Fund hosts the GIS project, and the Gas and Wastewater Collection Fund reimburse the Water Fund for their share of the project cost.

CASH ACCUMULATED TO PAY FOR THE LANDFILL CLOSURE AND POST-CLOSURE CARE LIABILITY

State and Federal laws and regulations require that the City place a final cover on the remaining open areas of the Palo Alto Refuse Disposal Site due to the discontinuation of accepting waste, and also require the City to perform certain maintenance and monitoring functions at the site. At the end of each year, the estimated cost for the landfill closure and post-closure care is recognized as a liability in the Refuse Fund's financial statements. The Refuse Fund has accumulated cash to pay for this liability.

PARTNER AGENCIES

The Cities of Palo Alto, Mountain View and Los Altos (the partners) participate jointly in the cost of maintaining and operating the City of Palo Alto Regional Water Quality Control Plant. The City of Palo Alto is the owner and the administrator of the Plant. The other partner agencies (Stanford, Mountain View, Los Altos, and City of East Palo Alto Sanitary District) reimburse the City for their share in the cost of CIP projects.

INTERNAL SERVICE FUNDS

The Technology Fund has three CIP projects in Fiscal Year 2015 in the total amount of \$0.4 million, and the Vehicle Replacement Fund has two approved CIP projects in Fiscal Year 2015 for \$3.9 million.

The General Fund, Capital Projects Fund and Enterprise Funds (comprising nine funds) provide funding for their share of CIP Projects in the Internal Service Funds (ISF). ISFs (Vehicle Replacement, Printing and Mailing, and Technology Funds) allocate all CIP project costs to the appropriate funds, which then transfer the allocated reimbursement amounts to the ISFs.

Debt Policy and Obligations

The City of Palo Alto recognizes the need for spending a prudent amount every year for ongoing capital replacement and rehabilitation needs. An ongoing capital improvement plan is vital to ensuring the future viability of services. To achieve this priority, the City funds its regular and ongoing capital needs primarily on a "pay-as-you-go" basis. There are, however, special or extraordinary capital improvement projects in which it is appropriate to consider debt financing. A set of guidelines is included below to support the decision-making process, and is not intended to be interpreted as a set of rigid rules for issuing debt.

DEBT POLICY GUIDELINES

It is appropriate to consider debt financing for capital improvements but not for operating budget items. It is the City's policy that annual debt service payments should not exceed 10 percent of the annual expenditure budget of the General Fund. The term of the debt issuance should not exceed the useful life expectancy of the asset acquired, constructed, or improved.

It is appropriate to consider debt financing under the following circumstances:

- The project financing can be paid for directly by the users of the facility. One example is capital improvements made to the City's golf course, where debt service payments can be made from the green fees paid by golfers. A second example is capital improvements paid for by assessments to property owners, such as a parking assessment for a downtown parking garage
- For enterprise funded projects, a significant backlog of capital improvements has developed, and that backlog cannot be addressed through the ongoing capital budget without having a significant impact on utility rates
- Funding for a large project (or grouping of similar projects) would have a significant negative impact on the availability of funding for other ongoing capital needs
- Capital leases may be considered for purchases of large pieces of equipment

LEGAL DEBT LIMIT

Based upon the assessed valuation of \$23.7 billion for the fiscal year ending June 30, 2013, the City is limited to general obligation indebtedness of \$0.8 billion. As of June 30, 2013, the amount of debt applicable to the debt limit is \$74.2 million. The City has issued debt well below its legal debt limit.

Debt Policy and Obligations

DEBT OBLIGATIONS

Summaries of City of Palo Alto debt activity for Fiscal Year 2014 are provided in the following section.

	Original Issue Amount	Balance June 30, 2013	Addition s	Retirement s	Balance June 30, 2014	Current Portion
Governmental Activity Debt:						
<i>General Long Term Obligations:</i>						
2002B Downtown Parking Improvements						
Certificates of Participation						
4.55-6.00%, due 03/01/2022	\$ 3,555	\$ 1,560		\$ 130	\$ 1,430	\$ 145
2010A General Obligation Bonds						
2.00-5.00%, due 08/01/2040	55,305	53,540		1,020	52,520	1,050
2013A General Obligation Bonds						
2.00-5.00%, due 08/01/2043	20,695	20,695		-	20,695	370
2011 Golf Course Master Lease-Purchase Agreement						
2.49%, due 09/01/2018	3,222	2,400		374	2,026	383
Add: unamortized premium		4,400		158		
Total Governmental Activity Debt	\$82,777	\$82,595	\$0	\$1,682	\$76,671	\$1,948
Business-type Activity Debt:						
<i>Enterprise Long Term Obligations:</i>						
Utility Revenue Bonds,						
1995 Series A, 5.00-6.25%, due 06/01/2020	\$ 8,640	\$ 3,779		\$ 445	\$ 3,334	\$ 475
1999 Refunding, 3.25-5.25%, due 06/01/2024	17,735	11,585		605	10,980	635
2011 Series A, 3.00-4.00%, due 06/01/2026	17,225	15,240		945	14,295	975
Less: unamortized discount/ issuance cost		980			980	
Less: Loss on refunding		(388)			(388)	
Water Revenue Bonds						
2009 Series A, 1.80 - 4.65%, due 06/02/2035	35,015	32,500		885	31,615	915
Energy Tax Credit Bonds						
2007 Series A, 0%, due 12/15/2021	1,500	900		100	800	100
State Water Resources Loan						
2007, 0%, due 6/30/2029	9,000	7,200		450	6,750	450
2009, 2.6%, due 11/30/2030	8,500	7,909		350	7,559	359
Total Business-type Activity Debt	\$97,615	\$79,705	\$0	\$3,780	\$75,925	\$3,909

Debt Policy and Obligations

DEBT OBLIGATION DESCRIPTIONS

2002B Downtown Parking Improvement Project Certificates of Participation (COPs): On January 16, 2002, the City issued \$3.6 million of COPs to finance the construction of certain improvements to the non-parking area contained in the City's Bryant/Florence Garage complex. Due to lower construction costs, \$0.9 million in par bonds were paid off early in January 2005. Principal payments are due annually on March 1 and interest payments semi-annually on March 1 and September 1, and are payable from lease revenues received by the Corporation from the City's available funds.

2010A and 2013A General Obligation (GO) Bonds: On June 30, 2010, the City issued the first series of \$55.3 million, and on June 26, 2013 the second series of \$20.7 million of GO bonds to finance costs for constructing a new Mitchell Park Library and Community Center, as well as substantial improvements to the Rinconada Library and the Downtown Library. Principal payments are due annually on August 1 and in interest payments semi-annually on February 1 and August 1 from 2 percent to 5 percent, and are payable from property tax revenues.

The pledge of future Net Revenues for the above 2010 and 2013 bonds ends upon repayment of the \$52.5 million and \$20.7 million principal and \$40.6 million and \$15.2 million interest as the remaining debt service on the bonds, which is scheduled to occur in FY 2041 and FY 2044, respectively.

2011 Golf Course Master Lease-Purchase Agreement: On August 2, 2011, the City entered into a master lease-purchase agreement with JP Morgan Chase Bank, N.A. to finance redemption of the 1998 Golf Course COPs. The lease is secured by a first priority security interest in eighteen Fire Department emergency vehicles. Lease proceeds were \$3.2 million. Principal payments are due annually on September 1 and interest payments are due semi-annually on September 1 and March 1 at a rate of 2.49 percent, payable from General Fund revenues. There are \$2.1 million in principal and \$129,000 in interest outstanding.

1995 Utility Revenue Bonds, Series A: The City issued Utility Revenue Bonds on February 1, 1995 to finance certain extensions and improvements to the City's Storm Drainage and Surface Water System. The Bonds are special obligations of the City payable solely from and secured by a pledge of and lien upon the revenues derived by the City from the funds, services and facilities of all Enterprise Funds except the Refuse Fund and the Fiber Optics Fund. Principal payments are payable annually on June 1, and interest payments semi-annually on June 1 and December 1. A \$2.9 million 6.25 percent term bond is due June 1, 2020. In lieu of a reserve fund, the Bonds are secured by a Surety Bond issued by AMBAC Indemnity Corporation.

The pledge of future Net Revenues for the above funds ends upon repayment of the \$3.3 million principal and \$767,000 interest as the remaining debt service on the bonds, which is scheduled to occur in 2020.

1999 Utility Revenue and Refunding Bonds, Series A: The City issued Utility Revenue Bonds on June 1, 1999 to refund the 1990 Utility Revenue Refunding Bonds, Series A and the 1992 Utility Revenue Bonds, Series A, and to finance rehabilitation of the Wastewater Treatment System's two sludge incinerators. The 1990 Utility Revenue Refunding Bonds, Series A and the 1992 Utility Revenue Bonds, Series A, were subsequently retired.

The 1999 Bonds are special obligations of the City payable solely from and secured by a pledge of and lien upon certain net revenues derived by the City's Sewer System and its storm and surface water system (the

Debt Policy and Obligations

"Storm Drain System"). As of June 30, 2001, the 1999 Bonds had been allocated to and were repayable from net revenues of the following enterprise funds: Wastewater Collection (10.2 percent), Wastewater Treatment (64.6 percent) and Storm Drain (25.2 percent). Principal payments are payable annually on June 1, and interest payments semi-annually on June 1 and December 1. A \$3.125 million 5.25 percent term bond, and a \$5.12 million 5.25 percent term bond are due June 1, 2021 and 2024, respectively. In lieu of a reserve fund, the Bonds are secured by a Surety Bond issued by AMBAC Indemnity Corporation.

The pledge of future Net Revenues for the above funds ends upon repayment of the \$11.0 million principal and \$3.8 million interest as the remaining debt service on the bonds, which is scheduled to occur in 2024.

2007 Electric System Clean Renewable Energy Tax Credit Bonds: On November 1, 2007 the City issued \$1.5 million of Electric Utility Clean Renewable Energy Tax Credit Bonds (CREBS), 2007 Series A, to finance the City's photovoltaic solar panel project. The bonds do not bear interest. In lieu of receiving periodic interest payments, bondholders are allowed federal income tax credit in an amount equal to a credit rate for such CREBS multiplied by the outstanding principal amount of the CREBS owned by the bondholders. The Bonds are payable solely from and secured solely by a pledge of the Net Revenues of the Electric system and other funds pledged therefore under the Indenture.

The pledge of future Electric Fund Net Revenues ends upon repayment of the \$0.8 million remaining debt service on the bonds, which is scheduled to occur in 2022.

2009 Water Revenue Bonds, Series A: On October 6, 2009, the City issued Water Revenue Bonds to finance certain improvements to the City's water utility system. Principal payments are due annually on June 1, and interest payments are due semi-annually on June 1 and December 1, from 1.80 percent to 5.95 percent. The 2009 were issued as bonds designated as "Direct Payment Build America Bonds" under the provisions of the American Recovery and Reinvestment Act of 2009 ("Build America Bonds"). The City expected to receive a cash subsidy payment from the United States Treasury equal to 35 percent of the interest payable on the 2009 bonds, however, due to the United States federal government budget (sequestration) cuts, in calendar year 2013, the receipts were 32 percent of interest payable. The lien on the 1995 Bonds on the Net Revenues is senior to the lien on Net Revenues securing the 2009 Bonds and the 2002 Bonds. The City received the subsidy payments amounting to \$545,565, which represents 32 percent of the two interest payments due on June 1, 2013 and December 1, 2013.

2007 State Water Resources Loan : In October 2007, the City approved the \$9.0 million loan agreement with State Water Resources Control Board (SWRCB) to finance the City's Mountain View/Moffett Area reclaimed water pipeline project. Under the terms of the contract, the City agreed to repay \$9.0 million to the State in exchange for receiving \$7.5 million in proceeds to be used to fund the Project. The difference between the repayment obligation and proceeds amounts to \$1.5 million and represents in-substance interest on the outstanding balance. Loan proceeds are drawn down as the project progresses and debt service payments commence on June 30, 2010. Concurrently with the loan, the City entered into various other agreements including a cost sharing arrangement with the City of Mountain View. Pursuant to that agreement, City of Mountain View agreed to finance a portion of the project with a \$5 million loan repayable to the City. This loan has been recorded as "Due from other government agencies" in the financial statements.

Debt Policy and Obligations

2009 State Water Resources Loan: In October 2009, the City approved an \$8.5 million loan agreement with the State Water Resources Control Board (SWRCB) to finance the City's Ultraviolet Disinfection project. As of June 30, 2011, the full loan in the amount of \$8.5 million was drawn down and became outstanding. Interest in the amount of \$96,000 was accrued and added to the outstanding balance.

2011 Utility Revenue Bonds, Series A: On September 22, 2011 the City issued Utility Revenue Bonds to refinance the 2002 Utility revenue bonds which was issued for certain improvements to the City's water and natural gas utility system. The refinancing resulted in net present value savings of 16.9 percent and cash savings over 15 years of \$4.0 million. Principal payments are due annually on June 1, and interest payments are due semi-annually on June 1 and December 1 from 3 percent to 4 percent. The Revenue Bonds are secured by net revenues generated by the Water Services and Gas Services Funds.

The pledge of future Net Revenues of the above funds ends upon repayment of the \$14.3 million principal and \$3.2 million interest as the remaining debt service on the bonds, which is scheduled to occur in 2026.

THIS PAGE IS INTENTIONALLY LEFT BLANK.

FINANCIAL SUMMARY

THIS PAGE IS INTENTIONALLY LEFT BLANK.

2015-19 CIP Summary by Fund

(\$000) Fund Category		FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
CAPITAL FUND		\$25,184	\$22,439	\$26,655	\$21,140	\$16,342	\$111,760
<i>Total Reimbursements</i>		(7,530)	(8,346)	(5,394)	(9,350)	(6,360)	\$(36,980)
Net Subtotal		\$17,654	\$14,093	\$21,261	\$11,789	\$9,982	\$74,780
AIRPORT FUND		\$180	\$0	\$0	\$0	\$0	\$180
<i>Total Reimbursements</i>		(180)	0	0	0	0	\$(180)
Net Subtotal		\$0	\$0	\$0	\$0	\$0	\$0
VEHICLE REPLACEMENT FUND		\$3,886	\$2,406	\$2,647	\$2,127	\$1,149	\$12,215
<i>Total Reimbursements</i>		0	0	0	0	0	\$0
Net Subtotal		\$3,886	\$2,406	\$2,647	\$2,127	\$1,149	\$12,215
TECHNOLOGY FUND		\$445	\$350	\$350	\$350	\$250	\$1,745
<i>Total Reimbursements</i>		(445)	(350)	(350)	(350)	(250)	\$(1,745)
Net Subtotal		\$0	\$0	\$0	\$0	\$0	\$0
ELECTRIC FUND		\$9,740	\$9,330	\$11,980	\$12,670	\$13,425	\$57,145
<i>Total Reimbursements</i>		(1,870)	(2,113)	(3,790)	(4,550)	(4,660)	\$(16,983)
Net Subtotal		\$7,870	\$7,217	\$8,190	\$8,120	\$8,765	\$40,162
FIBER OPTICS FUND		\$400	\$400	\$400	\$400	\$400	\$2,000
<i>Total Reimbursements</i>		(200)	(200)	(200)	(200)	(200)	\$(1,000)
Net Subtotal		\$200	\$200	\$200	\$200	\$200	\$1,000
GAS FUND		\$2,341	\$5,813	\$5,347	\$5,530	\$5,673	\$24,705
<i>Total Reimbursements</i>		(602)	(640)	(662)	(686)	(861)	\$(3,451)
Net Subtotal		\$1,739	\$5,173	\$4,685	\$4,844	\$4,811	\$21,253
WATER FUND		\$5,355	\$6,779	\$6,653	\$8,228	\$8,234	\$35,249
<i>Total Reimbursements</i>		(652)	(682)	(717)	(754)	(795)	\$(3,600)
Net Subtotal		\$4,703	\$6,098	\$5,936	\$7,474	\$7,439	\$31,648
WASTEWATER COLLECTION FUND		\$4,067	\$4,185	\$4,306	\$4,421	\$4,541	\$21,520
<i>Total Reimbursements</i>		(372)	(383)	(394)	(405)	(416)	\$(1,970)
Net Subtotal		\$3,695	\$3,802	\$3,912	\$4,016	\$4,125	\$19,550
WASTEWATER TREATMENT FUND		\$3,696	\$5,300	\$21,354	\$21,206	\$5,277	\$56,833
<i>Total Reimbursements</i>		0	0	0	0	0	\$0
Net Subtotal		\$3,696	\$5,300	\$21,354	\$21,206	\$5,277	\$56,833
STORM DRAINAGE FUND		\$2,660	\$2,555	\$2,649	\$0	\$0	\$7,864
<i>Total Reimbursements</i>		0	0	0	0	0	\$0
Net Subtotal		\$2,660	\$2,555	\$2,649	\$0	\$0	\$7,864

2015-19 CIP Summary by Fund

(\$000) Fund Category	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
TOTAL CIP COSTS (ALL FUNDS)	\$57,954	\$59,558	\$82,341	\$76,072	\$55,290	\$331,215
<i>Total Reimbursements</i>	(11,851)	(12,714)	(11,507)	(16,296)	(13,543)	\$(65,910)
NET CIP COSTS	\$46,103	\$46,844	\$70,834	\$59,776	\$41,747	\$265,305

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2016	FY 2019	FY 2018	Total
KEY Shaded areas denote new projects TBD To Be Determined <i>Italicized</i> text indicates reimbursement							
Capital Fund							
Buildings and Facilities							
PE-18016	Civic Center Fire Life Safety and Electrical Upgrades	0	0	0	0	925	\$925
PE-15020	Civic Center Waterproofing Study and Repairs	258	0	0	0	0	\$258
PF-93009	Americans with Disabilities Act Compliance	106	100	100	100	100	\$506
AC-14000	Art Center Auditorium Audio, Visual, and Furnishings	150	0	0	0	0	\$150
AC-14001	Baylands Nature Interpretive Center Exhibit Improvements	0	0	56	0	0	\$56
PF-01003	Building Systems Improvements	112	100	100	100	100	\$512
PF-14004	California Avenue Parking District Parking Improvements	0	0	0	223	0	\$223
	<i>California Avenue Parking Permits Fund</i>				(223)		\$(223)
PE-09003	City Facility Parking Lot Maintenance	263	200	200	200	200	\$1,063
PF-02022	Facility Interior Finishes Replacement	186	105	105	105	105	\$606
PE-14012	Junior Museum & Zoo Improvements	0	1,175	0	0	0	\$1,175
PF-17000	Municipal Services Center Building A, B, & C Roofing Rehabilitation	0	0	1,100	0	0	\$1,100
	<i>Others</i>			(540)			\$(540)
PF-15000	Rinconada Pool Locker Room	423	0	0	0	0	\$423
PF-00006	Roofing Replacement	166	165	165	165	165	\$826
PF-14003	University Avenue Parking District Parking Improvements	60	223	44	68	0	\$394
	<i>University Avenue Parking Permits Fund</i>	(60)	(223)	(44)	(68)		\$(394)
PE-15011	Ventura Buildings Improvements	0	90	600	0	0	\$690
NET TOTAL BUILDINGS AND FACILITIES		\$1,664	\$1,935	\$1,886	\$670	\$1,595	\$7,750
Parks and Open Space							
PE-15028	Baylands Levee Improv. Feasibility Study	500	0	0	0	0	\$500
PE-17005	Boulevard Park Improvements	0	0	45	400	0	\$445
PE-15022	Palo Alto Community Gardens Irrigation	257	0	0	0	0	\$257
AC-86017	Art in Public Places	80	62	64	69	62	337

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
PE-15029	Baylands Interpretive Center Improvements	136	405	0	0	0	\$541
PG-06003	Benches, Signage, Fencing, Walkways, and Perimeter Landscaping	100	150	150	150	150	\$700
PG-14002	Cameron Park Improvements	0	0	0	124	0	\$124
PG-18000	Golf Course Driving Range Net and Artificial Turf Replacement	0	0	0	770	0	\$770
PE-18012	Hoover Park Improvements	0	0	0	490	0	\$490
PE-18010	Mitchell Park Improvements	0	0	0	386	0	\$386
OS-09001	Off-Road Pathway Resurfacing and Repair	100	100	100	100	100	\$500
OS-00001	Open Space Trails and Amenities	135	175	175	175	175	\$835
PG-09002	Park and Open Space Emergency Repairs	75	75	75	75	75	\$375
PG-14001	Peers Park Improvements	0	0	0	205	0	\$205
PG-14000	Ramos Park Improvements	175	0	0	0	0	\$175
PE-08001	Rinconada Park Improvements	1,167	0	0	2,785	0	\$3,952
PE-18015	Robles Park Improvements	0	0	0	325	0	\$325
PG-14003	Seale Park Improvements	0	0	0	121	0	\$121
PG-13001	Stanford/Palo Alto Soccer Turf Replacement	0	770	0	0	0	\$770
PG-06001	Tennis and Basketball Court Resurfacing	215	215	215	215	215	\$1,075
NET TOTAL PARKS AND OPEN SPACE		\$2,940	\$1,952	\$824	\$6,390	\$777	\$12,883
Streets and Sidewalks							
PL-15001	Embarcadero Road Corridor Improvements	499	0	0	0	0	\$499
	<i>Others</i>	(373)					\$(373)
PO-12001	Curb and Gutter Repairs	284	100	100	100	100	\$684
PE-13017	El Camino Median Landscape Improvements	250	50	776	0	0	\$1,076
PE-12011	Newell Road/San Francisquito Creek Bridge Replacement	2,536	0	0	0	0	\$2,536
	<i>Others</i>	(416)	(2,213)				\$(2,630)
PO-89003	Sidewalk Repairs	2,439	1,710	1,710	1,710	1,710	\$9,279
PO-11000	Sign Reflectivity Upgrade	91	50	50	50	50	\$291
PO-05054	Street Lights Improvements	140	150	150	150	150	\$740
PE-86070	Street Maintenance	6,443	6,069	5,944	5,119	5,119	\$28,696
	<i>Gas Tax Fund</i>	(1,300)	(1,300)	(1,300)	(1,300)	(1,300)	\$(6,500)

2015-19 Capital Improvement Projects

((\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
	<i>Others</i>	(2,307)	(385)	(385)	(385)	(385)	\$(3,847)
PO-11001	Thermoplastic Marking and Striping	129	75	75	75	75	\$429
NET TOTAL STREETS AND SIDEWALKS		\$8,414	\$4,306	\$7,120	\$5,519	\$5,519	\$30,879
Traffic and Transportation							
PL-04010	Bicycle & Pedestrian Transportation Plan Projects	1,224	1,200	1,200	1,200	1,200	\$6,024
	<i>Others</i>	(1,200)	(1,200)	(1,200)	(1,200)	(1,200)	\$(6,000)
PE-13011	Charleston/Arastradero Corridor Project	606	1,450	0	0	0	\$2,056
	<i>Local Agency Grant</i>		(500)	(500)			\$(1,000)
	<i>State Grant</i>		(225)	(225)			\$(450)
PL-14000	El Camino Real & Churchill Avenue Intersection Improvements - Design	24	0	0	0	0	\$24
	<i>Development Impact Fees</i>	(308)					\$(308)
PE-11011	Highway 101 Pedestrian/Bicycle Overpass Project (formerly PL-11000)	0	440	8,000	0	0	\$8,440
	<i>Local Agency Grant</i>		(300)	(700)	(4,000)	(3,000)	\$(8,000)
	<i>Others</i>				(1,700)		\$(1,700)
PL-14001	Matadero Creek Trail	42	2,000	150	0	0	\$2,192
	<i>Local Agency Grant</i>		(1,500)				\$(1,500)
PL-00026	Safe Routes to School	345	100	100	100	100	\$745
	<i>Gas Tax Fund</i>	(100)	(100)	(100)	(75)	(75)	\$(450)
PL-05030	Traffic Signal and Intelligent Transportation System (ITS) Upgrades	841	165	170	175	175	\$1,526
	<i>Others</i>	(841)					\$(841)
PL-12000	Transportation and Parking Improvements	2,169	225	225	225	225	\$3,069
	<i>Gas Tax Fund</i>	(225)					\$(225)
	<i>Others</i>		(400)	(400)	(400)	(400)	\$(1,600)
	<i>University Avenue Parking Permits Fund</i>	(400)					\$(400)
NET TOTAL TRAFFIC AND TRANSPORTATION		\$2,177	\$1,355	\$6,720	\$(5,675)	\$(2,975)	\$1,602
Miscellaneous							
AS-10000	Salaries and Benefits - General Fund CIP Projects	2,458	4,545	4,711	4,885	5,065	\$21,705
NET TOTAL MISCELLANEOUS		\$2,498	\$4,545	\$4,711	\$4,885	\$5,065	\$21,705
CAPITAL FUND		\$25,184	\$22,439	\$26,655	\$21,140	\$16,342	\$111,760

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
TOTAL REIMBURSEMENTS		\$(7,530)	\$(8,346)	\$(5,394)	\$(9,350)	\$(6,360)	\$(36,980)
NET CAPITAL FUND		\$17,654	\$14,093	\$21,261	\$11,789	\$9,982	\$74,780

Vehicle Replacement Fund

Miscellaneous

VR-15001	Emergency Repair and Replacement Program	100	100	100	100	100	\$500
VR-16000	Scheduled Vehicle and Equipment Replacements	0	2,306	0	0	0	\$2,306
VR-15000	Scheduled Vehicle and Equipment Replacements	3,786	0	0	0	0	\$3,786
VR-17000	Scheduled Vehicle and Equipment Replacements	0	0	2,547	0	0	\$2,547
VR-19000	Scheduled Vehicle and Equipment Replacements	0	0	0	0	1,049	\$1,049
VR-18000	Scheduled Vehicle and Equipment Replacements	0	0	0	2,027	0	\$2,027
NET TOTAL MISCELLANEOUS		\$3,886	\$2,406	\$2,647	\$2,127	\$1,149	\$12,215
NET VEHICLE REPLACEMENT FUND		\$3,886	\$2,406	\$2,647	\$2,127	\$1,149	\$12,215

Technology Fund

Technology

TE-14002	Library Virtual Branch	95	0	0	0	0	\$95
	<i>General Fund</i>	(95)					\$(95)
TE-05000	Radio Infrastructure Replacement	100	100	100	100	0	\$400
	<i>Enterprise Funds</i>	(20)	(20)	(20)	(20)		\$(80)
	<i>General Fund</i>	(64)	(64)	(64)	(64)		\$(256)
	<i>Stanford</i>	(16)	(16)	(16)	(16)		\$(64)
TE-10001	Utilities Customer Billing System Continuous Improvements	250	250	250	250	250	\$1,250
	<i>Enterprise Funds</i>	(250)	(250)	(250)	(250)	(250)	\$(1,250)
NET TOTAL TECHNOLOGY		\$0	\$0	\$0	\$0	\$0	\$0
TECHNOLOGY FUND		\$445	\$350	\$350	\$350	\$250	\$1,745
TOTAL REIMBURSEMENTS		\$(445)	\$(350)	\$(350)	\$(350)	\$(250)	\$(1,745)
NET TECHNOLOGY FUND		\$0	\$0	\$0	\$0	\$0	\$0

Electric Fund

Distribution System - Customer Design and Connection Services

EL-89028	Electric Customer Connections	3,300	3,400	3,500	3,600	3,700	\$17,500
-----------------	-------------------------------	-------	-------	-------	-------	-------	-----------------

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
	<i>Others</i>	(1,500)	(1,550)	(1,600)	(1,650)	(1,700)	\$(8,000)
NET TOTAL DISTRIBUTION SYSTEM - CUSTOMER DESIGN AND CONNECTION SERVICES		\$1,800	\$1,850	\$1,900	\$1,950	\$2,000	\$9,500
Distribution System - System Improvements							
EL-15000	Colorado/Hopkins System Improvement	50	0	0	0	0	\$50
EL-15001	Electric Substation Battery Replacement	400	0	0	0	0	\$400
EL-16000	Rebuild UG District 26	0	500	0	0	0	\$500
EL-06001	230 KV Electric Intertie	50	0	0	0	0	\$50
EL-14000	Coleridge/Cowper/Tennyson 4/12 kV Conversion	0	120	400	0	0	\$520
EL-13000	Edgewood/Wildwood 4 kV Tie	0	50	400	0	0	\$450
EL-98003	Electric System Improvements	2,450	2,500	2,550	2,600	2,650	\$12,750
	<i>Others</i>	(170)	(180)	(190)	(200)	(210)	\$(950)
EL-02011	Electric Utility GIS	165	165	165	165	165	\$825
EL-09000	Middlefield Underground Rebuild	250	0	0	0	0	\$250
EL-13003	Rebuild UG District 16	0	300	0	0	0	\$300
EL-11006	Rebuild UG District 18	75	0	0	0	0	\$75
EL-14002	Rebuild UG District 20	0	500	500	0	0	\$1,000
EL-10006	Rebuild UG District 24	850	0	0	0	0	\$850
EL-14005	Reconfigure Quarry Feeders	400	0	0	0	0	\$400
EL-13002	Relocate Quarry Road/Hopkins Substations 60 kV Line (Lane A & B)	0	0	0	100	750	\$850
EL-02010	SCADA System Upgrades	60	65	270	60	65	\$520
EL-11014	Smart Grid Technology Installation	0	500	3,000	3,000	3,000	\$9,500
	<i>Enterprise Funds</i>		(333)	(2,000)	(2,000)	(2,000)	\$(6,333)
EL-89044	Substation Facility Improvements	185	190	195	195	195	\$960
EL-89038	Substation Protection Improvements	280	290	300	300	300	\$1,470
EL-08001	UG District 42 - Embarcadero Rd. (Between Emerson & Middlefield)	0	0	150	150	2,000	\$2,300
	<i>Others</i>					(750)	\$(750)
EL-11009	UG District 43 - Alma/Embarcadero	0	0	150	2,000	500	\$2,650
	<i>Others</i>				(700)		\$(700)
EL-12001	UG District 46 - Charleston/El Camino Real	400	100	0	0	0	\$500
	<i>Others</i>	(200)	(50)				\$(250)

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
EL-11010	UG District 47 - Middlefield, Homer Avenue, Webster Street and Addison Avenue	400	0	0	0	0	\$400
EL-13007	Underground Distribution System Security	0	300	300	0	0	\$600
EL-06003	Utility Control Center Upgrades	75	0	0	400	0	\$475
EL-04012	Utility Site Security Improvements	250	250	0	0	0	\$500
NET TOTAL DISTRIBUTION SYSTEM - SYSTEM IMPROVEMENTS		\$5,970	\$5,267	\$6,190	\$6,070	\$6,665	\$30,162
General Services - Communications							
EL-89031	Communications System Improvements	100	100	100	100	100	\$500
NET TOTAL GENERAL SERVICES - COMMUNICATIONS		\$100	\$100	\$100	\$100	\$100	\$500
ELECTRIC FUND		\$9,740	\$9,330	\$11,980	\$12,670	\$13,425	\$57,145
TOTAL REIMBURSEMENTS		\$(1,870)	\$(2,113)	\$(3,790)	\$(4,550)	\$(4,660)	\$(16,983)
NET ELECTRIC FUND		\$7,870	\$7,217	\$8,190	\$8,120	\$8,765	\$40,162
Fiber Optics Fund							
Commercial Telecommunications							
FO-10000	Fiber Optics Customer Connections	200	200	200	200	200	\$1,000
	<i>Others</i>	(200)	(200)	(200)	(200)	(200)	\$(1,000)
FO-10001	Fiber Optics Network System Improvements	200	200	200	200	200	\$1,000
NET TOTAL COMMERCIAL TELECOMMUNICATIONS		\$200	\$200	\$200	\$200	\$200	\$1,000
FIBER OPTICS FUND		\$400	\$400	\$400	\$400	\$400	\$2,000
TOTAL REIMBURSEMENTS		\$(200)	\$(200)	\$(200)	\$(200)	\$(200)	\$(1,000)
NET FIBER OPTICS FUND		\$200	\$200	\$200	\$200	\$200	\$1,000
Gas Fund							
Distribution System - Customer Design and Connection Services							
GS-80017	Gas System, Customer Connections	752	790	812	836	861	\$4,051
	<i>Others</i>	(602)	(640)	(662)	(686)	(861)	\$(3,451)
NET TOTAL DISTRIBUTION SYSTEM - CUSTOMER DESIGN AND CONNECTION SERVICES		\$150	\$150	\$150	\$150	\$0	\$600
Distribution System - System Improvements							
GS-13002	Gas Equipment and Tools	100	100	100	100	100	\$500
GS-12001	Gas Main Replacement - Project 22	603	3,540	0	0	0	\$4,143
GS-13001	Gas Main Replacement - Project 23	0	621	3,010	0	0	\$3,631

2015-19 Capital Improvement Projects

((\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
GS-14003	Gas Main Replacement - Project 24	0	0	640	3,100	0	\$3,740
GS-15000	Gas Main Replacement - Project 25	0	0	0	685	3,200	\$3,885
GS-16000	Gas Main Replacement - Project 26	0	0	0	0	678	\$678
GS-80019	Gas Meters and Regulators	335	345	355	366	377	\$1,777
GS-11002	Gas System Improvements	219	225	232	239	246	\$1,161
GS-15001	Security at City Gas Receiving Stations	150	0	0	0	0	\$150
GS-03009	System Extensions - Unreimbursed	184	193	199	204	211	\$990
NET TOTAL DISTRIBUTION SYSTEM - SYSTEM IMPROVEMENTS		\$1,589	\$5,023	\$4,535	\$4,694	\$4,811	\$20,653
GAS FUND		\$2,341	\$5,813	\$5,347	\$5,530	\$5,673	\$24,705
TOTAL REIMBURSEMENTS		\$(602)	\$(640)	\$(662)	\$(686)	\$(861)	\$(3,451)
NET GAS FUND		\$1,739	\$5,173	\$4,685	\$4,844	\$4,811	\$21,253

Water Fund

Distribution System - Customer Design and Connection Services

WS-80013	Water System, Customer Connections	450	460	473	486	500	\$2,369
	<i>Others</i>	(450)	(460)	(473)	(486)	(500)	\$(2,369)
NET TOTAL DISTRIBUTION SYSTEM - CUSTOMER DESIGN AND CONNECTION SERVICES		\$0	\$0	\$0	\$0	\$0	\$0

Distribution System - System Improvements

WS-15004	Water System Master Plan	500	0	0	0	0	\$500
WS-09000	Seismic Water System Upgrades	2,230	0	0	0	0	\$2,230
WS-11003	Water Distribution System Improvements	225	232	239	247	254	\$1,197
WS-13002	Water Fusion and General Equipment/Tools	50	50	50	50	50	\$250
WS-12001	Water Main Replacement - Project 26	0	4,397	0	0	0	\$4,397
WS-13001	Water Main Replacement - Project 27	0	440	4,112	0	0	\$4,551
WS-14001	Water Main Replacement - Project 28	0	0	523	5,569	0	\$6,092
WS-15002	Water Main Replacement - Project 29	0	0	0	557	5,498	\$6,055
WS-16001	Water Main Replacement - Project 30	0	0	0	0	550	\$550
WS-80015	Water Meters	386	393	400	407	415	\$2,001
WS-08001	Water Reservoir Coating Improvements	750	0	0	0	0	\$750
WS-80014	Water Service Hydrant Replacement	236	243	250	263	270	\$1,262
WS-11004	Water System Supply Improvements	225	232	239	247	254	\$1,197

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
WS-02015	Water, Gas, Wastewater Utility GIS Data	303	333	366	403	443	\$1,847
	<i>Enterprise Funds</i>	(202)	(222)	(244)	(268)	(295)	\$(1,231)
NET TOTAL DISTRIBUTION SYSTEM - SYSTEM IMPROVEMENTS		\$4,703	\$6,098	\$5,936	\$7,474	\$7,439	\$31,648
WATER FUND		\$5,355	\$6,779	\$6,653	\$8,228	\$8,234	\$35,249
TOTAL REIMBURSEMENTS		\$(652)	\$(682)	\$(717)	\$(754)	\$(795)	\$(3,600)
NET WATER FUND		\$4,703	\$6,098	\$5,936	\$7,474	\$7,439	\$31,648

Wastewater Collection Fund

Collection System - Customer Design and Connection Services

WC-80020	Sewer System, Customer Connections	372	383	394	405	416	\$1,970
	<i>Others</i>	(372)	(383)	(394)	(405)	(416)	\$(1,970)
NET TOTAL COLLECTION SYSTEM - CUSTOMER DESIGN AND CONNECTION SERVICES		\$0	\$0	\$0	\$0	\$0	\$0

Collection System - System Improvements

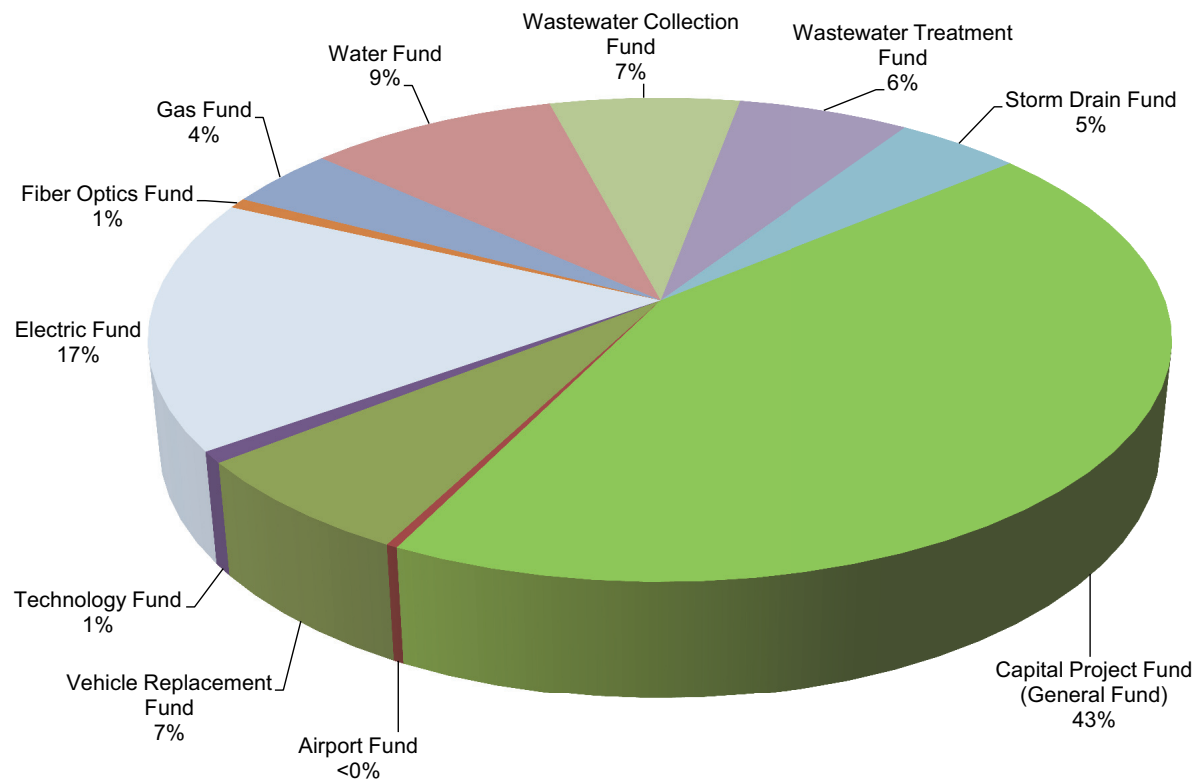
WC-19001	Wastewater Collection System Rehabilitation/Augmentation Project 31	0	0	0	0	360	\$360
WC-99013	Sewer Lateral/Manhole Rehab/Replacement	100	100	100	100	100	\$500
WC-14001	Wastewater Collection System Rehabilitation/Augmentation Project 27	320	3,090	0	0	0	\$3,410
WC-15001	Wastewater Collection System Rehabilitation/Augmentation Project 28	0	330	3,183	0	0	\$3,513
WC-16001	Wastewater Collection System Rehabilitation/Augmentation Project 29	0	0	340	3,270	0	\$3,610
WC-17001	Wastewater Collection System Rehabilitation/Augmentation Project 30	0	0	0	350	3,362	\$3,712
WC-13001	Wastewater Collection System Rehabilitation/Augmentation Project 26	3,000	0	0	0	0	\$3,000
WC-13002	Wastewater Fusion and General Equipment/Tools	50	50	50	50	50	\$250
WC-15002	Wastewater System Improvements	225	232	239	246	253	\$1,195
NET TOTAL COLLECTION SYSTEM - SYSTEM IMPROVEMENTS		\$3,695	\$3,802	\$3,912	\$4,016	\$4,125	\$19,550
WASTEWATER COLLECTION FUND		\$4,067	\$4,185	\$4,306	\$4,421	\$4,541	\$21,520
TOTAL REIMBURSEMENTS		\$(372)	\$(383)	\$(394)	\$(405)	\$(416)	\$(1,970)
NET WASTEWATER COLLECTION FUND		\$3,695	\$3,802	\$3,912	\$4,016	\$4,125	\$19,550

2015-19 Capital Improvement Projects

(\$000) CIP Number	Project Title	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total
Wastewater Treatment Fund							
Wastewater Treatment - System Improvements							
WQ-14001	Biosolids Facility	575	839	5,940	6,237	0	\$13,591
WQ-04011	Facility Condition Assessment & Retrofit	432	1,000	1,000	1,000	1,000	\$4,432
WQ-14004	Fixed Film Reactor Rehabilitation	127	458	9,710	9,138	0	\$19,433
WQ-14002	Laboratory and Environmental Services Building	0	410	615	717	307	\$2,049
WQ-80021	Plant Equipment Replacement	2,481	1,770	1,840	1,920	1,995	\$10,006
WQ-14003	Primary Sedimentation Tank Rehabilitation	81	823	2,249	2,194	1,975	\$7,322
NET TOTAL WASTEWATER TREATMENT - SYSTEM IMPROVEMENTS		\$3,696	\$5,300	\$21,354	\$21,206	\$5,277	\$56,833
NET WASTEWATER TREATMENT FUND		\$3,696	\$5,300	\$21,354	\$21,206	\$5,277	\$56,833
Airport Fund							
Building and Facilities							
AP-15001	Temporary Airport Terminal	180	0	0	0	0	\$180
	<i>General Fund</i>	(180)	0	0	0	0	\$(180)
NET TOTAL BUILDINGS AND FACILITIES		\$0	\$0	\$0	\$0	\$0	\$0
NET AIRPORT FUND		\$0	\$0	\$0	\$0	\$0	\$0
Storm Drainage Fund							
Collection System - System Improvements							
SD-15008	Storm Drain Master Plan Update	319	0	0	0	0	\$319
SD-13002	Matadero Creek Storm Water Pump Station and Trunk Lines Improvements	1,912	1,915	1,990	0	0	\$5,817
SD-06101	Storm Drain System Replacement and Rehabilitation	429	640	659	0	0	\$1,728
NET TOTAL COLLECTION SYSTEM - SYSTEM IMPROVEMENTS		\$2,660	\$2,555	\$2,649	\$0	\$0	\$7,864
NET STORM DRAINAGE FUND		\$2,660	\$2,555	\$2,649	\$0	\$0	\$7,864

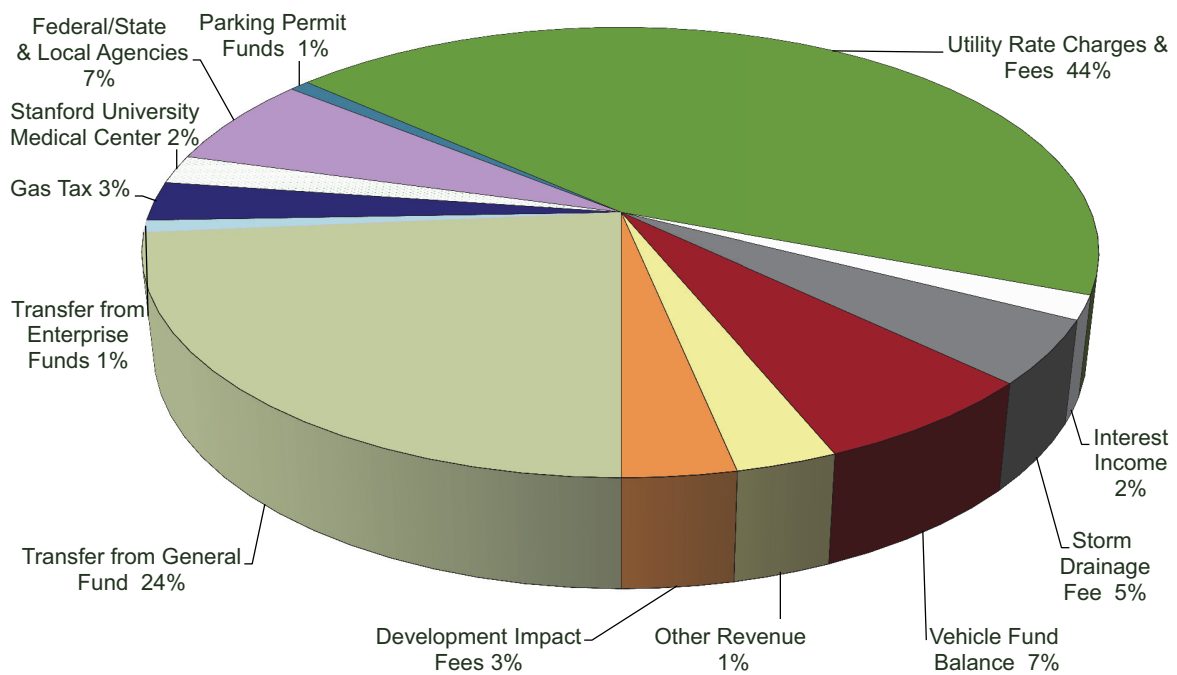
Capital Projects by Fund — Total Expenditures

FY 2015 Capital Budget- \$58.0 Million



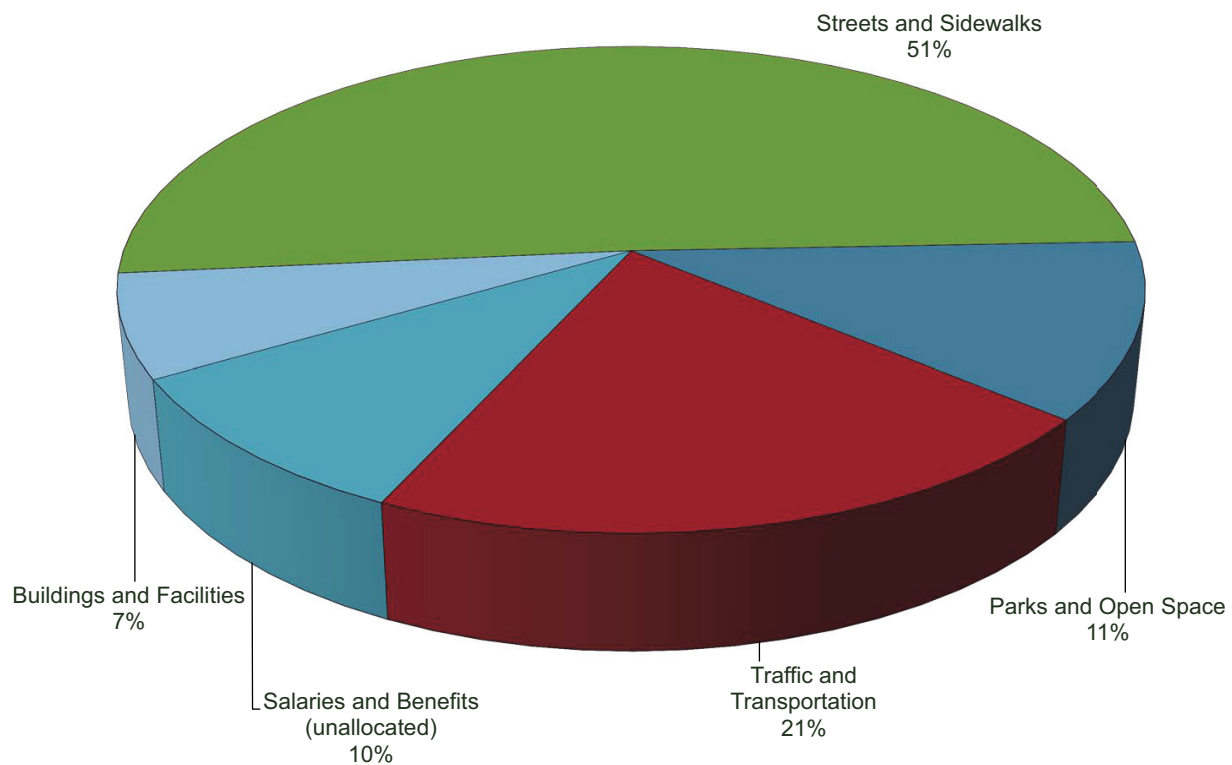
Capital Projects by Fund — Total Funding Sources

FY 2015 Capital Budget - \$58.0 Million



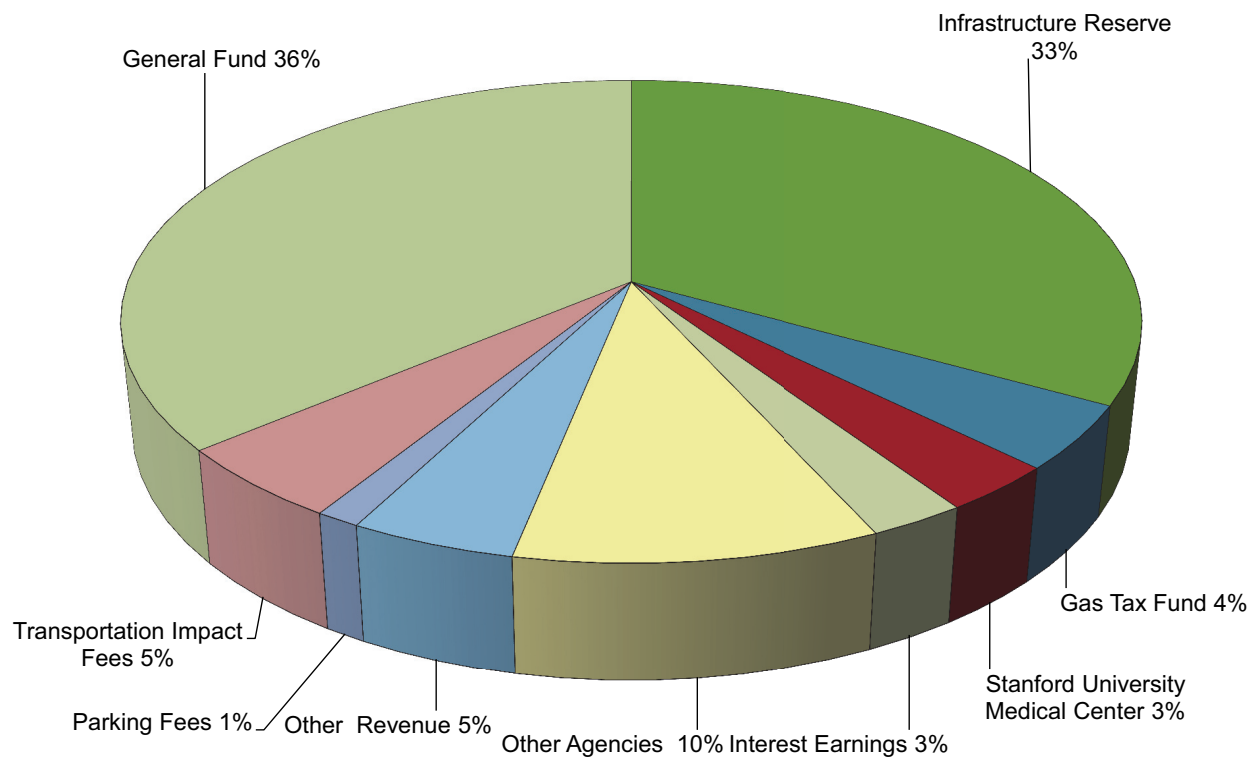
General Fund Capital — Total Expenses by Category

FY 2015 Capital Budget - \$25.2 Million



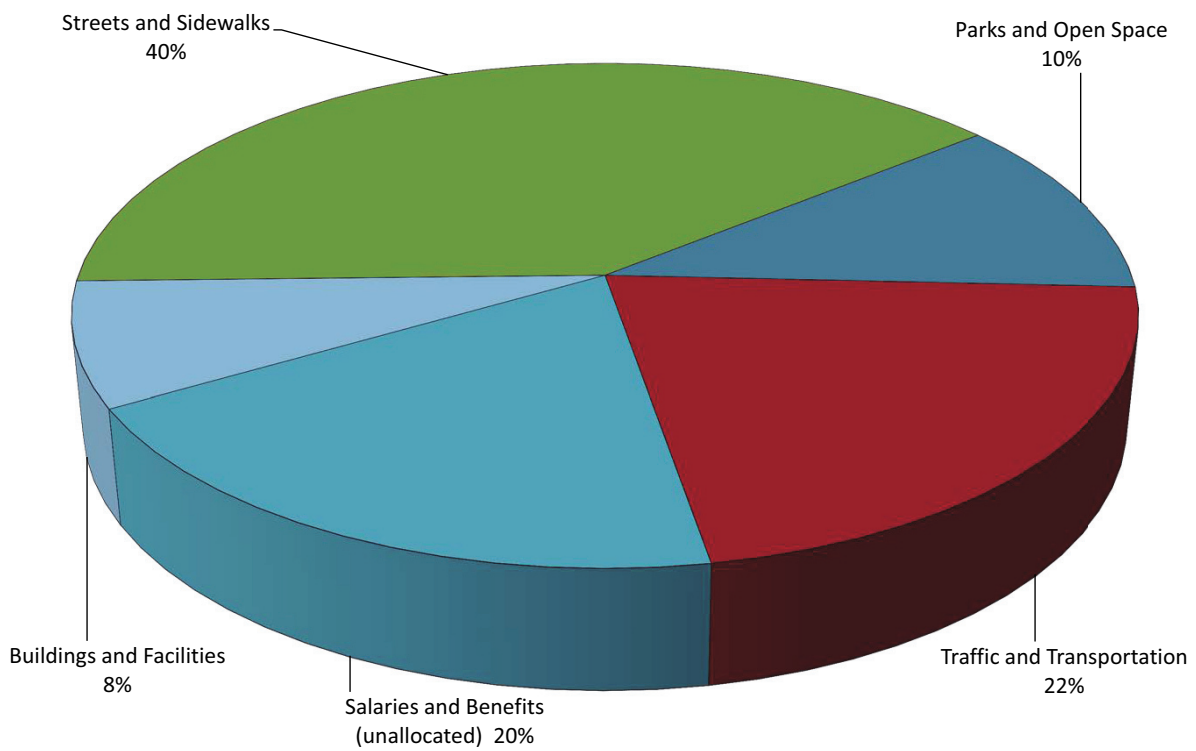
General Fund Capital — Total Funding Sources

FY 2015 Capital Budget - \$37.8 Million



General Fund Total Expense by Category for FY2015-19

FY 2015-2019 Five-Year Plan - \$111.8 Million



FY 2014 Adopted CIP Projects

CIP Number	Project Title	FY 2014 Adopted Budget Amount
Capital Improvement Fund		
PF-93009	Americans with Disabilities Act Compliance	138,277
AC-86017	Art in Public Places	50,000
PE-14018	Baylands Interpretive Center Improvements and Boardwalk Repair	66,445
PG-06003	Benches, Signage, Fencing, Walkways, and Perimeter Landscaping	150,000
PL-04010	Bicycle & Pedestrian Transportation Plan Implementation Project	1,318,009
PE-13008	Bowden Park Improvements	199,041
PF-01003	Building Systems Improvements	112,440
PE-13020	Byxbee Park Trails	89,223
PF-14004	California Ave. Parking District Parking Improvements	186,400
PE-09003	City Facility Parking Lot Maintenance	265,422
PE-12017	City Hall First Floor Renovations	900,000
PE-13005	City Hall/King Plaza Landscape	124,041
PF-14000	Cubberly Roof Replacements	453,931
PO-12001	Curb and Gutter Repairs	361,929
PE-13017	El Camino Median Landscape Improvements	46,445
PL-14000	El Camino Real & Churchill Ave. Intersection Improvements-Design	283,651
PF-02022	Facility Interior Finishes Replacement	407,440
FD-14002	Fire Ringdown System Replacement	157,500
PF-140002	Fire Station 1 Improvements	280,377
PG-13003	Golf Course Reconfiguration and Baylands Athletic Center Improvements	8,045,505
PE-11011	Highway 101 Pedestrian/Bicycle Overpass Project	1,396,168
PD-14000	Internal Alarm Systems Replacement	78,000
PE-14010	LATP Site Development Preparation and Security Improvements	1,668,782
PE-14015	Lucie Stern Buildings Mechanical/Electrical Upgrades	2,791,964
PL-14001	Matadero Creek Trail	383,651
OS-09001	Off-Road Pathway Resurfacing and Repair	100,000
OS-00001	Open Space Trails and Amenities	164,000
PG-09002	Park and Open Space Emergency Repairs	75,000
PE-13003	Parks, Trails, Open Space and Recreation Master Plan	155,677
PE-08001	Rinconada Park Improvements	189,233
PF-00006	Roofing Replacement	38,111

FY 2014 Adopted CIP Projects

CIP Number	Project Title	FY 2014 Adopted Budget Amount
PL-00026	Safe Routes to School	169,536
AS-10000	Salaries and Benefits-General Fund CIP Projects	1,976,191
PO-89003	Sidewalk Repairs	2,429,895
PO-11000	Sign Reflective Upgrade	91,385
PG-13001	Stanford/Palo Alto Soccer Turf Replacement	625,000
PO-05054	Street Lights Improvements	140,000
PE-86070	Street Maintenance	5,724,016
PE-13014	Streetlight Condition Assessment	220,078
PE-13012	Structural Assessment of City Bridges	185,394
PG-06001	Tennis and Basketball Court Resurfacing	215,000
PO-11001	Thermoplastic Marking and Striping	121,509
PL-05030	Traffic Signal and ITS Upgrades	665,589
PL-12000	Transportation and Parking Improvements	373,205
PF-14003	University Ave. Parking District Parking Improvements	340,900
Total Capital Improvement Fund		33,954,360
Electric Fund		
EL-89028	Electric Customer Connections	2,200,000
EL-98003	Electric System Improvements	2,400,000
EL-02011	Electric Utility GIS	225,000
EL-04010	Foothills System Rebuild	75,000
EL-13004	Hansen Way/Hanover 12kV Ties	200,000
EL-14004	Maybell 1&2 4/12kV Conversion	450,000
EL-09000	Middlefield Underground Rebuild	200,000
EL-12000	Rebuild UG District 12	450,000
EL-11006	Rebuild UG District 18	200,000
EL-14005	Reconfigure Quarry Feeders	50,000
EL-13006	San Hill / Quarry 12kV Tie	200,000
EL-11014	Smart Grid Technology Installation	1,000,000
EL-10009	Street Light System Conversion Project	500,000
EL-89044	Substation Facility Improvements	180,000
EL-89038	Substation Protection Improvements	275,000
Total Electric Fund		8,605,000

FY 2014 Adopted CIP Projects

CIP Number	Project Title	FY 2014 Adopted Budget Amount
Fiber Optic Fund		
FO-10000	Fiber Optics Customer Connections	200,000
FO-10001	Fiber Optics Network System Improvements	200,000
Total Fiber Optic Fund		400,000
<u>Gas Fund</u>		
GS-14004	Gas Distribution System Model	150,000
GS-80019	Gas Meters and Regulators	325,000
GS-80017	Gas System Extensions	730,000
GS-11002	Gas System Improvements	212,200
GS-03009	System Extensions - Unreimbursed	178,000
Total Gas Fund		1,595,200
<u>Water Fund</u>		
WS-11003	Water Distribution System Improvements	218,000
WS-13006	Water Meter Shop Renovations	200,000
WS-80015	Water Meters	379,000
WS-80014	Water Service Hydrant Replacement	229,000
WS-80013	Water System Extensions	440,000
WS-11004	Water System Supply Improvements	218,000
WS-02014	W-G-W Utility GIS Data	275,000
WS-11000	WMR-Project	2,736,906
WS-12001	WMR-Project 26	505,000
Total Water Fund		5,200,906
<u>Wastewater Collection Fund</u>		
WC-99013	Sewer Lateral/Manhole Rehab/Replacement	100,000
WC-80020	Sewer System Extensions	361,000
WC-15002	Wastewater System Improvements	218,000
WC-13001	WW Collection Sys. Rehab/Aug. Project 26	310,000
Total Wastewater Collection Fund		989,000

FY 2014 Adopted CIP Projects

CIP Number	Project Title	FY 2014 Adopted Budget Amount
<u>Wastewater Treatment Fund</u>		
WQ-04011	Facility Condition Assessment & Retrofit	1,128,500
WQ-10001	Long Range Facilities Plan	40,200
WQ-80021	Plant Equipment Replacement	1,768,500
Total Wastewater Treatment Fund		2,937,200
<u>Storm Drainage Fund</u>		
SD-11101	Channing Ave/ Lincoln Ave. Storm Drain Improvements	1,531,405
SD-06104	Connect Clara Drive Storm Drains To Matadero Pump Station	807,064
SD-13002	Matadero Creek Storm Water Pump Station and Trunk Lines Improvements	340,387
SD-10101	Southgate Neighborhood Storm Drain Improvements	222,839
SD-06101	Storm Drain System Replacement and Rehabilitation	446,387
Total Storm Drainage Fund		3,348,082
<u>Vehicle Replacement and Maintenance Fund</u>		
VR-14001	Emergency Repair and Replacement Program	100,000
VR-14002	MSC Fuel Station Demolition	240,000
VR-14000	Scheduled Vehicle & Equipment Replacements	3,000,000
Total Vehicle Replacement and Maintenance Fund		3,340,000
<u>Technology Fund</u>		
TE-99010	Acquisition of New Computers	75,000
TE-14002	Library Virtual Branch	100,000
TE-10001	Utilities Customer Billing System Continuous Improvements	250,000
Total Technology Fund		425,000

CAPITAL PROJECTS

THIS PAGE IS INTENTIONALLY LEFT BLANK.

General Fund Overview

CAPITAL IMPROVEMENT FUND AND INFRASTRUCTURE RESERVE (IR)

Capital improvements that are not funded by the enterprise/internal service funds are supported by the General Fund and through grants and reimbursements from other agencies. These improvements are accounted for within the Capital Improvement Fund and are primarily funded by an annual transfer from the General Fund. In Fiscal Year 2015, this transfer will be \$13.7 million. The General Fund Long Range Financial Forecast, accepted by the City Council in April 2014, assumed that the transfer will increase every year by 2.5%.

The ending fund balance in the Capital Improvement Fund is also known as the Infrastructure Reserve (IR). With the completion of the Infrastructure Blue Ribbon Commission (IBRC) report and the City Council approval of the Infrastructure Funding Plan, the IR has been identified as a potential funding source for deferred maintenance needs identified in the IBRC report.

Unspent monies from capital projects are retained in the Capital Improvement Fund and are added to the IR. Per the City Council Budget Stabilization Reserve (BSR) Policy, at the recommendation of the City Manager, excess funds in the BSR may be transferred to the IR as part of the approval of the annual budget closing.

CLASSIFICATION OF CAPITAL IMPROVEMENT PROGRAM (CIP) PROJECTS

The Fiscal Year 2015-2019 CIP budget document list projects by a classification as follows:

- Buildings and Facilities
- Streets and Sidewalks
- Parks and Open Space
- Traffic and Transportation
- Miscellaneous

CIP BUDGET HIGHLIGHTS

The Fiscal Year 2015 adopted budget for the Capital Improvement Fund includes sources of \$25.3 million, including the annual General Fund Transfer (\$13.7 million), interest earnings (\$1.0 million), and \$10.7 million from grants, gas tax proceeds, bonds, Stanford University Medical Center agreement funds, development impact fees, and parking fees. The Fiscal Year 2015 adopted capital budget includes \$25.2 million in budgeted expenditures. Detail on each of the fifty three projects that are recommended to receive new funding in Fiscal Year 2015 can be found on the subsequent pages.

Below are highlights of the Fiscal Year 2015 projects:

- Annual Street Maintenance Project (PE-86070) - \$6.4 million
- Newell Road Bridge/San Francisquito Creek Bridge Replacement (PE-12011)- \$2.5 million
- Annual Sidewalk Maintenance Project (PO-89003) - \$2.4 million
- Transportation and Parking Improvements (PL-12000) - \$2.2 million

General Fund Overview

- Bicycle and Pedestrian Transportation Plan - Implementation Projects (PL-04010) - \$1.2 million
- Rinconada Park Improvements (PE-08001) - \$1.2 million

INFRASTRUCTURE STAFFING

Staffing costs in the Capital Improvement Fund are evaluated each year to ensure that the level of staffing is appropriate for the projects anticipated to be funded in the following fiscal year. While staffing for Fiscal Year 2015 remains relatively unchanged, a limited number of changes are included:

A total of 1.55 FTE have been shifted from the General Fund to the Capital Improvement Fund in the Planning and Community Environment Department. These funding shifts will ensure that staff is aligned to the correct funding source and will enable the department to appropriately manage transportation related capital projects such as the California Avenue Streetscape and Transportation and Parking Improvements projects. Partially offsetting the increased capital staffing in the Planning and Community Environment Department is the elimination of 0.48 FTE Management Specialist that currently supports the Safe Routes to School program. This vacant position was eliminated as the department has had recruitment issues due to its temporary, unbenefited status. The impacts of this reduction will be mitigated by the addition of a benefitted part-time Coordinator of Transportation Systems Manager position, which will support the Safe Routes to School. This position will focus more on bicycle safety and public outreach efforts; therefore, only a portion of this new position (0.1 FTE) will be charged to the Capital Improvement Fund.

A total of 32.83 Full Time Equivalent (FTE) employees are funded in the Capital Improvement Fund in Fiscal Year 2015, with total salaries and benefits costs of \$4.5 million. Of this amount, \$2.0 million will be allocated towards projects receiving new funding in Fiscal Year 2015, while the remaining \$2.5 million will be allocated towards projects appropriated in prior years.

General Fund Overview

NEW PROJECTS

The 2015-2019 CIP five-year plan includes the addition of the new projects listed on the table below. These projects are also identified as new on the project page.

2015-2019 CIP List of New Projects GENERAL FUND	
CIP NO.	Project Title
Building and Facilities	
PE-18016	Civic Center Fire Life Safety and Electrical Upgrades
PE-15020	Civic Center Waterproofing Study
PF-17000	Municipal Services Center Building A, B, & C Roofing Replacement
Parks and Open Space	
PE-15028	Baylands Levee Improvements Feasibility Study
PE-17005	Boulware Park Improvements
PE-15022	Palo Alto Community Gardens Irrigation System
Streets and Sidewalks	
PL-15001	Embarcadero Road Corridor Improvements

THIS PAGE IS INTENTIONALLY LEFT BLANK.

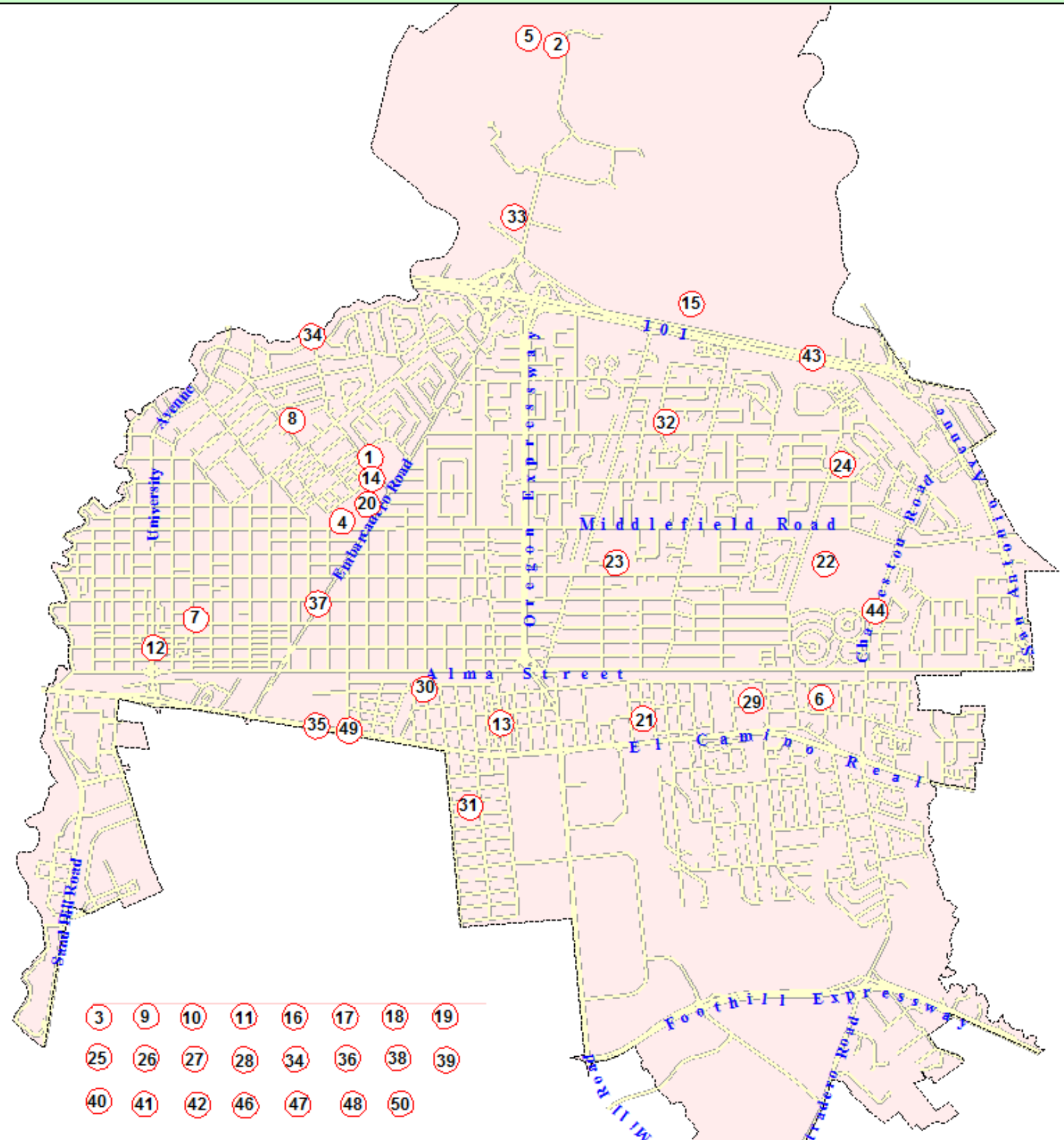
GENERAL FUND PROJECTS

THIS PAGE IS INTENTIONALLY LEFT BLANK.

City of Palo Alto

2015-2019 Adopted Capital Improvement Program , General Fund

<u>Buildings and Facilities</u>		
1	AC-14000	Art Center Auditorium Audio, Visual, and Furnishings
2	AC-14001	Baylands Interpretive Center Exhibit Improvements
3	PE-09003	City Facility Parking Lot Maintenance
4	PE-14012	Junior Museum and Zoo Improvements
5	PE-15028	Baylands Interpretive Center Improvements
6	PE-15011	Ventura Buildings Improvements
7	PE-15020	Civic Center Waterproofing Study
8	PE-15022	Palo Alto Community Gardens Irrigation System
9	PF-00006	Roofing Replacement
10	PF-01003	Building Systems Improvements
11	PF-02022	Facility Interior Finishes Replacement
12	PF-14003	University Avenue Parking Improvements
13	PF-14004	California Avenue Parking District Parking Improvements
14	PF-15000	Rinconada Pool Locker Room
15	PF-17000	Municipal Services Center Building A, B, & C Roofing Rehabilitation
16	PF-93009	Americans with Disabilities Act Compliance
<u>Parks and Open Space</u>		
17	AC-86017	Art in Public Spaces
18	OS-00001	Open Space Trails and Amenities
19	OS-09001	Off-Road Pathway Resurfacing and Repair
20	PE-08001	Rinconada Park Improvements
21	PE-17005	Boulware Park Improvements
22	PE-18010	Mitchell Park Improvements
23	PE-18012	Hoover Park Improvements
24	PE-18015	Robles Park Improvements
25	PG-06001	Tennis and Basketball Court Resurfacing
26	PG-06003	Benches, signage, fencing, walkways, and perimeter landscaping
27	PG-09002	Park and Open Space Emergency Repairs
28	PG-09003	Stanford/Palo Alto Soccer Turf Replacement
29	PG-14000	Ramos Park Improvements
30	PG-14001	Peers Park Improvements
31	PG-14002	Cameron Park Improvements
32	PG-14003	Seale Park Improvements
33	PG-18000	Golf Course Driving Range Net and Artificial Turf Replacement
<u>Streets and Sidewalks</u>		
34	PE-12011	Newell Road Bridge/San Francisquito Creek Bridge Replacement
35	PE-13017	El Camino Median Landscape Improvements
36	PE-86070	Street Maintenance
37	PL-15001	Embarcadero Road Corridor Improvements
38	PO-05054	Street Lights Improvements
39	PO-11000	Sign Reflectivity Upgrade
40	PO-11001	Thermoplastic Lane Marking and Striping
41	PO-12001	Curb and Gutter Repairs
42	PO-89003	Sidewalk Repairs
<u>Traffic and Transportation</u>		
43	PE-11011	Highway 101 Pedestrian/Bicycle Overpass Project
44	PE-13011	Charleston/Arastradero Corridor Project
45	PL-00026	Safe Routes to School
46	PL-04010	Bicycle and Pedestrian Transportation Plan Project
47	PL-05030	Traffic Signal and ITS Upgrades
48	PL-12000	Transportation and Parking Improvements
49	PL-14000	El Camino Real and Churchill Avenue Intersection Improvements - Design
50	PL-14001	Matadero Creek Trail



THIS PAGE IS INTENTIONALLY LEFT BLANK

Buildings and Facilities

THIS PAGE IS INTENTIONALLY LEFT BLANK.



AMERICANS WITH DISABILITIES ACT COMPLIANCE (PF-93009)

Description: This project provides funding for accessibility upgrades to City facilities and equipment. It includes continued funding for improvements such as path of travel, restroom upgrades, drinking fountains, and counters. This funding will also be utilized for other CIP project design or construction phases where accessibility improvements are identified. For specific work to be completed, see Supplemental Information.

Justification: In order to comply with the Americans with Disabilities Act of 1990 and related regulations, the City prepared a Transition Plan and Self-Evaluation Final Study that identified physical obstacles and described improvements to make facilities, programs, and services accessible. Implementation of this plan is ongoing.

Supplemental Information: Consultant services, including architectural and structural, mechanical and electrical engineering, may be required.

FY 2015: Shower/restroom/locker room upgrades at Rinconada Pool; Accessibility evaluation of City facilities for update to Transition Plan

FY 2017: Restroom upgrades at Children's Theatre

FY 2018: Restroom upgrades at Ventura Community Center

FY 2019: Accessibility upgrades at Foothills Park



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide
- **Potential Board/Commission Review:** ARB, HRB

IMPACT ANALYSIS:

- **Environmental:** This project may require mitigated negative declaration and/or compliance with the State Historic Building Code if historic building
- **Design Elements:** This project may be subject to ARB and HRB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Access
- **Goal:** C-5
- **Policy:** C-32
- **Program:** C-27

AMERICANS WITH DISABILITIES ACT COMPLIANCE (PF-93009)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$419,304

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$5,830					\$5,830
Design Costs						
Construction Costs	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Other						
Total Budget Request	\$105,830	\$100,000	\$100,000	\$100,000	\$100,000	\$505,830

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$105,830	\$100,000	\$100,000	\$100,000	\$100,000	\$505,830
Total Sources of Funds	\$105,830	\$100,000	\$100,000	\$100,000	\$100,000	\$505,830



ART CENTER AUDITORIUM AUDIO, VISUAL, AND FURNISHINGS (AC-14000)

Description: This project provides funding for the audio and visual (A/V) equipment replacement and furnishings for the Art Center Auditorium once the temporary library vacates the facility. The existing audio system has been deemed non-salvageable due to its age and condition.

Justification: The auditorium generates rental income for the City and serves as a facility for programs of the Art Center, music recitals, performances, film screenings, public meetings, and facility rentals.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Summer 2015
- **Managing Department:** Community Services
- **IBRC Reference:** New
- **Location:** Art Center Auditorium

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$150,000					\$150,000
Other						
Total Budget Request	\$150,000					\$150,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$150,000					\$150,000
Total Sources of Funds	\$150,000					\$150,000

BAYLANDS NATURE INTERPRETIVE CENTER EXHIBIT IMPROVEMENTS (AC-14001)



Description: This project provides funding to replace worn out or non-functioning exhibits at the aging Baylands Nature Interpretive Center including signage and graphics to make the facility more visible and useable for science programs, public use, and facility rentals.

Justification: The nature interpretive facility and adjacent baylands serves approximately 2,900 elementary students and 80,000 visitors annually. Visitorship has increased with the opening of an adjacent Sea Scout building operated by the Environmental Volunteers. In order to maintain visitorship levels, the facility needs these improvements.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2016-Summer 2017
- **Managing Department:** Community Services
- **IBRC Reference:** New
- **Location:** Baylands Nature Interpretive Center

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs			\$56,000			\$56,000
Other						
Total Budget Request			\$56,000			\$56,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve			\$56,000			\$56,000
Total Sources of Funds			\$56,000			\$56,000



BUILDING SYSTEMS IMPROVEMENTS (PF-01003)

Description: This project provides funding for electrical, mechanical, plumbing, and structural system upgrades as required at various City facilities. Upgrades may include main and emergency electrical power sources, light fixtures, fire alarm systems and devices, heating, ventilation, and air conditioning equipment and controls, and structural repairs or reinforcement. System upgrades required for code compliance are also provided through this project. Implementation of this plan is ongoing.

Justification: This project allows upgrades to the electrical systems in facilities with systems that are overloaded or are no longer efficient. Heating and air-conditioning units in many older buildings are at the end of their useful life. Structural systems have become damaged or fatigued due to heavier equipment requirements or increased loading. This project also provides funding for replacement of unforeseen equipment failures.

Supplemental Information: The Department of Public Works uses an asset maintenance tracking software to assist in identifying the maintenance needs addressed through this CIP. Projects identified for upcoming work include:

FY 2015- Overhaul to City Hall chiller; Installation of a new air conditioning unit for the City Hall 2nd floor Data Center; Replacement of the mechanical controls at the Children's Library; Installation of new electrical service for the Golf Course cart charging area

FY 2016- Replacement of boilers at the Ventura Community Center; Replacement of the domestic water control system at City Hall

FY 2017- Electrical panel replacement at Fire Station 5

FY 2018- Installation of HVAC equipment in the Art Center basement; Boiler replacement at the Utility Control Center

FY 2019- Additional control systems (HVAC) at Lucie Stern Community Theater and MSC.

CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide
- **Potential Board/Commission Review:** ARB, HRB

IMPACT ANALYSIS:

- **Environmental:** May require mitigated negative declaration and/or compliance with State Historic Building Code.
- **Design Elements:** may be subject to ARB and HRB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

BUILDING SYSTEMS IMPROVEMENTS (PF-01003) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$135,644

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$12,295					\$12,295
Design Costs						
Construction Costs	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Other						
Total Budget Request	\$112,295	\$100,000	\$100,000	\$100,000	\$100,000	\$512,295

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$112,295	\$100,000	\$100,000	\$100,000	\$100,000	\$512,295
Total Sources of Funds	\$112,295	\$100,000	\$100,000	\$100,000	\$100,000	\$512,295



CALIFORNIA AVENUE PARKING DISTRICT PARKING IMPROVEMENTS (PF-14004)

Description: This project provides funding for parking improvements in the California Avenue parking district that are beyond routine operating maintenance such as parking lot resurfacing, striping and signing; parking structure painting or staining; electrical system upgrades needed to support improved lighting, security, parking, fountains or other systems; and replacement or rehabilitation of parking lot signs.

Justification: This project is intended to maintain the existing parking lots and garages in the California Avenue parking district to extend the useful life of the pavement surfaces and buildings.

Supplemental Information: The funding for this project is dependent on the availability of funding in the California Avenue Parking Permit Fund.

Due to the low fund balance in the California Avenue Parking Permit fund, no projects are scheduled for this fund until FY 2018, when the resurfacing and restriping of Lot 8 (Sherman/Ash) is programmed.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works

IMPACT ANALYSIS:

- **Design Elements:** Replacement of street furniture will require ARB review
- **Operating:** Maintaining infrastructure will reduce repair workload

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Parking
- **Goal:** T-8
- **Policy:** T-47
- **Program:** T-52

CALIFORNIA AVENUE PARKING DISTRICT PARKING IMPROVEMENTS (PF-14004) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$186,400

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs				\$222,800		\$222,800
Other						
Total Budget Request				\$222,800		\$222,800

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
California Avenue Parking Permits Fund				\$222,800		\$222,800
Total Sources of Funds				\$222,800		\$222,800



CITY FACILITY PARKING LOT MAINTENANCE (PE-09003)

Description: This project provides for the repair, resurfacing or reconstruction of parking lots and walkways at various city facilities, including restriping and signage.

Justification: Paving surfaces including walkways, parking lots, and patios at various City facilities are in need of repair to correct uneven surfaces and extend their use.

Supplemental Information: Work programmed for this project includes parking lot resurfacing for the following locations:

FY 2015- Baylands Preserve Sailing Station and Golf Course

FY 2016 - Animal Shelter and Fire Station #5 (Note: The status of the Palo Alto Human Society's proposal for a new animal shelter will be considered before proceeding with Animal Shelter parking lot work).

FY 2017- Fire Station #2, Fire Station #8 and Art Center

FY 2018- Fire Station #1

FY 2019- Ventura Community Center, Lucie Stern Community Center & Junior Museum, and Midtown Shopping Center

The 2011 Infrastructure Blue Ribbon Commission Final Report identified a catch-up amount for City facility parking lots of \$2 million. The work for this CIP addresses the scheduled keep-up work while reducing the catch-up amount to \$1.6 million.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Various locations
- **Potential Board/Commission Review:** PTC

IMPACT ANALYSIS:

- **Environmental:** This project may be categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may require Site and Design Review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

CITY FACILITY PARKING LOT MAINTENANCE (PE-09003)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$699,999

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$63,484					\$63,484
Design Costs						
Construction Costs	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Other						
Total Budget Request	\$263,484	\$200,000	\$200,000	\$200,000	\$200,000	\$1,063,484

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$263,484	\$200,000	\$200,000	\$200,000	\$200,000	\$1,063,484
Total Sources of Funds	\$263,484	\$200,000	\$200,000	\$200,000	\$200,000	\$1,063,484



CIVIC CENTER FIRE LIFE SAFETY AND ELECTRICAL UPGRADES (PE-18016)

Description: The project provides funding for an assessment and upgrade of the fire life safety systems in City Hall and replacement of the electrical switch gear for the Civic Center complex.

Justification: City Hall is a vital facility for all functions and departments. The main electric switch gear is original equipment that will need to be replaced and upgraded to ensure reliable power continues to flow to the building. Other parts of the electrical system have been recently upgraded, leaving this to be one of the last remaining items and the weakest link currently in the electrical system.

Supplemental Information: The fire life safety system is approaching the end of its useful life. The fire alarm panels and associated equipment needed to meet current codes will be upgraded.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2018-Spring 2019
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Civic Center Building
- **Potential Board/Commission Review:** None

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Community Services and Facilities
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs					\$75,000	\$75,000
Construction Costs					\$850,000	\$850,000
Other						
Total Budget Request					\$925,000	\$925,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve					\$925,000	\$925,000
Total Sources of Funds					\$925,000	\$925,000

CIVIC CENTER WATERPROOFING STUDY (PE-15020)



Description: This project provides funding for a condition assessment of the Civic Center plaza deck structural system and to perform non-destructive testing. The structural assessment will provide short, medium and long-term repair options to protect the structural system, and will include a cost/benefit analysis, conceptual drawings and recommendations for improvements. The structural assessment is anticipated to be complete in FY 2015, and short term repairs are anticipated to commence in FY 2016.

Justification: Previous studies indicate the Civic Center Plaza deck needs extensive repair, however no timeline was identified. A timeframe for completing short, medium and long term repairs is necessary to prioritize the most critical needs. The goal is to assess the current structural conditions that may have changed since the last time a study was done, approximately ten years ago.

Supplemental Information: The FY 2016 repairs are not yet budgeted pending the study results.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Summer 2017
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Location:** 250 Hamilton Avenue
- **Potential Board/Commission Review:** None

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



CIVIC CENTER WATERPROOFING STUDY (PE-15020) *CONTINUED*

Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$78,492					\$78,492
Design Costs	\$180,000					\$180,000
Construction Costs						
Other						
Total Budget Request	\$258,492					\$258,492

Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$258,492					\$258,492
Total Sources of Funds	\$258,492					\$258,492

FACILITY INTERIOR FINISHES REPLACEMENT (PF-02022)



Description: This project provides funding for replacement or improvements to interior finishes such as flooring, walls, cabinets, paint, lighting, ceiling tiles, soundproofing, fixed office furniture, doors, windows, and associated fire/life safety, mechanical, electrical, and plumbing code compliance requirements.

Justification: Interior finishes throughout City facilities are designated for replacement as part of an ongoing capital maintenance plan. Finishes are typically upgraded as other renovation projects are undertaken. This project provides resources for facilities that will not be renovated for several years.

Supplemental Information: Planned carpet replacement and other interior finishes projects include:

FY 2015 - City Hall floors 3 and 8, Police Department restrooms

FY 2016 - Lucie Stern Community Theater

FY 2017 - Police levels 1 and A; Installation of double-paned windows at Lucie Stern Community Center (Middlefield side)

FY 2018 - Lucie Stern Children's Theater, Lucie Stern Community Center and Fire Stations 3 and 4 (subject to change based on potential inclusion of replacement of Fire Stations 3 and 4 in the pending Council Infrastructure Plan)

FY 2019 - City Hall floors 4 and 5



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide
- **Potential Board/Commission Review:** HRB

IMPACT ANALYSIS:

- **Environmental:** This project may be categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project requires HRB design review for historic structures.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



FACILITY INTERIOR FINISHES REPLACEMENT (PF-02022)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$326,522

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$5,957					\$5,957
Design Costs						
Construction Costs	\$180,000	\$105,000	\$105,000	\$105,000	\$105,000	\$600,000
Other						
Total Budget Request	\$185,957	\$105,000	\$105,000	\$105,000	\$105,000	\$605,957

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$185,957	\$105,000	\$105,000	\$105,000	\$105,000	\$605,957
Total Sources of Funds	\$185,957	\$105,000	\$105,000	\$105,000	\$105,000	\$605,957

JUNIOR MUSEUM & ZOO IMPROVEMENTS (PE-14012)



Description: This project provides funding for architectural, engineering, and construction services for the design and construction of new restrooms, customer service counter, and electrical systems. This project will also replace the original electrical systems, including the switch gear and panel boards, in order to meet current building codes and user needs.

Justification: The Junior Museum & Zoo (JMZ), which hosts 150,000 visitors annually, currently has inadequate restrooms and a narrow customer service counter. Existing restrooms, which do not meet ADA standards, may only be used by one individual at a time. They also do not provide enough fixtures and there are no fixtures scaled for use by children. The existing front desk does not provide adequate space to address the needs of visitors.

Supplemental Information: Many components of the electrical systems at the JMZ are almost 70 years old and beyond their useful life, with certain replacement parts no longer being available. A master planning process is underway (to be completed in 2015) with the Friends of the Junior Museum & Zoo (Friends) that will determine future improvements needs. The potential to renovate the entire facility is a possible path that staff are exploring with the Friends, and therefore this CIP may be amended in the future to align with the pending master plan.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2016-Spring 2017
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** 1451 Middlefield Road
- **Potential Board/Commission Review:** PRC and PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Customer Service
- **Goal:** C-2
- **Policy:** C-9
- **Program:** C-18



JUNIOR MUSEUM & ZOO IMPROVEMENTS (PE-14012)

CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$110,000				\$110,000
Construction Costs		\$1,065,000				\$1,065,000
Other						
Total Budget Request		\$1,175,000				\$1,175,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve		\$1,175,000				\$1,175,000
Total Sources of Funds		\$1,175,000				\$1,175,000

MUNICIPAL SERVICES CENTER BUILDING A, B, & C ROOFING REHABILITATION (PF-17000)



Description: This project provides funding for a fluid, reinforced water proofing application over the existing roof. The existing asphalt and gravel roof is nearing the end of its useful life and needs to be rehabilitated. If the existing roof is allowed to deteriorate beyond a certain point, the fluid applied system cannot be used and a full replacement of the roofing system would be required. The application will meet current cool roofing codes to optimize energy efficiency.

Justification: This project provides the means to rehabilitate the existing roof prior to the roofing system deteriorating further, failing, and causing structural damage to the building. Structural repairs and a full roofing replacement would be much more expensive.

Supplemental Information: A portion of the costs for this project will be reimbursed by various enterprise funds that will benefit from this work. Although funding for the project is shown in FY 2017, the project is contingent on the results of the pending study of the Municipal Service Center and Embarcadero East Corridor, which may result in recommendations for relocation of the Municipal Service Center.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2016-Spring 2017
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Municipal Service Center
- **Potential Board/Commission Review:** ARB, HRB, PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may be subject to ARB, PRC, and HRB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



MUNICIPAL SERVICES CENTER BUILDING A, B, & C ROOFING REHABILITATION (PF-17000) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs			\$560,000			\$560,000
Other			\$540,000			\$540,000
Total Budget Request			\$1,100,000			\$1,100,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve			\$560,000			\$1,100,000
Others			\$540,000			\$540,000
Total Sources of Funds			\$1,100,000			\$1,100,000

RINCONADA POOL LOCKER ROOM (PF-15000)



Description: This project provides funding to renovate the Rinconada Pool changing room inclusive of changing area, restroom, showers, and the addition of lockers.

Justification: The changing room no longer meets the needs of pool users. The pool is used year round by adults, youth, children, and infants for fitness, recreation, aquatics safety, classes and camps. Due to its age, it is not ADA compliant. Without any lockers, swimmers and visitors are not able to secure personal belongings while swimming. The showers are inefficient and often in need of repair due to aged plumbing and clogged shower heads.

Supplemental Information: The pool facility was built in 1933, and the last renovation to the changing room was in 1957. This project will be coordinated with the Rinconada Park Master Plan. The cost of bringing the changing rooms up to ADA standards will be funded by the Americans with Disabilities Act Compliance project.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** Summer 2015-Spring 2015
- **Managing Department:** Public Works
- **IBRC Reference:** Catch-up
- **Overall Project Completion:** 0%
- **Location:** 777 Embarcadero Road

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Secondary Connection

- **Element:** Community Services & Facilities
- **Section:** Access
- **Goal:** C-5
- **Policy:** C-32
- **Program:** C-27



RINCONADA POOL LOCKER ROOM (PF-15000) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$23,218					\$23,218
Design Costs						
Construction Costs	\$400,000					\$400,000
Other						
Total Budget Request	\$423,218					\$423,218

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$423,218					\$423,218
Total Sources of Funds	\$423,218					\$423,218

ROOFING REPLACEMENT (PF-00006)



Description: This project provides funding for ongoing roofing maintenance at various City facilities including major repairs, rehabilitation, replacement, roof deck, drainage systems, and sheet metal repair/replacement. Roofs scheduled for replacement are based on an annual evaluation of their condition.

Justification: The life expectancy of most roofs at City facilities is 20 to 25 years. There are facilities in the inventory with roof systems that are beyond or near their useful life.

Supplemental Information: Facilities scheduled for re-roofing are the Utility Control Center SCADA Building, Children's Theater, Rinconada Park Restroom, Fire Station 2, Golf Course and Bay Cafe, and Foothills Park maintenance buildings. All roofing repair/replacement is subject to funding availability.

It should be noted that the funding allocated for this project has increased by a cumulative total of \$603,000 in this FY 2015-2019 CIP as compared to 2014-2018 CIP.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide
- **Potential Board/Commission Review:** HRB, ARB, PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may be subject to ARB and HRB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



ROOFING REPLACEMENT (PF-00006) *CONTINUED*

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$194,979

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$15,808					\$15,808
Design Costs						
Construction Costs	\$150,000	\$165,000	\$165,000	\$165,000	\$165,000	\$810,000
Other						
Total Budget Request	\$165,808	\$165,000	\$165,000	\$165,000	\$165,000	\$825,808

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$165,808	\$165,000	\$165,000	\$165,000	\$165,000	\$825,808
Total Sources of Funds	\$165,808	\$165,000	\$165,000	\$165,000	\$165,000	\$825,808

UNIVERSITY AVENUE PARKING DISTRICT PARKING IMPROVEMENTS (PF-14003)



Description: This project provides funding for improvements in the University Avenue parking district that are beyond routine operating maintenance, including parking lot resurfacing, striping and signing; parking structure painting or staining; electrical system upgrades needed to support improved lighting, and security systems or other systems.

Justification: This project is intended to maintain the existing parking lots and garages in the University Avenue parking district to extend the useful life of the pavement surfaces and buildings.

Supplemental Information: The funding for this project is dependent on the availability of funding in the University Avenue Parking Permit Fund.

FY 2015 projects- Resurface and restripe Lots A (Emerson/Lytton), P (High/Hamilton) and G (Waverley/Gilman); Installation of security cameras and related hardware at downtown garages.

FY 2016 projects- Resurface and restripe Lots N (Emerson/Hamilton) and T (Lytton/Kipling)

FY 2017 projects- Resurface and restripe Lots O (Emerson/High) and F (Florence/Lytton)

FY 2018 projects- Resurface and restripe Lots K (Lytton/Waverley) and C (Ramona/Lytton)

FY 2019- Projects and funding for FY 2019 have not been planned



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **Potential Board/Commission Review:** ARB

IMPACT ANALYSIS:

- **Design Elements:** ARB review may be needed for any signage
- **Operating:** Maintaining infrastructure will reduce repair workload

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Parking
- **Goal:** T-8
- **Policy:** T-47
- **Program:** T-52



UNIVERSITY AVENUE PARKING DISTRICT PARKING IMPROVEMENTS (PF-14003) *CONTINUED*

Prior Years

Expended and Encumbered	\$51,129
Continuing Appropriations	\$289,771

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$59,800	\$222,900	\$43,900	\$67,600		\$394,200
Other						
Total Budget Request	\$59,800	\$222,900	\$43,900	\$67,600		\$394,200

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
University Avenue Parking Permits Fund	\$59,800	\$222,900	\$43,900	\$67,600		\$394,200
Total Sources of Funds	\$59,800	\$222,900	\$43,900	\$67,600		\$394,200

Description: This project will replace or upgrade the mechanical and electrical systems, and provide accessibility improvements to the facility.

Justification: Mechanical and electrical systems are original and have reached the end of their useful lives. These systems need to be replaced to increase reliability and energy efficiency as well as to meet current code requirements and user needs. Under the lease agreement with Palo Alto Community Child Care (PACCC), the City is responsible for capital maintenance.

Supplemental Information: Accessibility improvements to comply with the Americans With Disabilities Act are included, as these needs are typically addressed concurrently with other planned projects.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Spring 2016
- **Managing Department:** Public Works
- **IBRC Reference:** Catch-up
- **Location:** 3990 Ventura Court
- **Potential Board/Commission Review:** ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may be subject to ARB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



VENTURA BUILDINGS IMPROVEMENTS (PE-15011) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$90,000				\$90,000
Construction Costs			\$600,000			\$600,000
Other						
Total Budget Request		\$90,000	\$600,000			\$690,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve		\$90,000	\$600,000			\$690,000
Total Sources of Funds		\$90,000	\$600,000			\$690,000

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Streets and Sidewalks

THIS PAGE IS INTENTIONALLY LEFT BLANK.



CURB AND GUTTER REPAIRS (PO-12001)

Description: This project provides funding to repair curbs and gutters (C & G) that have been uplifted by tree roots.

Justification: The annual street maintenance project does not address problems on small isolated sections of curb and gutter that are found on streets with good road surfaces. Ponding related to C & G problems is an eyesore and a health hazard. Standing water can be a breeding ground for mosquitoes. It can also encourage algae growth that is a hazard to bikes and pedestrians.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Est. Timeline:** Winter 2015-Fall 2018
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Various locations
- **Potential Board/Commission Review:** none

IMPACT ANALYSIS:

- **Environmental:** Exempt from CEQA under Section 15301.
- **Design Elements:** City Arborist will be consulted for tree root protection.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** City Structure
- **Goal:** L-3
- **Policy:** L-17

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$135,161

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$33,541					\$33,541
Design Costs						
Construction Costs	\$250,000	\$100,000	\$100,000	\$100,000	\$100,000	\$650,000
Other						
Total Budget Request	\$283,541	\$100,000	\$100,000	\$100,000	\$100,000	\$683,541

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$283,541	\$100,000	\$100,000	\$100,000	\$100,000	\$683,541
Total Sources of Funds	\$283,541	\$100,000	\$100,000	\$100,000	\$100,000	\$683,541

EL CAMINO MEDIAN LANDSCAPE IMPROVEMENTS (PE-13017)



Description: This project provides funding for median improvements on El Camino Real. The improvements will include water conservation measures such as new drip irrigation systems and new drought tolerant trees, shrubs and groundcover. Median designs will be consistent with the goals and objectives of the March 2007 El Camino Real Master Planning Study and the Guiding Principles of the Grand Boulevard Initiative.

Justification: Medians, planters and islands along El Camino Real have fallen into disrepair. Landscape plant and materials have exceeded their useful life. These structures are primarily designed to regulate traffic and provide attractive landscapes and welcoming gateways to the City.

Supplemental Information: The provision of adequate landscaping and irrigation reduces siltation and runoff and removes carbon dioxide from the environment. The FY 2015 improvements will address three medians from Cambridge Avenue to Grant Avenue, and will be aligned with the California Avenue Streetscape Project. The FY 2017 improvements will address medians from City Limits to University Avenue, and from Page Mill Road to Arastradero Road.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** Summer 2015-Spring 2017
- **Managing Department:** Public Works
- **IBRC Reference:** Catch-up
- **Potential Board/Commission Review:** ARB
- **Art in Public Places:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project may require environmental review.
- **Design Elements:** Caltrans review may be required
- **Operating:** Once the project is completed, increased maintenance costs are anticipated.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Open Space
- **Goal:** N-1
- **Policy:** N-1
- **Program:** N-1



EL CAMINO MEDIAN LANDSCAPE IMPROVEMENTS (PE-13017) CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$46,445

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$20,284					\$20,284
Design Costs		\$50,000				\$50,000
Construction Costs	\$230,000		\$776,000			\$1,006,000
Other						
Total Budget Request	\$250,284	\$50,000	\$776,000			\$1,076,284

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$250,284	\$50,000	\$776,000			\$1,076,284
Total Sources of Funds	\$250,284	\$50,000	\$776,000			\$1,076,284

Description: This project provides funding for the design of a traffic signal modification to combine the traffic signals at the Town & Country-PALY Driveways with the PALY pedestrian crossing in response to community and City Council concerns. The project includes both construction of the traffic signal modification, which is currently underway, and planning for long-term roadway widening improvements (e.g. capacity improvements at the El Camino Real intersection and bicycle/pedestrian improvements).

Justification: This project provides traffic safety improvements in response to resident and City Council concerns regarding delays along Embarcadero Road.

Supplemental Information: Following the design phase completion, grants for the construction will be pursued.



CIP FACTS:

NEW

- **Project Type:** Annual Recurring
- **Project Stage:** Design
- **Est. Timeline:** Summer 2015-Spring 2016
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** New
- **Potential Board/Commission Review:** PTC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project provides for the design phase of future capital improvements including environmental assessment of the project.
- **Design Elements:** The project may be subject to PTC and ARB review.
- **Operating:** Operating costs will be identified during the design phase.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-24

Secondary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-33



EMBARCADERO ROAD CORRIDOR IMPROVEMENTS (PL-15001) CONTINUED

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$23,957					\$23,957
Design Costs	\$350,000					\$350,000
Construction Costs	\$125,000					\$125,000
Other						
Total Budget Request	\$498,957					\$498,957

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$126,000					\$126,000
Others	\$372,957					\$372,957
Total Sources of Funds	\$498,957					\$498,957

NEWELL ROAD/SAN FRANCISQUITO CREEK BRIDGE REPLACEMENT (PE-12011)



Description: The project will remove and replace the Newell Road bridge over San Francisquito Creek, which acts as a flow restriction. A replacement bridge would also provide improved safety and site distances for vehicular traffic and be designed to accommodate pedestrians and bicyclists, who cannot safely use the existing bridge. A new bridge would be designed with a clear span over the creek to allow the channel to convey up to the estimated 1% (100- year) San Francisquito Creek flow rate.

Justification: The existing bridge, which was constructed in 1911, acts as a flow restriction to San Francisquito Creek because its abutments encroach into the channel cross-section. Removal of the existing bridge is a necessary element of the San Francisquito Creek Joint Powers Authority (JPA) comprehensive flood management program.

Supplemental Information: Staff has secured grant funding from the Caltrans Highway Bridge Program (HBP) to fund the design and environmental assessment/permitting of the project. It is likely that HBP funds will be approved to pay for 88.53% of the project construction cost. Since the bridge links to East Palo Alto and is part of the JPA's comprehensive flood management plan, staff will cooperate closely with staff from the City of East Palo Alto and the JPA on the design and public outreach elements of this project. Due to community concerns about traffic and visual impacts of a replacement bridge, the scope of the project has expanded to include a CEQA Environmental Impact Report process that will evaluate multiple project alternatives that would address the flood control aspect of the project. Construction funding has been moved to FY 2016 to reflect the time needed to complete the additional CEQA work.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Spring 2012-Spring 2015
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Location:** Newell Rd at SF Creek
- **Potential Board/Commission Review:** ARB, PTC, PAC, HRB

IMPACT ANALYSIS:

- **Environmental:** Subject to environmental assessment compliance with both California Environmental Quality Act (CEQA) and the National Environmental Policy Act (NEPA)
- **Design Elements:** This project is coordinated with the street resurfacing program and the Palo Alto Bicycle Master Plan.
- **Operating:** Removal and/or replacement of the existing 100-year-old bridge should result in reduced operating costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-3
- **Policy:** T-14,T-25
- **Program:** T-19

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-1
- **Program:** L-72



NEWELL ROAD/SAN FRANCISQUITO CREEK BRIDGE REPLACEMENT (PE-12011) *CONTINUED*

Prior Years

Expended and Encumbered	\$837,593
Continuing Appropriations	\$538

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$36,037					\$36,037
Design Costs						
Construction Costs	\$2,500,000					\$2,500,000
Other						
Total Budget Request	\$2,536,037					\$2,536,037

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve						
Others	\$416,486	\$2,213,250				\$2,629,736
Total Sources of Funds	\$416,486	\$2,213,250				\$2,629,736

SIDEWALK REPAIRS (PO-89003)



Description: This project provides funding for sidewalk repairs as part of an annual district-based rehabilitation program that will alleviate the backlog of sidewalk repairs and enhance pedestrian safety and comfort. Additionally, a sidewalk program assessment will be completed in FY 2015 to evaluate options to improve the City's Sidewalk Repair Program. The study will look at ways to establish goals and priorities for sidewalk repair and replacement throughout the City.

Justification: This project results in better sidewalk conditions and potentially reduces sidewalk-related injuries.

Supplemental Information: There are 23 sidewalk districts throughout the City. The district program began in 1986, with a goal of completing work in all 23 districts within 30 years. There are currently 6 districts left to complete the original cycle of 23 districts. The funding level approved for this project will allow completion of all 23 districts by the end of FY 2017. In FY 2018, a new funding cycle will begin, and work on the 23 sidewalk districts will begin again.

City in-house crews perform "hot-spot" sidewalk replacement throughout all areas of the City as well as curb and gutter repair. FY 2015 sidewalk replacement will complete Districts 33, 34 and 36 bounded by Alma Street, Barron Park, and Foothill Expressway up to the hills. The district map can be viewed on the sidewalk webpage at:

http://www.cityofpaloalto.org/gov/depts/pwd/street_maintenance/sidewalk_program.asp



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Ventura Avenue, southern City limits, Alma St, and El Camino Real
- **Potential Board/Commission Review:** None

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Program:** C-21



SIDEWALK REPAIRS (PO-89003) *CONTINUED*

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$481,405

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$722,776					\$722,776
Design Costs						
Construction Costs	\$1,651,000	\$1,645,000	\$1,645,000	\$1,645,000	\$1,645,000	\$8,231,000
Other	\$65,000	\$65,000	\$65,000	\$65,000	\$65,000	\$325,000
Total Budget Request	\$2,438,776	\$1,710,000	\$1,710,000	\$1,710,000	\$1,710,000	\$9,278,776

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$2,438,557	\$1,710,000	\$1,710,000	\$1,710,000	\$1,710,000	\$9,278,557
Total Sources of Funds	\$2,438,557	\$1,710,000	\$1,710,000	\$1,710,000	\$1,710,000	\$9,278,557

SIGN REFLECTIVITY UPGRADE (PO-11000)



Description: This project provides funding for inventorying, upgrading and maintaining all traffic signs owned by the City of Palo Alto in order to comply with new federal requirements for sign reflectivity standards.

Justification: The FHWA (Federal Highway Administration) has passed regulations requiring minimum retroreflectivity levels for traffic signs. The new retroreflectivity regulations require regular annual sign inspections and replacement of signs not meeting the new minimum retroreflectivity standards.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Overall Project Completion:** 0%
- **Location:** Citywide

IMPACT ANALYSIS:

- **Environmental:** Categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Design of Buildings Public Places
- **Goal:** L-9
- **Policy:** L-50

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79



SIGN REFLECTIVITY UPGRADE (PO-11000) *CONTINUED*

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$146,756

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$40,542					\$40,542
Design Costs						
Construction Costs	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Other						
Total Budget Request	\$90,542	\$50,000	\$50,000	\$50,000	\$50,000	\$290,542

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$90,542	\$50,000	\$50,000	\$50,000	\$50,000	\$290,542
Total Sources of Funds	\$90,542	\$50,000	\$50,000	\$50,000	\$50,000	\$290,542

STREET LIGHTS IMPROVEMENTS (PO-05054)



Description: This project replaces street light poles, pole foundations, luminaires, and wiring as needed to restore or improve street lighting.

Justification: There are over 6,000 street lights in Palo Alto. Pole replacements are required when poles are damaged due to vehicular accidents.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide
- **Potential Board/Commission Review:** ARB, HRB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302. Some work in historical districts may require CEQA review.
- **Design Elements:** This project may be subject to ARB review.
- **Operating:** This project will reduce maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-66

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$267,764

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$140,000	\$150,000	\$150,000	\$150,000	\$150,000	\$740,000
Other						
Total Budget Request	\$140,000	\$150,000	\$150,000	\$150,000	\$150,000	\$740,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$140,000	\$150,000	\$150,000	\$150,000	\$150,000	\$740,000
Total Sources of Funds	\$140,000	\$150,000	\$150,000	\$150,000	\$150,000	\$740,000



STREET MAINTENANCE (PE-86070)

Description: This project provides for annual resurfacing, slurry seal, crack seal and reconstruction of various city streets.

Justification: The Pavement Maintenance Management System (PMMS) is used to identify streets requiring maintenance, based on the biannual Pavement Condition Index (PCI) survey of all City streets. The City Council has established a goal of achieving an average citywide PCI of 85, representing excellent pavement condition, by 2021. The approved funding level in the CIP is expected to result in reaching the citywide PCI goal by 2019. At the end of FY 2015, the citywide average PCI is expected to be 78.

Supplemental Information: The adopted budget for this project in the FY 2015-2019 CIP includes new funding of \$2.3 million that will be used between FY 2015 and FY 2017 for the design and accelerated repaving of Middlefield Road and Alma Street. The One Bay Area Grant (OBAG) Program will provide \$477,353 of funding in FY 2015. The list of streets to be included in this project will be prioritized and coordinated with Utilities Department projects and the 2012 Bicycle and Pedestrian Transportation Plan. The current base funding level of \$5.1 million per year for Street Maintenance is nearly triple the funding level prior to Council's establishment of the citywide PCI goal. Staff is currently working to supplement the City's PMMS with the Metropolitan Transportation Agency's StreetSaver software, whose modeling capabilities will be used to determine future ongoing funding needs for Street Maintenance once the citywide goal has been met.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Various locations
- **Potential Board/Commission Review:** PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project will make reasonable efforts to match existing pavement.
- **Operating:** This project will reduce street maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

STREET MAINTENANCE (PE-86070) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$632,358

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$349,998					\$349,998
Design Costs	\$325,000	\$50,000	\$50,000	\$50,000	\$50,000	\$525,000
Construction Costs	\$5,768,104	\$6,019,386	\$5,894,386	\$5,069,386	\$5,069,386	\$27,820,648
Other						
Total Budget Request	\$6,443,102	\$6,069,386	\$5,944,386	\$5,119,386	\$5,119,386	\$28,695,646

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Tax Fund	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$1,300,000	\$6,500,000
Infrastructure Reserve	\$2,835,749	\$4,384,386	\$4,259,386	\$3,434,386	\$3,434,386	\$18,348,293
Others	\$2,307,353	\$385,000	\$385,000	\$385,000	\$385,000	\$3,847,353
Total Sources of Funds	\$6,443,102	\$6,069,386	\$5,944,386	\$5,119,386	\$5,119,386	\$28,695,646



THERMOPLASTIC LANE MARKING AND STRIPING (PO-11001)

Description: This project will use thermoplastic pavement markings on paved roadways to provide guidance and information to motorists, bicyclists and pedestrians. As of 2010, most all pavement markings were converted from paint to thermoplastic. While thermoplastic is a durable, long lasting pavement marking, most streets will require a second or third application of thermoplastic during the pavement's useful lifespan.

Justification: Upgrading all street painting to thermoplastic has improved roadway safety for motorists, pedestrians and bicyclists as the reflectivity and durability of thermoplastic exceeds the reflectivity and durability of paint by 3-5 years depending on traffic conditions.

Supplemental Information: When streets are resurfaced with new asphalt, they receive new thermoplastic markings. The asphalt pavement will typically last 10-15 years before needing to be resurfaced again. The thermoplastic pavement markings generally last 3-5 years so thermoplastic re-application is necessary. In-house staff remain focused on re-painting all pavement markings that are still in paint (parking lots, streets, etc.)



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** Citywide

IMPACT ANALYSIS:

- **Environmental:** Categorically exempt from CEQA under Section 15301
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-66

THERMOPLASTIC LANE MARKING AND STRIPING (PO-11001)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$206,933

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$44,361					\$44,361
Design Costs						
Construction Costs	\$85,000	\$75,000	\$75,000	\$75,000	\$75,000	\$385,000
Other						
Total Budget Request	\$129,361	\$75,000	\$75,000	\$75,000	\$75,000	\$429,361

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$129,361	\$75,000	\$75,000	\$75,000	\$75,000	\$429,361
Total Sources of Funds	\$129,361	\$75,000	\$75,000	\$75,000	\$75,000	\$429,361

Parks and Open Space

THIS PAGE IS INTENTIONALLY LEFT BLANK.



ART IN PUBLIC PLACES (AC-86017)

Description: This project provides funding for innovative public art for both interior and exterior public spaces in accordance with the City Council-approved Art in City Capital Improvement Projects policy.

Justification: Public art conveys the diverse personality of the residents of Palo Alto. This project places art in public buildings, plazas, gateways, parks and other sites frequented by residents and visitors alike. It is expected that a sense of community pride and ownership in the City of Palo Alto will be the result of installing Art in Public Places. Public Art preserves the long-term viability of the built environment and helps set a standard for aesthetic variety in the community.

Supplemental Information: The Art in City Capital Improvement Projects policy states that the City will budget one percent of its construction costs to include public art for City CIP projects, with certain exceptions.

Previously, the one percent for public art was included in the budget for each applicable project. Beginning in FY 2015, this funding will all be accounted for within this CIP. This change will provide a clearer picture of how much funding is available for public art, as well as ensure that the funds are preserved for public art and not inadvertently spent on other purposes.

In FY 2015, \$30,300 will be added to the annual \$50,000 allocation for this project, and is attributable to the following projects:

El Camino Median Landscape Improvements (\$2,300)

Safe Routes to School (\$2,000)

Bicycle and Pedestrian Transportation Plan — Implementation Project (\$10,000)

Transportation and Parking Improvements (\$16,000)



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Potential Board/Commission Review:** ARB, PAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA.
- **Design Elements:** Location and installation of public art may be subject to review by PAC.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-72

ART IN PUBLIC PLACES (AC-86017) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$190,948

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$80,300	\$62,257	\$64,090	\$68,500	\$62,000	\$337,147
Other						
Total Budget Request	\$80,300	\$62,257	\$64,090	\$68,500	\$62,000	\$337,147

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$80,300	\$62,257	\$64,090	\$68,500	\$62,000	\$337,147
Total Sources of Funds	\$80,300	\$62,257	\$64,090	\$68,500	\$62,000	\$337,147



BAYLANDS INTERPRETIVE CENTER IMPROVEMENTS (PE-15029)

Description: This project provides funding for design and construction of improvements to the Baylands Interpretive Center. Improvements may include replacement of the decking, railing, structure framing members, exterior wood siding, flooring, cabinetry, and doors.

Justification: The Baylands Interpretive Center is in need of structural improvements due to its age and exposure to the elements.

Supplemental Information: Funding for the improvements to the Baylands Interpretive Center was previously reflected in the "Baylands Interpretive Center Improvements and Boardwalk Feasibility Study" project (PE-14018). As part of the Fiscal Year 2015 budget process, funds were removed from that project and are now reflected in this separate project to more clearly reflect the work required for the Interpretive Center project.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Spring 2015-Spring 2016
- **Managing Department:** Public Works
- **Potential Board/Commission Review:** ARB, PRC, HRB

IMPACT ANALYSIS:

- **Environmental:** Permitting from various agencies (Fish and Game, Army Corp, BCDC) may require a year prior to construction for full approval
- **Design Elements:** This project may require ARB, PRC, HRB
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$36,298					\$36,298
Design Costs	\$100,000					\$100,000
Construction Costs		\$405,000				\$405,000
Other						
Total Budget Request	\$136,298	\$405,000				\$541,298

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$136,298	\$405,000				\$541,298
Total Sources of Funds	\$136,298	\$405,000				\$541,298



BAYLANDS LEVEE IMPROVEMENTS FEASIBILITY STUDY (PE-15028)

Description: This project will study the existing network of flood protection levees in the Palo Alto Baylands between San Francisquito Creek and Mountain View and identify options for improving the levees to provide protection from a 1% (100-year) high tide event in San Francisco Bay and from future sea level rise scenarios. The feasibility study will identify potential alternative methods and alignments for levee improvements, estimated project costs, and environmental impacts and mitigation measures.

Justification: The project will identify potential levee improvement alternatives that would provide flood protection to approximately 2,700 Palo Alto properties that are subject to tidal flooding, mandatory flood insurance purchase requirements, and restrictions on construction of new or remodeled buildings. The risk of tidal flooding will increase with expected sea level rise in future years.

Supplemental Information: Funding will allow the City to participate in a levee improvement feasibility study being conducted by the San Francisquito Creek Joint Powers Authority (JPA) for the Bayfront levees between San Francisquito Creek and Redwood City. The City would enter into a cost-sharing agreement to pay the JPA to add the expanded geographic area in Palo Alto to the scope of work for their existing feasibility study contract. The project will also be coordinated with the Santa Clara Valley Water District and the City of Mountain View, who are pursuing independent studies of potential levee improvements.

CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2014-Spring 2015
- **Managing Department:** Public Works
- **Potential Board/Commission Review:** ARB, PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Natural Hazards
- **Goal:** N-10
- **Policy:** N-52



BAYLANDS LEVEE IMPROVEMENTS FEASIBILITY STUDY (PE-15028) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$500,000					\$500,000
Total Budget Request	\$500,000					\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$500,000					\$500,000
Total Sources of Funds	\$500,000					\$500,000



BENCHES, SIGNAGE, FENCING, WALKWAYS, AND PERIMETER LANDSCAPING (PG-06003)

Description: This project provides funding for the restoration and replacement of existing benches, signage, fencing, walkways, and landscaping at various City facilities.

Justification: Benches, signage, fencing, walkways, and perimeter landscaping at these various sites are due for replacement or upgrade based on their age and/or condition.

Supplemental Information:



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Construction
- **Est. Timeline:** 2015- 2019
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** This project may require ARB or PRC review.
- **Operating:** This project will reduce future extensive maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-26

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$700,000
Other						
Total Budget Request	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$700,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$700,000
Total Sources of Funds	\$100,000	\$150,000	\$150,000	\$150,000	\$150,000	\$700,000

BOULWARE PARK IMPROVEMENTS (PE-17005)



Description: The Boulware Park project will include improvements to the existing children's playground, lighting, and site amenities and will also provide accessibility upgrades. Playground improvements include the installation of a new play structure and replacement of existing light pole fixtures, drinking fountains, benches, and trash receptacles. Rubberized surfacing will be replaced and expanded to increase accessibility.

Justification: The existing playground equipment installed in 1993 is approaching the end of its useful life and needs to be replaced. Light poles and site amenities, including drinking fountains, benches, and trash/recycle receptacles have aged and need to be replaced.

Supplemental Information: Additional accessibility improvements will be examined in the design phase of the project and may be incorporated into the project.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2017-Fall 2018
- **Managing Department:** Public Works
- **IBRC Reference:** Catch-up
- **Location:** 410 Fernando Ave

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project may be subject to ARB,PRC review
- **Operating:** This project should not increase operating costs

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24,C-26, C-32

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs			\$45,000			\$45,000
Construction Costs				\$400,000		\$400,000
Other						
Total Budget Request			\$45,000	\$400,000		\$445,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve			\$45,000	\$400,000		\$445,000
Total Sources of Funds			\$45,000	\$400,000		\$445,000



CAMERON PARK IMPROVEMENTS (PG-14002)

Description: This project provides funding to upgrade and renovate safety and accessibility features at Cameron Park with a primary focus on the park playground.

Justification: As park infrastructure ages, safety and compliance issues need to be addressed. This project will ensure compliance and address accessibility needs as well as safety issues.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2017-Summer 2018
- **Managing Department:** Community Services
- **IBRC Reference:** Catch-up
- **Location:** Cameron Park
- **Potential Board/Commission Review:** PRC

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs				\$124,000		\$124,000
Other						
Total Budget Request				\$124,000		\$124,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$124,000		\$124,000
Total Sources of Funds				\$124,000		\$124,000

GOLF COURSE DRIVING RANGE NET AND ARTIFICIAL TURF REPLACEMENT (PG-18000)



Description: This project provides funding for the removal and replacement of golf course driving range netting and synthetic turf.

Justification: Based on age, condition, and use expectancy of nine to ten years, replacement is projected to be needed in 2018. The golf course driving range is a popular facility, and is used as a teaching area. The facility is an important source of revenue to the City, and keeping it in a state of good repair will aid in maintaining this revenue stream.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2018-Spring 2018
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Location:** Palo Alto Municipal Golf Course

IMPACT ANALYSIS:

- **Design Elements:** This is a replacement project with like materials.
- **Operating:** This project will limit the number of days the driving range is closed due to repair and maintenance. With fewer closure days, there will be less loss of revenue.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$25,000		\$25,000
Construction Costs				\$745,000		\$745,000
Other						
Total Budget Request				\$770,000		\$770,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$770,000		\$770,000
Total Sources of Funds				\$770,000		\$770,000



HOOVER PARK IMPROVEMENTS (PE-18012)

Description: This project provides funding for the replacement of the existing concrete walkway, repairs to the existing decomposed granite walkway, and replacement of the following site amenities: playfield backstops, benches, tables and trash receptacles. The project will also include repair to the existing brick wall that surrounds the children's playground and the replacement of backstops at the playfields.

Justification: The concrete walkway is cracked and uneven, creating a safety hazard. The decomposed granite pathway needs restoration to maintain an even walking surface. The brick wall at the children's playground needs repair. Site amenities, including the playfield backstops, are old or damaged.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2018-Spring 2019
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** 2901 Cowper Street
- **Potential Board/Commission Review:** ARB,PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302
- **Design Elements:** This project may be subject to ARB, PRC review
- **Operating:** This project should not increase operating costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-1
- **Policy:** C-4
- **Program:** C-24

HOOVER PARK IMPROVEMENTS (PE-18012) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$65,000		\$65,000
Construction Costs				\$425,000		\$425,000
Other						
Total Budget Request				\$490,000		\$490,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$490,000		\$490,000
Total Sources of Funds				\$490,000		\$490,000



MITCHELL PARK IMPROVEMENTS (PE-18010)

Description: This project provides funding for repair and maintenance of the playground equipment, the fencing around the water play element, and the covered wood walkway structure at Mitchell Park.

Justification: The playground area, equipment and fencing have surpassed their intended useful lives. These elements are in poor condition and are in need of replacement. The playground design will be replaced with in-kind elements to preserve the existing design aesthetic.



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$40,000		\$40,000
Construction Costs				\$346,000		\$346,000
Other						
Total Budget Request				\$386,000		\$386,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$386,000		\$386,000
Total Sources of Funds				\$386,000		\$386,000

CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2018-Summer 2019
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** 600 East Meadow Drive
- **Potential Board/Commission Review:** PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

OFF-ROAD PATHWAY RESURFACING AND REPAIR (OS-09001)



Description: This project provides funding for a 9-mile off-road trail system in Palo Alto that is 35 years old and requires on-going, phased repairs. This project removes and replaces severely damaged sections of asphalt, repairs cracks and base failures, and resurfaces worn or uneven surfaces of off-road asphalt pathways and bicycle trails.

Justification: This project is intended to maintain the existing system of off-road pathways and trails throughout Palo Alto in order to extend the useful life of pathway surfaces. This project will ensure safe, even and handicapped accessible surfaces for pedestrians, cyclists, and skaters. Repair of uneven trail surfaces will greatly reduce accidents.

Supplemental Information: Priority will be given to the repair of the most uneven sections of pathway. The project does not create new off-road trails. Staff uses surface assessment data prepared by Public Works Engineering and input from the public to prioritize repair or replacement projects.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Potential Board/Commission Review:** PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may require Site and Design Review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



OFF-ROAD PATHWAY RESURFACING AND REPAIR (OS-09001) CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$259,799

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Other						
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Description: This project provides funding to restore trails, fences, picnic areas, and campgrounds at Foothills Park, the Baylands, and the Pearson-Arastradero Nature Preserves. The project also provides habitat protection by guiding park users towards areas dedicated for hiking, biking, and assembling.

Justification: Open Space trails require ongoing repair of natural erosion, storm damage, and control of aggressive plants, such as thistle and poison oak to ensure that facilities are safe, accessible, and maintained for recreational uses.

Supplemental Information: Improvements to the trails within Pearson-Arastradero Preserve move trails away from environmentally sensitive areas and correct steeply sloped trails, thereby reducing erosion and providing better access to park users with disabilities. Benches, tables, footbridges and fences that are at the end of their useful life will systematically be replaced. These restoration projects are consistent with the Arastradero Preserve Trails Management Plan and the Foothills Park Trails Maintenance Plan.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Potential Board/Commission Review:** PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Open Space
- **Goal:** N-1
- **Policy:** N-1



OPEN SPACE TRAILS AND AMENITIES (OS-00001) *CONTINUED*

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$220,277

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$135,000	\$175,000	\$175,000	\$175,000	\$175,000	\$835,000
Other						
Total Budget Request	\$135,000	\$175,000	\$175,000	\$175,000	\$175,000	\$835,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$135,000	\$175,000	\$175,000	\$175,000	\$175,000	\$835,000
Total Sources of Funds	\$135,000	\$175,000	\$175,000	\$175,000	\$175,000	\$835,000

PALO ALTO COMMUNITY GARDENS IRRIGATION SYSTEM (PE-15022)



Description: This project provides funding for new irrigation systems at all three Community Gardens. Each of the three gardens will receive a new irrigation main line and components, isolation valves and hose bibs/faucets at each garden plot to improve water conservation efforts and reduce the frequency of necessary repair work. These improvements will provide adequate water pressure and reliable irrigation systems. Gardeners will be able to utilize and customize watering levels to meet their needs.

Justification: The irrigation main lines for all three Community Garden Facilities need replacement. The galvanized metal pipe and components periodically fail and need repair. A new water main system will benefit the City and Community Gardeners with reduced downtime and service interruptions. Annual maintenance costs have increased to repair repeated irrigation main line breaks.

Supplemental Information: Community garden locations are as follows:

Main Garden (1313 Newell Street)

Edith Johnson Garden (200 Waverley Street)

Eleanor Pardee Park (1201 Channing Avenue)



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Location:** 1313 Newell St

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** Maintenance will be required by Community Services once project is complete.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19



PALO ALTO COMMUNITY GARDENS IRRIGATION SYSTEM (PE-15022) *CONTINUED*

Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$51,504					\$51,504
Design Costs	\$30,000					\$30,000
Construction Costs	\$175,000					\$175,000
Other						
Total Budget Request	\$256,504					\$256,504
Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$256,504					\$256,504
Total Sources of Funds	\$256,504					\$256,504

PARK AND OPEN SPACE EMERGENCY REPAIRS (PG-09002)



Description: This project provides funding for the replacement or extensive repair of playgrounds, play yard surfaces, wooden structures, park amenities and play equipment in the event of storms, fire, vandalism or structural failure.

Justification: This project allows for the quick replacement or repair of damaged equipment or play structures for the convenience of the public.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Potential Board/Commission Review:** PTC, ARB, PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may be subject to ARB review. This project may require Site and Design Review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$68,407

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Other						
Total Budget Request	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000
Total Sources of Funds	\$75,000	\$75,000	\$75,000	\$75,000	\$75,000	\$375,000



PEERS PARK IMPROVEMENTS (PG-14001)

Description: This project provides funding for upgrades and renovations of the irrigation system and turf at Peers Park. The project will also replace the park benches and drinking fountains, resurface the basketball and tennis court playing surfaces, and repair court fencing.

Justification: The existing irrigation system, benches, and drinking fountains have exceeded their useful lives.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2017-Summer 2018
- **Managing Department:** Community Services
- **IBRC Reference:** Catch-up
- **Location:** Peers Park
- **Potential Board/Commission Review:** PRC

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs				\$205,000		\$205,000
Other						
Total Budget Request				\$205,000		\$205,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$205,000		\$205,000
Total Sources of Funds				\$205,000		\$205,000

RAMOS PARK IMPROVEMENTS (PG-14000)



Description: This project provides funding for safety and accessibility improvements at Ramos Park including replacing the existing park playground, benches, and drinking fountain, as well as resurfacing the basketball court playing surface.

Justification: The existing playground, benches, basketball court surfaces, and drinking fountains have exceeded their useful lives. As park infrastructure ages, safety and compliance issues need to be addressed. This project will ensure compliance and address accessibility needs as well as safety issues.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Summer 2015
- **Managing Department:** Community Services
- **IBRC Reference:** Catch-up
- **Overall Project Completion:** 0%
- **Location:** Ramos Park
- **Potential Board/Commission Review:** PRC

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$175,000					\$175,000
Other						
Total Budget Request	\$175,000					\$175,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$175,000					\$175,000
Total Sources of Funds	\$175,000					\$175,000



RINCONADA PARK IMPROVEMENTS (PE-08001)

Description: This project provides funding for upgrades to safety, site amenities and accessibility at Rinconada Park. Funding in FY 2015 is for improvements outlined by the Rinconada Long Range Plan, currently under final review pending Council approval. Design will commence upon the approval of the Long Range Plan. FY 2018 funding is primarily for the construction of new or enhanced park amenities which are expected to be detailed in the citywide Parks Master Plan.

Justification: Completing the design and construction document packages will implement short, medium, and long term projects outlined in the Rinconada Long Range Plan and citywide Parks Master Plan.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Summer 2015-Spring 2019
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Overall Project Completion:** 0%
- **Location:** 777 Embarcadero Road
- **Potential Board/Commission Review:** PRC, PAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** Review by PAC and ARB may be required.
- **Operating:** Maintenance will be required by Public works and Community Services once project is completed

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-20

RINCONADA PARK IMPROVEMENTS (PE-08001) *CONTINUED*



Prior Years

Expended and Encumbered	\$1,514
Continuing Appropriations	\$187,719

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$17,080					\$17,080
Design Costs				\$185,000		\$185,000
Construction Costs	\$1,150,000			\$2,600,000		\$3,750,000
Other						
Total Budget Request	\$1,167,080			\$2,785,000		\$3,952,080

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$1,167,080			\$2,785,000		\$3,952,080
Total Sources of Funds	\$1,167,080			\$2,785,000		\$3,952,080



ROBLES PARK IMPROVEMENTS (PE-18015)

Description: This project provides funding for upgrades and renovations for safety and accessibility improvements at Seale Park including the replacement of the existing park picnic tables, concrete pathways, and other park amenities.

Justification: As park infrastructure ages, safety and compliance issues need to be addressed. This project will ensure compliance and address accessibility needs as well as safety issues.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2018-Summer 2019
- **Managing Department:** Public Works
- **IBRC Reference:** Keep-up
- **Location:** 4116 Park Blvd
- **Potential Board/Commission Review:** PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301
- **Design Elements:** none
- **Operating:** none

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-1
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$50,000		\$50,000
Construction Costs				\$275,000		\$275,000
Other						
Total Budget Request				\$325,000		\$325,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$325,000		\$325,000
Total Sources of Funds				\$325,000		\$325,000

SEALE PARK IMPROVEMENTS (PG-14003)



Description: This project will provide upgrades and renovations for safety and accessibility improvements at Seale Park. Funding for this project will focus on replacing the existing park picnic tables, concrete pathways, and other park amenities.

Justification: As park infrastructure ages, safety and compliance issues need to be addressed. This project will ensure compliance and address accessibility needs as well as safety issues.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2018-Summer 2018
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Location:** 3100 Stockton Pl
- **Potential Board/Commission Review:** Parks and Rec Commission

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs				\$121,000		\$121,000
Other						
Total Budget Request				\$121,000		\$121,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve				\$121,000		\$121,000
Total Sources of Funds				\$121,000		\$121,000



STANFORD/PALO ALTO SOCCER TURF REPLACEMENT (PG-13001)

Description: This project provides funding for replacement of synthetic turf at the Stanford/Palo Alto Playing Fields.

Justification: The Stanford/Palo Alto Playing Fields accommodate year round play with lighting. Since the complex was built in 2006, it has been in high demand and is used by youth and adult leagues as well as walk-on play. In order to ensure safe playing conditions, the two soccer fields are scheduled for turf replacement in FY 2015 and FY 2016. Funding for the FY 2015 work will come from funds carried over from FY 2015.

Supplemental Information: The turf has a typical lifespan of 8 years with fiber wear decrease in pile height of 8% per year. With higher than typical usage, there has been 8-10% annual wear.

This project will be completed in two phases over two fiscal years. Phase I will replace the field on the north side of the complex and Phase II will replace the field on the south side and a practice area.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2015- 2016
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Potential Board/Commission Review:** ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** This project may require ARB review.
- **Operating:** This project will reduce structural and systems maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

STANFORD/PALO ALTO SOCCER TURF REPLACEMENT (PG-13001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$725,000

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$770,000				\$770,000
Other						
Total Budget Request		\$770,000				\$770,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve		\$770,000				\$770,000
Total Sources of Funds		\$770,000				\$770,000



TENNIS AND BASKETBALL COURT RESURFACING (PG-06001)

Description: This project provides funding for tennis and basketball courts repair and resurfacing in various Palo Alto parks.

Justification: Tennis and basketball courts require ongoing repairs and resurfacing due to wear and tear. Resurfacing of courts will enhance the safety, quality, and condition of these athletic facilities.

Supplemental Information: Tennis and basketball court resurfacing work is tentatively scheduled for the following locations: Mitchell Park paddle tennis courts, handball courts, Weisshaar Park tennis courts, Rinconada Park tennis courts, Hopkins Park tennis courts, Terman Park tennis courts, Briones Park basketball court, Greer Park basketball courts, Johnson Park basketball court, and Scott Park basketball court.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Community Services
- **IBRC Reference:** Keep-up
- **Location:** Various City parks and facilities
- **Potential Board/Commission Review:** PRC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** This project will reduce long-term infrastructure costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24
- **Program:** C-19

TENNIS AND BASKETBALL COURT RESURFACING (PG-06001)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$250,112

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000
Other						
Total Budget Request	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000
Total Sources of Funds	\$215,000	\$215,000	\$215,000	\$215,000	\$215,000	\$1,075,000

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Traffic and Transportation

THIS PAGE IS INTENTIONALLY LEFT BLANK.



BICYCLE & PEDESTRIAN TRANSPORTATION PLAN PROJECTS (PL-04010)

Description: This project provides funding for the design and construction of bicycle boulevards, bicycle lanes, bicycle routes, bicycle parking projects, and trails routes in accordance with the Bicycle & Pedestrian Transportation Plan 2012, approved by the City Council in 2012. The project also allows for expansion of bicycle parking facilities and bicycle/pedestrian project planning activities as prioritized in the Plan.

Justification: Projects as identified in the Bicycle & Pedestrian Transportation Plan 2012 as well as bicycle parking facilities and bicycle/pedestrian project planning activities will facilitate safer, traffic-calmed biking routes and provide better commute alternatives.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** New
- **Location:** Citywide
- **Potential Board/Commission Review:** PTC, PRC
- **Art in Public Places:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project may require an environmental assessment.
- **Design Elements:** None
- **Operating:** This project will require minor ongoing maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** L-1

BICYCLE & PEDESTRIAN TRANSPORTATION PLAN PROJECTS (PL-04010) *CONTINUED*



Prior Years	
Expended and Encumbered	Ongoing
Continuing Appropriations	\$359,457

Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$23,957					\$23,957
Design Costs	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Construction Costs	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$5,000,000
Other						
Total Budget Request	\$1,223,957	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,023,957

Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$23,957					\$23,957
Others	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,000,000
Total Sources of Funds	\$1,223,957	\$1,200,000	\$1,200,000	\$1,200,000	\$1,200,000	\$6,023,957



CHARLESTON/ARASTRADERO CORRIDOR PROJECT (PE-13011)

Description: This project provides funding for the reconfiguration of the Charleston/Arastradero corridor including engineering design and construction of new landscaped median islands, bulb outs, enhanced bike lanes, new street trees and lighting. The conceptual design and environmental review for the entire corridor from Fabian Wy to Foothill Expy will be completed in FY 2015.

Justification: The project will result in enhanced travel safety, increased use of environmentally friendly travel alternatives, reduced motor vehicle congestion, and enhanced aesthetics on the Charleston-Arastradero Corridor. The conceptual design and environmental review for the entire corridor from Fabian Wy to Foothill Expy will be completed in FY 2015. Construction will be addressed in segments starting with Arastradero (El Camino Real to Foothill Expressway) and Charleston (Fabian to Alma Street).

Supplemental Information: The Charleston/Arastradero Corridor Plan was adopted by City Council in January 2003. The Plan addresses pedestrian crossing safety, bicycle travel safety, motor vehicle speeding, more even and efficient motor vehicle traffic flow, and Corridor streetscape. Council approved the permanent retention of the new lane configurations on Charleston in 2008 and on Arastradero in 2012.

The total project cost is estimated at \$10 million. With \$0.8 million funded in FY 2013 through FY 2015, \$0.5 million funded in FY2015 and \$1.45 million funded in FY 2016, a funding gap of approximately \$7.3 million exists. The FY 2016 costs are offset by grant proceeds: a \$450,000 Caltrans Safe Routes to School (SR2S) grant, awarded in 2012, and a \$1 million Valley Transportation Authority — Vehicle Emissions Reductions Based at Schools (VERBS) grant, awarded in 2013. Staff will continue to look for additional funding opportunities to address the \$7.3 million funding gap.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Spring 2013-Summer 2016
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Location:** Charleston/Arastradero Corridor Project
- **Potential Board/Commission Review:** ARB

IMPACT ANALYSIS:

- **Environmental:** Mitigated Negative Declaration approved by Council January 2003
- **Design Elements:** This project may require ARB review.
- **Operating:** Maintenance will be required by Public works and Community Services once project is completed.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-4
- **Policy:** T-25
- **Program:** T-33

CHARLESTON/ARASTRADERO CORRIDOR PROJECT (PE-13011)

CONTINUED



Prior Years

Expended and Encumbered	\$62,437
Continuing Appropriations	\$430,948

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$105,805					\$105,805
Design Costs	\$500,000					\$500,000
Construction Costs		\$1,450,000				\$1,450,000
Other						
Total Budget Request	\$605,805	\$1,450,000				\$2,055,805

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$605,805					\$605,805
Local Agency Grant		\$500,000	\$500,000			\$1,000,000
State Grant		\$225,000	\$225,000			\$450,000
Total Sources of Funds	\$605,805	\$725,000	\$725,000			\$2,055,805

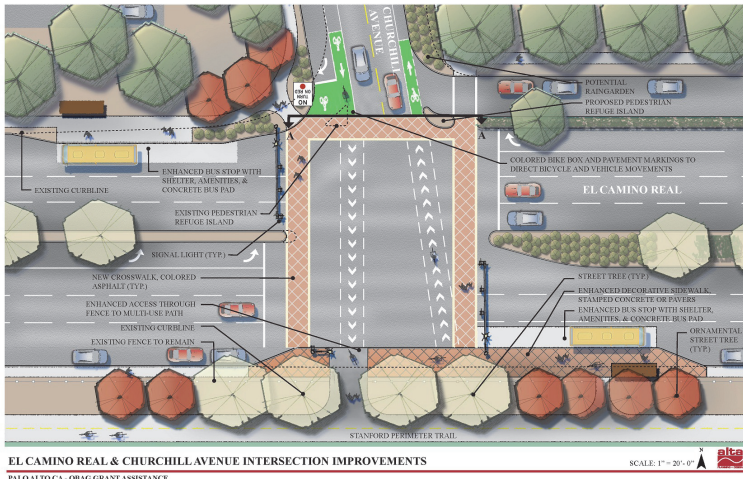


EL CAMINO REAL & CHURCHILL AVENUE INTERSECTION IMPROVEMENTS (PL-14000)

Description: This project provides funding for the design of improvements along Churchill Avenue between El Camino Real and Castilleja Avenue. Improvements include widening of Churchill Avenue to provide a new westbound right turn lane at El Camino Real, traffic signal modifications, and pedestrian pathway improvements.

Justification: This project is identified as a priority project within the City's Bicycle & Pedestrian Transportation Plan 2012. Specifically, this project advances multiple objectives through the development of a core network of shared paths, bikeways, and traffic-calmed streets that connect residential districts, schools, and parks. This project also connects with the trail improvements that are part of the Stanford-Palo Alto Trail Program approved by the City Council in 2012.

Supplemental Information: The majority of the design costs for this project were allocated in Fiscal Year 2015. A transfer from the Transportation Impact Fee Fund to the Capital Improvement Fund is programmed in Fiscal Year 2015 to reimburse the Capital Improvement Fund for costs incurred in Fiscal Year 2014 and anticipated expenses in FY 2015. Following the completion of the design phase, grants for the construction phase will be pursued.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Fall 2013-Fall 2015
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** New
- **Location:** El Camino Real & Churchill Avenue
- **Potential Board/Commission Review:** PTC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project provides for the design phase of future capital improvements, environmental assessment of the project will be included in the design phase.
- **Design Elements:** The project may be subject to PTC and ARB review.
- **Operating:** Operating costs will be identified during design phase.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-24

Secondary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-33

EL CAMINO REAL & CHURCHILL AVENUE INTERSECTION IMPROVEMENTS (PL-14000) *CONTINUED*



Prior Years

Expended and Encumbered	\$275,000
Continuing Appropriations	\$8,651

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$23,957					\$23,957
Design Costs						
Construction Costs						
Other						
Total Budget Request	\$23,957					\$23,957

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Development Impact Fees	\$307,608					\$307,608
Total Sources of Funds	\$307,608					\$307,608



HIGHWAY 101 PEDESTRIAN/BICYCLE OVERPASS PROJECT (FORMERLY PL-11000) (PE-11011)

Description: This project provides funding for a new pedestrian/bicycle bridge across Highway 101 at Adobe Creek. Three bridge alignments are currently under development. One of the three bridge alignments will be identified for the design competition. The competition will provide an opportunity for potential designers to develop architectural concepts. The City may initiate a design contract with the selected firm to develop the selected concept.

Justification: The bridge is a priority project in the City's Bicycle & Pedestrian Transportation Plan 2012 and will provide safe, year-round access across Highway 101 in South Palo Alto to the Baylands and regional employment centers.

Supplemental Information: \$4 Million is being provided for the project from a Santa Clara County - Recreation Trails Program grant that was awarded to the City in November 2012. Additionally, \$4.0 million will be reimbursed via a grant from the One Bay Area Grant (OBAG) Program. Construction is anticipated in FY 2016 through FY 2018. The funds from the reimbursable grants are expected to be received in FY 2016 through FY 2019. The Infrastructure Funding plan considered by the City Council in March, 2015 included \$1.7 million for this project; however, staff will continue to seek alternative funding such as grants or public/private partnerships.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Winter 2015
- **Managing Department:** Public Works
- **IBRC Reference:** New
- **Overall Project Completion:** 0%
- **Potential Board/Commission Review:** ARB, PRC, PTC
- **Art in Public Places:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project requires full CEQA and NEPA environmental assessment.
- **Design Elements:** This project will require ARB and PTC review.
- **Operating:** Operating Impacts will be assessed during the feasibility study phase

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** City Structure
- **Goal:** T-3
- **Policy:** T-14

HIGHWAY 101 PEDESTRIAN/BICYCLE OVERPASS PROJECT (FORMERLY PL-11000) (PE-11011) *CONTINUED*



Prior Years

Expended and Encumbered	\$1,117,638
Continuing Appropriations	\$1,021,460

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$440,000				\$440,000
Construction Costs			\$8,000,000			\$8,000,000
Other						
Total Budget Request		\$440,000	\$8,000,000			\$8,440,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Local Agency Grant		\$300,000	\$700,000	\$4,000,000	\$3,000,000	\$8,000,000
Others				\$1,700,000		\$1,700,000
Total Sources of Funds		\$300,000	\$700,000	\$5,700,000	\$3,000,000	\$9,700,000



MATADERO CREEK TRAIL (PL-14001)

Description: This project provides funding for the construction of a new bicycle and pedestrian trail along the levees of the Matadero Creek between Waverley Street and Greer Road as well as a study/master plan of improvements between Alma Street and Hwy 101.

Justification: This project was identified as a priority within the City's Bicycle & Pedestrian Transportation Plan 2012. The project focuses on providing off-road trail improvements to help provide the community with off-street facility options to help encourage safer bicycle commuting alternatives and expand the City's bicycle program network.

Supplemental Information: A portion of this project (\$1.5 million) will be reimbursed by a grant from the Stanford-Palo Alto Trail Program, funded by the County of Santa Clara. Staff expects to receive the grant reimbursement in FY 2016 when construction is anticipated.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Summer 2013-Summer 2017
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** New
- **Potential Board/Commission Review:** PTC, PRC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project will require an environmental assessment pending concept design.
- **Design Elements:** This project may be subject to PTC, PRC, and ARB review.
- **Operating:** Design phase costs and construction costs recovered by a grant.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-3
- **Policy:** T-14

Secondary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-3
- **Policy:** T-20

MATADERO CREEK TRAIL (PL-14001) *CONTINUED*



Prior Years

Expended and Encumbered	\$369,446
Continuing Appropriations	\$14,205

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$42,163					\$42,163
Design Costs						
Construction Costs		\$2,000,000				\$2,000,000
Other			\$150,000			\$150,000
Total Budget Request	\$42,163	\$2,000,000	\$150,000			\$2,192,163

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$42,163	\$500,000	\$150,000			\$692,163
Local Agency Grant		\$1,500,000				\$1,500,000
Total Sources of Funds	\$42,163	\$2,000,000	\$150,000			\$2,192,163

Description: This project provides funding for the City's Safe Routes to School programmatic elements, including school commute planning and encouragement activities that help plan capital improvements along local and neighborhood collector streets that may be impacted by school commute activities. Typical capital improvements including traffic calming devices along arterial streets, enhanced crosswalk facilities for pedestrians, and improved signage for suggested routes to school.

Justification: In collaboration with PAUSD and the PTA, the City is leading the design and construction of capital improvements for suggested routes to school, helping to reduce risks to students and encouraging more families to use alternatives to driving.

Supplemental Information: To date, new Suggested Route to School maps were created for each school in the district, including the three junior high schools and two high schools. In addition, 45 intersection improvements were implemented in 2013 along the recommended routes to school. This program is partially funded by revenues from gas taxes. As a result of reductions in the level of gas tax receipts, reductions to this project have been programmed beginning in FY 2018.

Further information can be found at www.cityofpaloalto.org/saferoutes.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** Keep-up
- **Location:** Streets on Suggested Walk and Roll Routes for PAUSD schools
- **Potential Board/Commission Review:** PTC
- **Art in Public Places:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project may require environmental assessments.
- **Design Elements:** None
- **Operating:** New grant funding opportunities are being explored for future projects.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-1
- **Policy:** T-3
- **Program:** T-7

Secondary Connection

- **Element:** Transportation
- **Section:** Bicycling and Walking
- **Goal:** T-3
- **Policy:** T-14
- **Program:** T-19

SAFE ROUTES TO SCHOOL (PL-00026) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$69,536					\$69,536
Design Costs	\$75,000	\$35,000	\$35,000	\$26,250	\$26,250	\$197,500
Construction Costs	\$200,000	\$65,000	\$65,000	\$73,750	\$73,750	\$477,500
Other						
Total Budget Request	\$344,536	\$100,000	\$100,000	\$100,000	\$100,000	\$744,536

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Tax Fund	\$100,000	\$100,000	\$100,000	\$75,000	\$75,000	\$450,000
Infrastructure Reserve	\$244,536			\$25,000	\$25,000	\$294,536
Total Sources of Funds	\$344,536	\$100,000	\$100,000	\$100,000	\$100,000	\$744,536

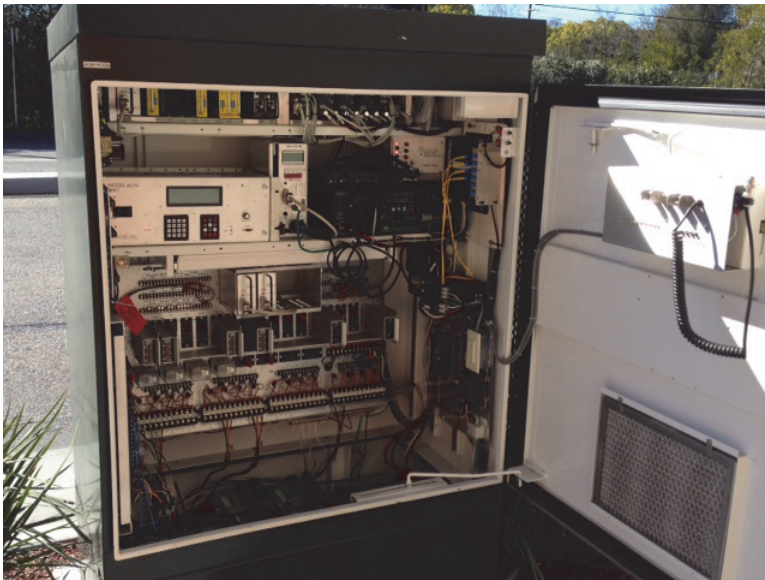


TRAFFIC SIGNAL AND INTELLIGENT TRANSPORTATION SYSTEM (ITS) UPGRADES (PL-05030)

Description: This project provides funding for the design and construction of traffic signals, traffic signal communications networks, video surveillance projects for transportation use, and maintenance of the City's traffic signal central system. Sample projects include the replacement of traffic signal controllers/cabinets, video detection systems, and other field equipment.

Justification: Traffic signal upgrades are essential in maintaining traffic safety and improving roadway operations including the reduction of roadway congestion with traffic signal retiming projects.

Supplemental Information: Consultant and contract services may be used to collect traffic data for traffic signal system projects and to help implement traffic special projects such as adaptive/responsive signal operations. As aging equipment is replaced, future funding reductions can be planned based on long life cycles of new equipment.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** Keep-up
- **Location:** Various intersections throughout the City.
- **Potential Board/Commission Review:** PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project may be subject to PTC review.
- **Operating:** The operations and maintenance of this project are funded by the Electric Fund.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-24

Secondary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-5
- **Policy:** T-34

TRAFFIC SIGNAL AND INTELLIGENT TRANSPORTATION SYSTEM (ITS) UPGRADES (PL-05030) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$357,497

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$40,822					\$40,822
Design Costs	\$200,000	\$30,000	\$30,000	\$30,000	\$30,000	\$320,000
Construction Costs	\$600,000	\$135,000	\$140,000	\$145,000	\$145,000	\$1,165,000
Other						
Total Budget Request	\$840,822	\$165,000	\$170,000	\$175,000	\$175,000	\$1,525,822

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve		\$165,000	\$170,000	\$175,000	\$175,000	\$520,000
Others	\$840,822					\$840,822
Total Sources of Funds	\$840,822	\$165,000	\$170,000	\$175,000	\$175,000	\$1,360,822



TRANSPORTATION AND PARKING IMPROVEMENTS (PL-12000)

Description: This project provides funding for the implementation of miscellaneous neighborhood traffic calming improvements including neighborhood traffic studies and parking improvements. This project also funds the development of grant proposals used to procure funding for future projects.

Justification: Traffic calming is identified as a high priority in the adopted Transportation Strategic Plan. Traffic studies and miscellaneous traffic calming improvements help to improve the quality of life for residents and visitors. Parking projects anticipated for FY 2015 include technology improvements for access, revenue controls, and parking guidance systems.

Supplemental Information: Funds from the University Avenue Parking Permit Fee Fund will be used to fund parking guidance system activities, consistent with the parking permit fee increase approved by the City Council as part of the FY 2015 Adopted Operating Budget. As access and revenue control equipment is deployed on both on-street and off-street facilities, new revenue streams will be created for the City. It is intended that these new streams will support the cost of the access and revenue control equipment.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Planning and Community Environment
- **IBRC Reference:** Keep-up
- **Location:** Various locations throughout City.
- **Potential Board/Commission Review:** PTC
- **Art in Public Places:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project may require an environmental assessment.
- **Design Elements:** This project may be subject to PTC review.
- **Operating:** This project may require ongoing maintenance costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-24

Secondary Connection

- **Element:** Transportation
- **Section:** Traffic Safety
- **Goal:** T-4
- **Policy:** T-25

TRANSPORTATION AND PARKING IMPROVEMENTS (PL-12000)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$183,969

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$168,699					\$168,699
Design Costs	\$300,000	\$75,000	\$75,000	\$75,000	\$75,000	\$600,000
Construction Costs	\$1,700,000	\$150,000	\$150,000	\$150,000	\$150,000	\$2,300,000
Other						
Total Budget Request	\$2,168,699	\$225,000	\$225,000	\$225,000	\$225,000	\$3,068,699

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Tax Fund	\$225,000					\$225,000
Infrastructure Reserve	\$1,543,699					\$1,543,699
Others		\$400,000	\$400,000	\$400,000	\$400,000	\$1,600,000
University Avenue Parking Permits Fund	\$400,000					\$400,000
Total Sources of Funds	\$2,168,699	\$400,000	\$400,000	\$400,000	\$400,000	\$3,768,699

Miscellaneous

THIS PAGE IS INTENTIONALLY LEFT BLANK.



SALARIES AND BENEFITS - GENERAL FUND CIP PROJECTS (AS-10000)

Description: This project provides funding for the estimated salaries and benefit costs of City staff assigned to manage the Capital Improvement Fund projects.

Justification: Salaries and benefits costs of City staff assigned to manage CIP projects are an associated costs in the completion of CIP projects. As such, these costs are capitalized and are added to the total costs of a project.

Supplemental Information: For FY 2015, salaries and benefits have been included in CIP projects where appropriate and possible. The amount for FY 2015 in this project represents salaries and benefits expense not associated with any particular project (for example, administration and oversight of the CIP process) and salaries and benefits expense for projects budgeted in prior years and continued in FY 2015.

CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Administrative Services
- **Potential Board/Commission Review:** Not Applicable

IMPACT ANALYSIS:

- **Environmental:** Not Applicable
- **Design Elements:** Not Applicable
- **Operating:** Not Applicable

As part of the annual year-end process, the annually incurred amount will be allocated to all General Fund CIP projects. At the end of each fiscal year, any unused balance will be returned to the Infrastructure Reserve.

For FY 2016 to FY 2019, salaries and benefits have not been allocated to CIP projects identified in the Capital Improvement Plan. Therefore, in the table below, the amounts in these years appear higher than the amount shown FY 2015.



SALARIES AND BENEFITS - GENERAL FUND CIP PROJECTS (AS-10000) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	Ongoing

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$2,498,453	\$4,544,844	\$4,710,731	\$4,885,499	\$5,065,285	\$21,704,812
Design Costs						
Construction Costs						
Other						
Total Budget Request	\$2,498,453	\$4,544,844	\$4,710,731	\$4,885,499	\$5,065,285	\$21,704,812

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Infrastructure Reserve	\$1,991,995	\$4,656,516	\$4,828,364	\$5,009,448	\$5,195,882	\$21,682,205
Total Sources of Funds	\$1,991,995	\$4,656,516	\$4,828,364	\$5,009,448	\$5,195,882	\$21,682,205

ENTERPRISE FUND PROJECTS



THIS PAGE IS INTENTIONALLY LEFT BLANK.

Enterprise Funds Overview

The Capital Improvement Program (CIP) for the City's Enterprise Funds remains a critical component of the infrastructure commitment made to the Palo Alto residents and ratepayers. These funds include the Electric, Water, Gas, Fiber Optics, Wastewater Collection, Wastewater Treatment, Refuse, Storm Drainage, and Airport Fund. Each of these funds operate as a separate business entity accounting for the cost of infrastructure rehabilitation as an ongoing business expense.

Budgeted expenditures in the Enterprise Funds for Fiscal Year 2015 total \$28.3 million, with budgeted expenses over the 2015-2019 CIP totaling \$205.3 million. A portion of the expenses in the Enterprise Funds are offset by reimbursements, including connection charges assessed to customers and improvements made on behalf of telephone/cable companies, which are subsequently reimbursed. Fiscal Year 2015 reimbursements total \$3.7 million and reimbursements over the 2015-2019 CIP total \$27.2 million. A summary of new projects being added is presented in subsequent pages.

ELECTRIC FUND

Total Fiscal Year 2015 Electric Fund CIP expenditures are \$9.7 million and total expenses within the 2015-2019 CIP are \$57.1 million, partially offset by reimbursements of \$17.0 million. The overall expenditure level of \$57.1 million represents a 9.9% increase (\$5.2 million) compared to the 2014-2018 CIP. Major projects within the Electric Fund over the 2015-2019 CIP include:

- Electric Customer Connections
- Electric System Improvements
- Smart Grid Technology Installation

After reimbursements from other Enterprise funds and customers, the net amount of Electric CIP expense in Fiscal Year is \$7.9 million. The Electric Fund Distribution Rate Stabilization Reserve will provide funding for projects not reimbursed by customers and telephone/cable companies. For the 2015-2019 Adopted CIP, three new projects are added:

- Colorado/Hopkins System Improvement
- Electric Substation Battery Replacement
- Rebuild UG District 26

FIBER OPTICS FUND

The Fiber Optics Fund has two CIP projects in Fiscal Year 2015 totaling \$400,000; after customer reimbursements of \$200,000, the net cost to the Fiber Optics Fund is \$200,000.

The two projects under the Fiber Optics Fund are as follows:

- Fiber Optic Network System Improvement Project
- Fiber Optic Customer Connections Project

Enterprise Funds Overview

GAS FUND

Total Fiscal Year 2015 Gas Fund CIP expenditures are \$2.3 million and total expenses within the 2015-2019 CIP are \$24.7 million, partially offset by reimbursements of \$3.5 million. The overall expenditure level of \$24.7 million represents a 19.7% increase (\$4.1 million) compared to the 2014-2018 CIP. Major projects within the Gas Fund over the 2015-2019 CIP include:

- Gas System, Customer Connections
- Gas System Improvements
- Gas Meters and Regulators
- Gas Main Replacements

For the 2015-2019 Adopted CIP, one new project was approved: Gas Equipment and Tools (\$0.5 million over the CIP). The \$4.1 million increase from the 2014-2018 CIP is mostly attributable to GS-15000, Gas Main Replacement - Project 25. This project, which will replace leaking, inadequately-sized, and structurally deficient gas mains and services, increased by \$3.4 million due to Fiscal Year 2019 construction work now included in this five-year CIP.

WASTEWATER COLLECTION FUND

Total Fiscal Year 2015 Wastewater Collection CIP expenditures are \$4.1 million and total expenses within the 2015-2019 CIP are \$21.5 million, partially offset by reimbursements of \$4.6 million. The overall expenditure level of \$21.5 million represents a 16.9% increase (\$3.7 million) compared to the 2014-2018 CIP. Major projects within the Wastewater Collection Fund include:

- Wastewater Collection System Rehabilitation/Augmentations
- Wastewater System Improvements
- Sewer System Customer Connections

For the 2015-2019 Adopted CIP, one new project was approved: Wastewater Collection System Rehabilitation/Augmentation Project 31 (\$0.4 million over the CIP). The remaining cost increases are primarily attributable to Fiscal Year 2019 construction work now included in this five-year CIP.

WATER FUND

Total Fiscal Year 2015 Water Fund CIP expenditures are \$5.4 million and total expenses within the 2015-2019 CIP are \$35.2 million, partially offset by reimbursements of \$5.9 million. The overall expenditure level of \$24.7 million represents a 30% increase (\$8.1 million) compared to the 2014-2018 CIP. Major projects within the Water Fund over the 2015-2019 CIP include:

- Water Main Replacement Projects
- Water Service Hydrant Replacement
- Water System Supply Improvements

Enterprise Funds Overview

For the 2015-2019 Adopted CIP, two new projects were approved: Water System Master Plan (\$0.5 million over the CIP) and Seismic Water System Upgrades (\$2.2 million over the CIP). The remaining cost increases are primarily attributable to the water main replacement projects.

REFUSE FUND

The Refuse Fund does not have any projects in the Fiscal Year 2015 CIP budget. Utilizing funding from the prior year CIP budget, the project to cap the last remaining area at the landfill will continue.

WASTEWATER TREATMENT FUND

Fiscal Year 2015 CIP expense in the Wastewater Treatment Fund is \$3.7 million and total expenses within the 2015-2019 CIP are \$56.8 million. The overall expenditure level of \$56.8 million represents a 50.5% decrease (\$58 million) as compared to the 2014-2018 CIP. The significant decrease is primarily attributable to a decrease to the Biosolids Facility project (reduced by \$75.4 million), partially offset by an increase to the Fixed Film Reactor Rehabilitation Project (increased by \$17.1 million).

In the 2014-2018 CIP, funding was allocated for Phase II of the Biosolids Facility project, which represents the costs of building out the anaerobic digesters. The 2015-2019 CIP does not include funding for Phase II of this project as it is currently anticipated construction will occur beyond the five years of the CIP, if the project is approved by the City Council and partner agencies, and funding is secured. The Fixed Film Reactor Rehabilitation project has been accelerated as part of the 2015-2019 CIP, due to heightened concern about the age of the plastic media. The 2014-2018 CIP only reflected the cost of design, however the 2015-2019 CIP includes construction funding for the rehabilitation.

STORM DRAINAGE FUND

Total Fiscal Year 2015 Storm Drainage Fund CIP expenditures are \$2.7 million and total expenses within the 2015-2019 CIP are 7.9 million. The overall expenditure level of \$7.9 million represents a 28.3% decrease (\$3.1 million) compared to the 2014-2018 CIP, due to the completion of the project as approved by Palo Alto property owners in April, 2005. Although, there are additional capital needs related to storm drain infrastructure, there is no dedicated funding source for any additional projects. Projects to be funded in Fiscal Year 2015 include:

- Storm Drain Master Plan Update
- Matadero Creek Storm Water Pump Station and Trunk Line improvements
- Storm Drain System Replacement and Rehabilitation

The CIP projects have been reviewed by the Council-appointed Storm Drain Oversight Committee. Capital projects for the Drainage Fund continue to be funded by revenue from the storm drainage fee increase which was approved by Palo Alto property owners in April, 2005. In the absence of another ballot measure approved by property owners, the storm drainage fee increase will expire after Fiscal Year 2017. It is expected that all projects identified in the original ballot measure will be completed by Fiscal Year 2017.

Enterprise Funds Overview

AIRPORT FUND

One project is programmed for the Airport Fund in Fiscal Year 2015: the Temporary Airport Terminal Project (\$180,000). This project provides for a modular trailer to be installed, including connection of utilities and groundwork, providing a temporary airport terminal building to receive the flying community, and office space to house airport staff until the completion of the Airport Master Plan. No other projects are programmed within the 2015-2019 CIP at this time. It is important to note, however, that staff intends to apply to the Federal Aviation Administration for capital improvements. The FAA is expected to fund approximately 90% of the infrastructure improvements and the Airport Fund would have to pay the remaining cost.

Enterprise Funds Overview

NEW PROJECTS

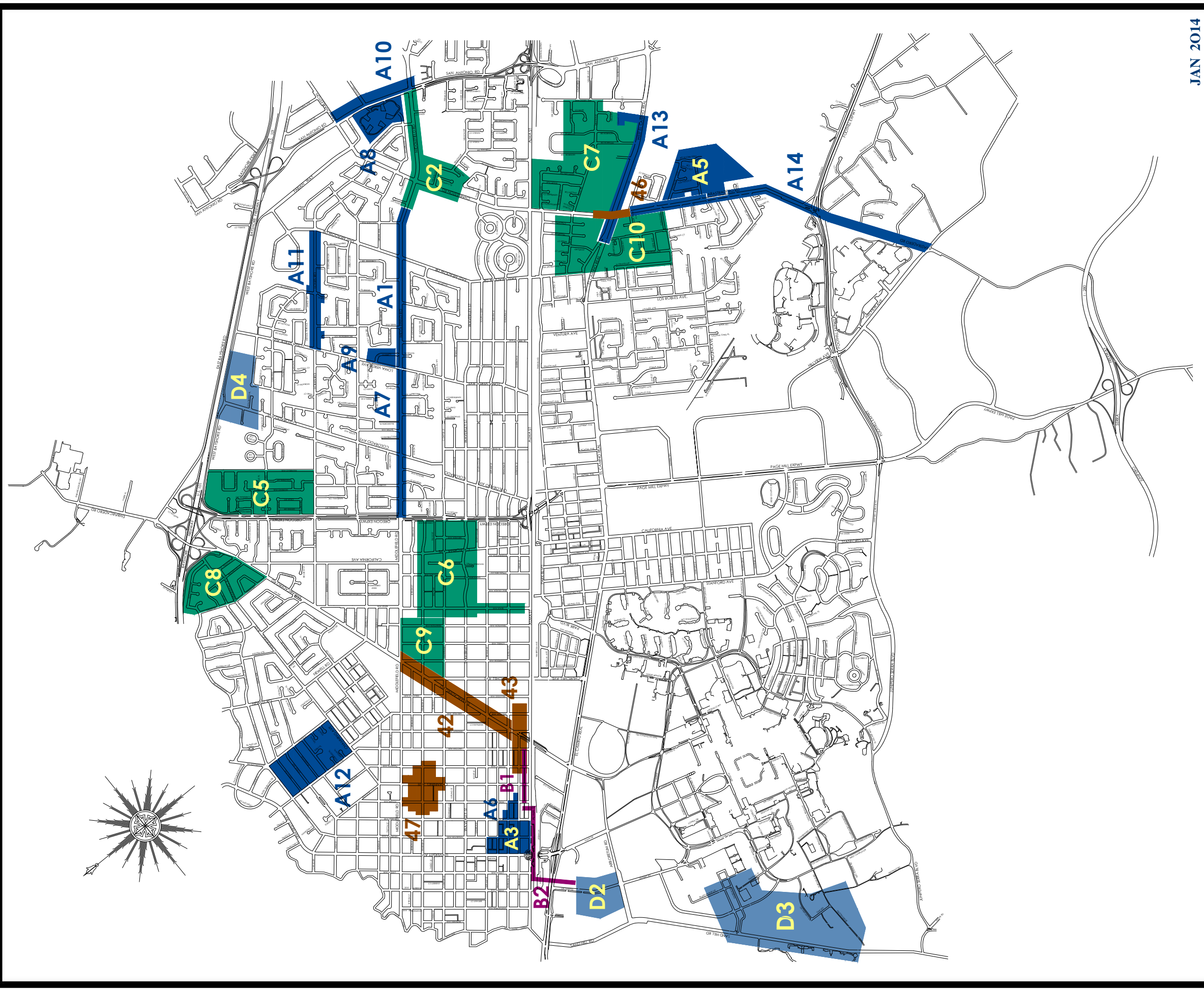
The new projects that are added to the Fiscal Year 2015-2019 five-year CIP plan in the Enterprise Funds include the following:

2015-2019 CIP List of New Projects ENTERPRISE FUNDS	
CIP NO.	Project Title
Electric Fund	
EL-15000	Colorado/Hopkins System Improvement
EL-15001	Electric Substation Battery Replacement
EL-16000	Rebuild UG District 26
Gas Fund	
GS-14004	Gas Main Replacement - Project 26
Wastewater Collection Fund	
WC-19001	Wastewater Collection System Rehabilitation/Augmentation Project 31
Storm Drainage Fund	
SD-15008	Storm Drain Master Plan Update

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Electric Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



JAN 2014

LEGEND

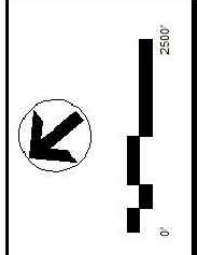
PROPOSED UNDERGROUND PROJECTS		
42	UG DISTRICT #42	(08001) 2017-2019
43	UG DISTRICT #43	(11009) 2016-2019
46	UG DISTRICT #46	(12001) 2015-2016
47	UG DISTRICT #47	(11010) 2011-2015
PROPOSED UNDERGROUND REBUILD		
A	MIDDLEFIELD ROAD	(09000) 2009-2015
A1	REBUILD U.G. DISTRICT #24	(10006) 2009-2015
A3	REBUILD U.G. DISTRICT #15	(11003) 2015-2016
A7	REBUILD U.G. DISTRICT #19	(10008) 2009-2015
A8	REBUILD U.G. DISTRICT #12	(12000) 2013-2015
A9	REBUILD U.G. DISTRICT #18	(11007) 2013-2015
A10	REBUILD U.G. DISTRICT #18	(11007) 2013-2015
A11	REBUILD U.G. DISTRICT #18	(11007) 2013-2015
A12	REBUILD U.G. DISTRICT #18	(11007) 2013-2015
A13	REBUILD U.G. DISTRICT #18	(11007) 2013-2015
A14	REBUILD U.G. DISTRICT #26	(10003) 2014-2017

PROPOSED 60KV SYSTEM REBUILD		
B1	RELOCATE GR/HO 60KV LINE (LANE A & B)	(13002) 2018-2019
B2	RECONDUCTOR 60KV LINE - PHASE 2	(11015) 2015-2017
PROPOSED 4/12KV CONVERSION		
C2	E. CHARLESTON 4/12KV CUTOVER	(08000) 2008-2015
C5	ST. FRANCIS OREGON/AMARILLO/LOUIS 4/12KV	(11002) 2017-2018
C6	SEALE / WAYERLEY 4/12KV	(11000) 2016-2017
C7	W. CHARLESTON / WILKETO S. CITY LIMIT	(09004) 2008-2015
C8	EDGEWOOD / WILKETO 4/12KV	(13000) 2016-2017
C10	COLLIERIDGE / CONVEY / TENNYSON 4/12KV	(14000) 2016-2017
	MAT BELL 1&2 CONVERSION	(14004) 2015-2016
PROPOSED SYSTEM IMPROVEMENT		
D2	RECONFIGURE QUARRY FEEDERS	(14005) 2014-2016
D3	QUARRY CIRCUIT TIES	(13004) 2014-2015
D4	COLORADO / HOPKINS SYSTEM IMPROVEMENT	(15001) 2015-2018



ELECTRIC UTILITY 2015-2019
CAPITAL IMPROVEMENT PROGRAM

This map is a product of the
City of Palo Alto GIS



THIS PAGE IS INTENTIONALLY LEFT BLANK



230 KV ELECTRIC INTERTIE (EL-06001)

Description: This project will establish a 230 kV electric intertie line and construct a 230/60 kV substation to connect the City's electric system directly to the 230kV.

Justification: This project will allow the City to bypass the local transmission fees charged by PG&E. Net annual savings resulting from the interconnection fee reduction will be approximately \$2,000,000 annually based on projected energy purchases and the price difference between 115 kV and 230 kV service. This transmission line also provides the City with an alternate source of power that can serve it during emergencies, such as the event in 2009 that impacted electric power to the entire city.

Supplemental Information: Funding in previous years was used to perform technical feasibility studies to determine the general project requirements. Funding in Fiscal Year 2015 will be used for additional feasibility and construction analysis to determine the viability of several design proposals and choose the most economical interconnection alternative. The City is also in discussions with Stanford and Stanford National Accelerator Laboratory (SLAC), one of ten Department of Energy (DOE) Office of Science laboratories, on the shared interest and benefits in the new intertie. Cooperation of these two entities is necessary for this project to move forward. If this project comes to fruition, the estimated total project cost for a secondary transmission line is \$40 - \$50 million and could be shared with both Stanford and SLAC/DOE. If this project is cancelled, staff will seek funding for the alternative solution.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2006- 2015
- **Managing Department:** Utilities

IMPACT ANALYSIS:

- **Environmental:** Project may be subject to The California Environmental Quality Act (CEQA).
- **Design Elements:** Design will consider line aesthetics and Electromagnetic Fields (EMF).
- **Operating:** Project will improve service reliability to customers in the Palo Alto.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

230 KV ELECTRIC INTERTIE (EL-06001) *CONTINUED*



Prior Years

Expended and Encumbered	\$555,048
Continuing Appropriations	\$51,106

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$28,793					\$28,793
Design Costs	\$21,207					\$21,207
Construction Costs						
Other						
Total Budget Request	\$50,000					\$50,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$50,000					\$50,000
Total Sources of Funds	\$50,000					\$50,000

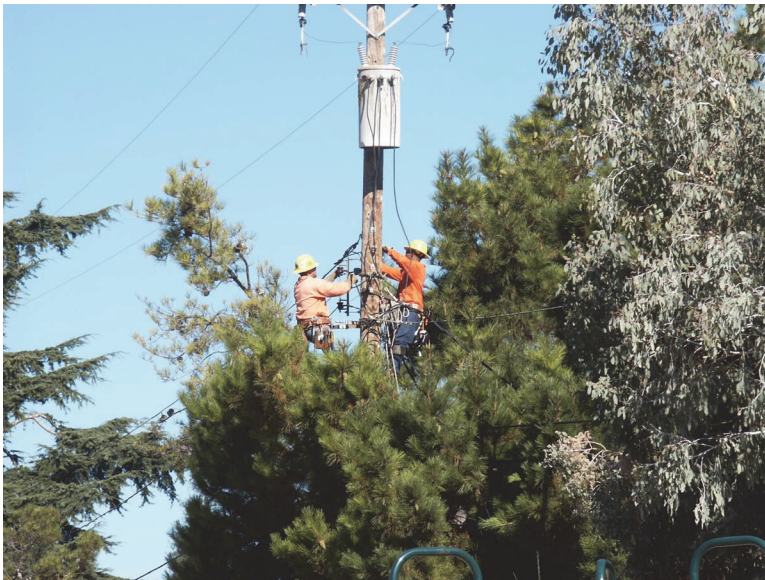


COLERIDGE/COWPER/TENNYSON 4/12 kV CONVERSION (EL-14000)

Description: The project will convert the primary electric distribution system in the Coleridge/Cowper/Tennyson area from 4 kV to 12 kV.

Justification: Because of the difference in voltage, the 4kV and 12kV systems cannot be directly connected and used to back up one another. Due to prior 4kV to 12 kV conversions in adjacent areas, this area, now at 4kV, needs to be converted to 12kV so that adequate circuit connections can be restored to allow customers to be switched from one circuit to another during normal or emergency conditions. This will improve operating flexibility of the system and service reliability to customers in this area.

Supplemental Information: In addition, there is equipment in the area that has reached the end of its useful life and needs to be replaced. Converting to 12 kV will eliminate the need to replace this equipment as it is not needed at that voltage level.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project may be subject to ARB review. The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance costs due to retirement of facilities and improve the efficiency of the system by reducing system losses by 25%.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

COLERIDGE/COWPER/TENNYSON 4/12 kV CONVERSION (EL-14000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$120,000				\$120,000
Construction Costs			\$400,000			\$400,000
Other						
Total Budget Request		\$120,000	\$400,000			\$520,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$120,000	\$400,000			\$520,000
Total Sources of Funds		\$120,000	\$400,000			\$520,000



COLORADO/HOPKINS SYSTEM IMPROVEMENT (EL-15000)

Description: This project will replace deteriorating equipment which will increase system capacity and improve service reliability for the areas served by Hopkins and Colorado substations and adjacent substations.

Justification: Transformers at both Hopkins and Colorado Substations are near the end of their useful life, along with much of the other equipment at Hopkins. Hopkins is a 4kV substation and has no ties to other substations, so there is no backup to serve customers should there be a catastrophic problem at Hopkins.

Supplemental Information: To accommodate the replacement of this equipment, the ability to serve electrical future load projections, and provide back up service to Hopkins, this project will evaluate solutions to best solve the multitude of issues. Funding for Fiscal Year 2015 is for engineering only. Budget requests for future years will be made once a solution has been selected.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2015- 2018
- **Managing Department:** Utilities
- **Location:** Hopkins and Colorado Substations

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Work should be isolated to electric substations which are already surrounded by fencing.
- **Operating:** This project will reduce maintenance and operation costs due to replacement of deteriorating facilities. To what extent will be determined after this initial engineering design phase is completed.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$29,164					\$29,164
Design Costs						
Construction Costs	\$20,836					\$20,836
Other						
Total Budget Request	\$50,000					\$50,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$50,000					\$50,000
Total Sources of Funds	\$50,000					\$50,000

COMMUNICATIONS SYSTEM IMPROVEMENTS (EL-89031)



Description: This project installs copper wire cable systems, high frequency coaxial cable, fiber optic cable, and related equipment to provide communications services for traffic signal coordination, telephone links, computer data transmission, and the Electric Supervisory Control and Data Acquisition (SCADA) system.

Justification: Installation of communication lines is essential for the provision of City services. The broadband system is the network connecting the major Local Area Networks (LAN) at the Municipal Service Center, Water Quality Control Plant and City Hall into a Wide Area Network (WAN). The broadband system also provides communication between the various SCADA systems and their field components. This annual project funds, as necessary, expansion of the system and replacement of deteriorating facilities.

Supplemental Information: Budget amounts requested are based on historical expenditures and planned upcoming projects to upgrade the communications system between electric substations to improve reliability and performance leading to improved electric system reliability.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Construction
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81



COMMUNICATIONS SYSTEM IMPROVEMENTS (EL-89031)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$26,890

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$18,898					\$18,898
Design Costs						
Construction Costs	\$81,102	\$100,000	\$100,000	\$100,000	\$100,000	\$481,102
Other						
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

EDGEWOOD/WILDWOOD 4 kV TIE (EL-13000)



Description: This project will install new overhead wire to connect the HO-3 and HO-7 electric feeders in the Edgewood/Wildwood area.

Justification: Because of the voltage difference, the 4kV and 12kV systems cannot be directly connected and used to back up one another. When the East Meadow 4 kV feeders are converted to 12 kV, the 4 kV back-up connections from East Meadow to Hopkins substations will be eliminated. In order to maintain reliable service in the event of a feeder outage at Hopkins substation, this project will construct a tie between the HO-3 and HO-7 feeders.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** The added operating flexibility as a result of this project will improve service reliability to customers in the Crescent Park and Green Gables areas.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$50,000				\$50,000
Construction Costs			\$400,000			\$400,000
Other						
Total Budget Request		\$50,000	\$400,000			\$450,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$50,000	\$400,000			\$450,000
Total Sources of Funds		\$50,000	\$400,000			\$450,000



ELECTRIC CUSTOMER CONNECTIONS (EL-89028)

Description: This project performs various functions, including installation of services, transformers, and meters for new customers; upgrading of existing services; temporary service connections; and overhead and underground extensions for new or existing customers.

Justification: The project provides funding for the connection of new customers and the upgrading of existing services. These are critical functions for providing electrical service to the City's customers. During a typical year, over 200 electric services are installed or upgraded in the City.

Supplemental Information: Budget amounts requested for work covered by this project are based on historical expenditures and growth projections. Historical expenditures have increased an average of 18% per year for the past 5 years and are attributed to increases in customer requests, customer design requirements, cost of construction and materials, and project designs that require Special Facilities fees. The Electric Fund pays for a portion of this project, while remaining costs are supported by reimbursements from customers, telephone, and cable television companies for project work performed by the City.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Construction
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Customer projects may be subject to ARB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81

ELECTRIC CUSTOMER CONNECTIONS (EL-89028) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$1,139,267					\$1,139,267
Design Costs						
Construction Costs	\$2,160,733	\$3,400,000	\$3,500,000	\$3,600,000	\$3,700,000	\$16,360,733
Other						
Total Budget Request	\$3,300,000	\$3,400,000	\$3,500,000	\$3,600,000	\$3,700,000	\$17,500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$1,800,000	\$1,850,000	\$1,900,000	\$1,950,000	\$2,000,000	\$9,500,000
Others	\$1,500,000	\$1,550,000	\$1,600,000	\$1,650,000	\$1,700,000	\$8,000,000
Total Sources of Funds	\$3,300,000	\$3,400,000	\$3,500,000	\$3,600,000	\$3,700,000	\$17,500,000



ELECTRIC SUBSTATION BATTERY REPLACEMENT (EL-15001)

Description: The electric substations are a key element of the Electric Distribution System used to provide electricity to residents and customers of Palo Alto. This project will replace the batteries in all 9 of the City's electric substations. The batteries are used to provide uninterruptible power to protective relays, breakers, metering, and SCADA equipment.

Justification: The electric substations are the link between the transmission and distribution systems. At the substations, voltage levels are converted and distribution feeders branch out from here to provide power throughout the city. In the substations are racks of batteries used to power substation equipment. These batteries have a typical useful life of 20 years and the existing batteries were installed between 1992-1997 and have reached, or are reaching, the end of their useful life.

Supplemental Information: The batteries are a key element to keeping the equipment in the substations operating as designed. Over the past year there have been 9 (out of 360) failures of individual battery units. This is an increase from the prior year and may indicate that battery failures may increase as they age. Failure of the batteries would cause equipment to not operate when required and affect the operation and monitoring of the electric system and electric system reliability, impacting public and worker safety and extending the duration of outages.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2015-Summer 2015
- **Managing Department:** Utilities
- **Location:** Electric Substations

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Work should be isolated to electric substations which are already screened.
- **Operating:** This project will improve the reliability of the electric substations improving service reliability to customers.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

ELECTRIC SUBSTATION BATTERY REPLACEMENT (EL-15001)

CONTINUED



Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$42,680					\$42,680
Design Costs	\$357,320					\$357,320
Construction Costs						
Other						
Total Budget Request	\$400,000					\$400,000
Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$400,000					\$400,000
Total Sources of Funds	\$400,000					\$400,000



ELECTRIC SYSTEM IMPROVEMENTS (EL-98003)

Description: This project provides funding as needed to improve the Electric Distribution System. Typical activities include: increasing system capacity for load growth, replacing deteriorated capital facilities, reconfiguring/adding to the system to improve service reliability, repairing and replacing storm damaged equipment, and making general improvements to the system.

Justification: Electric system service reliability and adequate system capacity are critical to providing a high level of service to customers in Palo Alto. When service interruptions occur, customers may experience significant economic losses. The City must continuously evaluate service reliability needs and make improvements to the system to maintain top-level service to City customers.

Supplemental Information: "Revenues From Others" represents reimbursements from the telephone company for work performed on their behalf by City.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** Work under this project will improve electric service reliability for customers.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81

ELECTRIC SYSTEM IMPROVEMENTS (EL-98003) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$262,465

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$631,745					\$631,745
Design Costs						
Construction Costs	\$1,818,255	\$2,500,000	\$2,550,000	\$2,600,000	\$2,650,000	\$12,118,255
Other						
Total Budget Request	\$2,450,000	\$2,500,000	\$2,550,000	\$2,600,000	\$2,650,000	\$12,750,000

Revenues

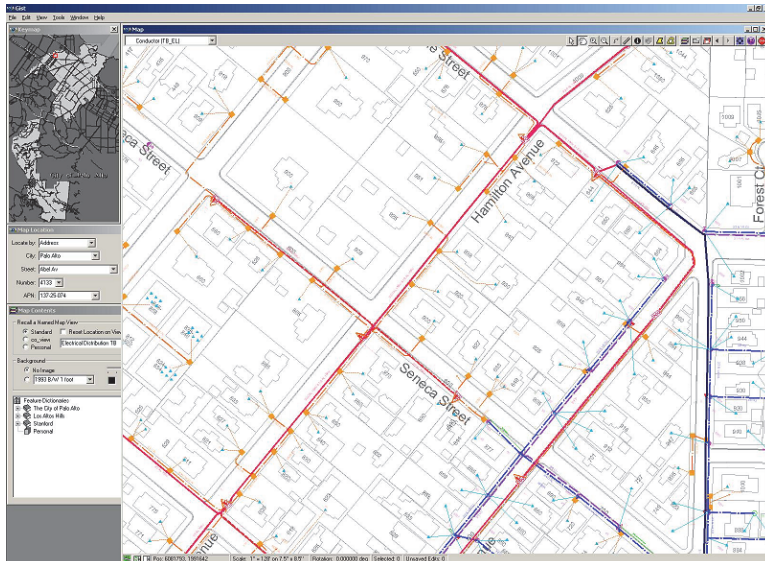
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$2,280,000	\$2,320,000	\$2,360,000	\$2,400,000	\$2,440,000	\$11,800,000
Others	\$170,000	\$180,000	\$190,000	\$200,000	\$210,000	\$950,000
Total Sources of Funds	\$2,450,000	\$2,500,000	\$2,550,000	\$2,600,000	\$2,650,000	\$12,750,000



ELECTRIC UTILITY GIS (EL-02011)

Description: This project will improve the ability of Palo Alto's utilities to use the Citywide Geographical Information System (GIS). The primary emphasis will be to provide a compatible user interface and estimating software, to edit and update data which will reside in the Citywide GIS. The project includes the migration of the existing electric and fiber networks to a unified mapping solution compatible with the Citywide GIS.

Justification: GIS has grown from being a set of special purpose computer applications to being an information tool that serves all segments of the City. Applications have been developed which make GIS information accessible to hundreds of users, which has greatly increased the value of the system. Funding in the CIP is for ongoing mapping system modifications to facilitate technical requirements, external contractor system support, and anticipated system upgrades.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This is not a project under CEQA.
- **Design Elements:** None
- **Operating:** This project requires ongoing annual maintenance and periodic upgrade of the mapping system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Governance
- **Section:** Public Participation
- **Goal:** G-1
- **Policy:** G-3

Secondary Connection

- **Element:** Transportation
- **Section:** Reducing Auto Use
- **Goal:** T-1
- **Policy:** T-3
- **Program:** T-10

ELECTRIC UTILITY GIS (EL-02011) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$172,771

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$41,656					\$41,656
Design Costs						
Construction Costs	\$123,344	\$165,000	\$165,000	\$165,000	\$165,000	\$783,344
Other						
Total Budget Request	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$825,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$825,000
Total Sources of Funds	\$165,000	\$165,000	\$165,000	\$165,000	\$165,000	\$825,000

Description: This project rebuilds the underground main feeders and converts the primary electric distribution system in the Middlefield/Loma Verde area from 4 kV to 12 kV, and removes the substation transformers and 4 kV switchgear at East Meadow Substation.

Justification: The underground electric system in this area was installed in the early 1970's and needs to be replaced before it starts to experience failures resulting in outages to customers. The system will also be converted from 4kV to 12kV to improve operating flexibility and remove the associated substation equipment which is over 50 years old and at the end of its design life.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2009- 2015
- **Managing Department:** Utilities
- **Overall Project Completion:** 20%
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance requirements due to retirement of facilities and improve the efficiency of the system by reducing system losses by 25%.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

MIDDLEFIELD UNDERGROUND REBUILD (EL-09000) *CONTINUED*



Prior Years

Expended and Encumbered	\$1,036,191
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$21,501					\$21,501
Design Costs						
Construction Costs	\$228,499					\$228,499
Other						
Total Budget Request	\$250,000					\$250,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$250,000					\$250,000
Total Sources of Funds	\$250,000					\$250,000

Description: This project will rebuild and replace the underground electric system in UG District 16. The area is located along Louis Road between Greer Street and Loma Verde Avenue. Work will include the replacement of deteriorated electrical cable, transformers, and enclosures. Installation of new equipment will bring the electrical system up to current construction standards.

Justification: The underground system serving UG District 16 was installed in 1974, and cables and equipment in the area have exceeded their expected life of 30 years. In addition, most of the equipment and cables were installed in subsurface enclosures that have standing water in them in the winter. The water reduces the life of the equipment and electrical connections and requires that rebuilding be performed on the facilities.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance requirements due to replacement of facilities.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

REBUILD UG DISTRICT 16 (EL-13003) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$300,000				\$300,000
Other						
Total Budget Request		\$300,000				\$300,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$300,000				\$300,000
Total Sources of Funds		\$300,000				\$300,000

Description: This project will rebuild and replace the underground electric system in UG District 18. The area includes San Antonio Road between Middlefield, and E. Charleston. Work will include the replacement of deteriorated electrical cable, transformers, switches, and enclosures. Installation of new equipment will bring the electrical system up to current construction standards.

Justification: The underground electric distribution system in the UG District 18 was installed in 1974, and cables and equipment in the area have exceeded their useful life of 30 years. In addition, most of the equipment and cables were installed in subsurface enclosures that have standing water in them in the winter. The water reduces the life of the equipment and electrical connections and requires that rebuilding be performed on the facilities.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2013- 2015
- **Managing Department:** Utilities
- **Overall Project Completion:** 20%
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance requirements due to retirement of facilities and improve electric service reliability.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81

REBUILD UG DISTRICT 18 (EL-11006) *CONTINUED*



Prior Years

Expended and Encumbered	\$487,088
Continuing Appropriations	\$67,210

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$12,877					\$12,877
Design Costs						
Construction Costs	\$62,123					\$62,123
Other						
Total Budget Request	\$75,000					\$75,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2018	Total Funding
Electric Fund	\$75,000					\$75,000
Total Sources of Funds	\$75,000					\$75,000

Description: This project will rebuild and replace the underground electric system in UG District 20. The area is bounded by Channing Avenue; Center Street; Hamilton Avenue; and Lincoln Avenue. Work will include the replacement of deteriorated electrical cable, transformers, and enclosures. Installation of new equipment will bring the electrical system up to current construction standards.

Justification: The underground system serving UG District 20 was installed in 1979, and cables and equipment in the area have exceeded their expected life of 30 years. In addition, most of the equipment and cables were installed in subsurface enclosures that have standing water in them in the winter. The water reduces the life of the equipment and electrical connections and requires that rebuilding be performed on the facilities.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance requirements due to replacement of facilities.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Secondary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81

REBUILD UG DISTRICT 20 (EL-14002) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$500,000	\$500,000			\$1,000,000
Other						
Total Budget Request		\$500,000	\$500,000			\$1,000,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$500,000	\$200,000			\$700,000
Total Sources of Funds		\$500,000	\$200,000			\$700,000



REBUILD UG DISTRICT 24 (EL-10006)

Description: This project will rebuild and replace the underground electric system in UG District 24. The area is bounded by Lytton Avenue; Bryant Street; Forest Avenue; and Alma Street. Work will include the replacement of deteriorated electrical cable, transformers, switches, and enclosures. Installation of new equipment will bring the electrical system up to current construction standards.

Justification: The underground electric distribution system in the UG District 24 was installed in 1983 and cables and equipment in the area have exceeded their useful life of 30 years. In addition, most of the equipment and cables were installed in subsurface enclosures that have standing water in them in the winter. The water reduces the life of the equipment and electrical connections and requires that rebuilding be performed on the facilities.

Supplemental Information: UG District 24 covers a major portion of the University Avenue downtown area and reliable electric power is critical to the businesses in the area.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2009- 2015
- **Managing Department:** Utilities
- **Overall Project Completion:** 30%
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Pad-mounted equipment will be screened. This project may be subject to ARB review.
- **Operating:** This project will reduce maintenance requirements due to retirement of facilities and improve electric service reliability.

REBUILD UG DISTRICT 24 (EL-10006) *CONTINUED*



Prior Years

Expended and Encumbered	\$1,374,809
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$443,692					\$443,692
Design Costs	\$406,308					\$406,308
Construction Costs						
Other						
Total Budget Request	\$850,000					\$850,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$850,000					\$850,000
Total Sources of Funds	\$850,000					\$850,000



REBUILD UG DISTRICT 26 (EL-16000)

Description: This project will rebuild and replace the underground electric system in Underground District 26. The area includes Arastradero Road between El Camino Real and Hillview Avenue. Work will include the replacement of deteriorated electrical cables, transformers, switches, and enclosures. Installation of new equipment will bring the electrical system up to current construction standards.

Justification: The electric system included in the scope of work of Underground District 26 was installed in 1984. The cables are nearing the end of their expected life of 30 years and the fused switches that were installed at that time have issues with operation and need to be replaced. In addition, most of the other equipment (transformers, junctions, etc.) were installed in subsurface enclosures that have standing water, garden chemicals, oil, or other corrosive materials that impact equipment life.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project will reduce maintenance requirements, due to replacement of aging facilities, and improve service reliability.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$500,000				\$500,000
Other						
Total Budget Request		\$500,000				\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$500,000				\$500,000
Total Sources of Funds		\$500,000				\$500,000

RECONFIGURE QUARRY FEEDERS (EL-14005)



Description: This project includes the reconfiguration of how distribution circuits are connected to each substation transformer at Quarry Substation. The circuits will be more evenly divided between the 4 transformers at this substation to provide greater operating flexibility during outages.

Justification: Quarry Substation serves the Stanford Mall/Hospital area along with a majority of the University Avenue downtown area. It has four substation transformers and ten circuits emanate from the substation to serve different areas. Two transformers have four circuits each while two (formerly at Alma Substation) have one circuit each. Load growth in the area requires the transfer of some of the circuits to the newly installed transformers to maintain operating flexibility and balance the load.

Supplemental Information: If this work is not performed, outages that affect two of the transformers could be longer in duration, leading to customer dissatisfaction, business impact, and financial losses.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2013- 2015
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15302.
- **Design Elements:** None
- **Operating:** Will improve operating flexibility during normal and emergency situations and improve service reliability.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44



RECONFIGURE QUARRY FEEDERS (EL-14005) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$41,705					\$41,705
Design Costs						
Construction Costs	\$358,295					\$358,295
Other						
Total Budget Request	\$400,000					\$400,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$400,000					\$400,000
Total Sources of Funds	\$400,000					\$400,000

RELOCATE QUARRY ROAD/HOPKINS SUBSTATIONS 60 kV LINE (LANE A & B) (EL-13002)



Description: This project relocates the Quarry Road-Hopkins (QR/HO) 60kV sub-transmission line and associated facilities in lanes A & B, and nearby the Alma Street area to a more physically accessible route for electric crews and equipment. When Alma substation was removed, the current transmission line route was no longer required. This project will investigate relocating this line to a more acceptable location that meets technical and aesthetic requirements.

Justification: These old 60 kV overhead lines are located in a congested area of downtown and are difficult to access and maintain. The existing configuration is awkward and space consuming. Redevelopment has been occurring in recent years in the surrounding areas and further redevelopment of the area is planned.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2018- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project may be subject to ARB review.
- **Operating:** This project will reduce operating requirements due to replacement of facilities.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81



RELOCATE QUARRY ROAD/HOPKINS SUBSTATIONS 60 kV LINE (LANE A & B) (EL-13002) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$100,000		\$100,000
Construction Costs					\$750,000	\$750,000
Other						
Total Budget Request				\$100,000	\$750,000	\$850,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund				\$100,000	\$750,000	\$850,000
Total Sources of Funds				\$100,000	\$750,000	\$850,000

SCADA SYSTEM UPGRADES (EL-02010)



Description: This project will upgrade the Supervisory Control and Data Acquisition (SCADA) system hardware. In addition, the Water-Gas-Wastewater SCADA that was newly integrated into the Electric SCADA system has placed additional burden on the system.

Justification: The SCADA system is used to monitor and control critical assets of the City's electric, gas, and water utility systems from the Utility Control Center. An upgrade is necessary to keep the hardware and software current, to handle the ever increasing demands on the system and maintain manufacturer/industry support. Annual budget amounts are for minor system upgrades/replacements. Full system upgrades are on a 3 to 4 year cycle.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Construction
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** This project will improve operating efficiency by allowing for remote monitoring, status, and control of critical electric, gas, and water facilities.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24

Secondary Connection

- **Element:** Transportation
- **Section:** Reducing Auto Use
- **Goal:** T-1
- **Policy:** T-3
- **Program:** T-10

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$23,937

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$34,042					\$34,042
Design Costs						
Construction Costs	\$25,958	\$65,000	\$270,000	\$60,000	\$65,000	\$485,958
Other						
Total Budget Request	\$60,000	\$65,000	\$270,000	\$60,000	\$65,000	\$520,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$60,000	\$65,000	\$270,000	\$60,000	\$65,000	\$520,000
Total Sources of Funds	\$60,000	\$65,000	\$270,000	\$60,000	\$65,000	\$520,000



SMART GRID TECHNOLOGY INSTALLATION (EL-11014)

Description: This project will implement portions of the Smart Grid Road Map that can be cost effectively applied to the City's electric, gas, and water utility systems, resulting in operating cost savings, environmental benefits, plus an increased quality of life and productivity for the residents and businesses of Palo Alto.

Justification: The Smart Grid will help the City of Palo Alto achieve its goals in: energy conservation, carbon emission reduction, efficient utilization of aging infrastructure, improved system reliability, integration of distributed energy resources, accommodation of battery charging demands, cost-effective commodity purchases, and meeting customer demands for information

Supplemental Information: This project could include aspects dealing with: data management system, smart metering, fiber optic infrastructure improvement, distribution system automation, outage management system, load management system, demand-side management system, leak and revenue protection, customer interface to energy usage, and customer equipment control.

CPAU launched the Customer Connect Program in the fall of 2013 which will run for approximately two years. At the end of the program, staff will reassess the program and develop new project scopes and timelines.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2012- 2019
- **Managing Department:** Utilities
- **Overall Project Completion:** 10%

IMPACT ANALYSIS:

- **Environmental:** This project may have possible exemption from environmental review.
- **Design Elements:** This project may have possible exemption from design review.
- **Operating:** This project will improve operating efficiency.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Reducing Auto Use
- **Goal:** T-1
- **Policy:** T-3
- **Program:** T-10

Secondary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

SMART GRID TECHNOLOGY INSTALLATION (EL-11014)

CONTINUED



Prior Years

Expended and Encumbered	\$764,849
Continuing Appropriations	\$737,997

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$9,500,000
Other						
Total Budget Request		\$500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$9,500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$166,667	\$1,000,000	\$1,000,000	\$1,000,000	\$3,166,667
Gas Fund		\$166,666	\$1,000,000	\$1,000,000	\$1,000,000	\$3,166,666
Water Fund		\$166,667	\$1,000,000	\$1,000,000	\$1,000,000	\$3,166,667
Total Sources of Funds		\$500,000	\$3,000,000	\$3,000,000	\$3,000,000	\$9,500,000



SUBSTATION FACILITY IMPROVEMENTS (EL-89044)

Description: This project involves several improvements to substation facilities, including installation and replacement of capacitors, replacement of various substation equipment, renovation of security fences and entry gates, paving of driveways and parking areas in substations, upgrading of substation drainage systems, replacement of Remote Terminal Unit (RTU) equipment, bus voltage monitoring and LAN connections, as well as other improvements.

Justification: The electric substations are the link between the transmission and distribution systems. At the substations, voltage levels are converted and distribution circuits branch out to provide power throughout the City. They are a key element to providing reliable electric service to residents and customers in Palo Alto. This project covers the replacement of various equipment and facilities in each of the 9 substations in Palo Alto to ensure reliable and efficient operation.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** This project will reduce maintenance requirements due to replacement of aging equipment.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$40,502					\$40,502
Design Costs						
Construction Costs	\$144,498	\$190,000	\$195,000	\$195,000	\$195,000	\$919,498
Other						
Total Budget Request	\$185,000	\$190,000	\$195,000	\$195,000	\$195,000	\$960,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$185,000	\$190,000	\$195,000	\$195,000	\$195,000	\$960,000
Total Sources of Funds	\$185,000	\$190,000	\$195,000	\$195,000	\$195,000	\$960,000

SUBSTATION PROTECTION IMPROVEMENTS (EL-89038)



Description: This project funds the purchase of protective overcurrent relays, circuit breakers, high voltage fuses, and other equipment used at electric substations to protect the substation equipment and circuits emanating from the substation from damage due to faults (i.e. short circuits) on the electric system.

Justification: The electric substations are the link between the transmission and distribution systems. At the substations, voltage levels are converted and distribution circuits branch out to provide power throughout the City. They are a key element to providing reliable electric service to residents and customers in Palo Alto. Protective equipment is used to stop power flow when there are problems on the electric system.

Supplemental Information: As the electric distribution system becomes more complex and the reliability more critical, maintenance of these systems is imperative. This project includes replacement of old protective devices and controls that no longer provide the level of functionality now required for more sophisticated and sensitive devices. Properly designed and operating protective system are required to ensure public safety, reduce equipment damage, and minimize the impact of faults (reduction in outage durations).



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** Possible exemption from design review.
- **Operating:** Reduces operating and maintenance requirements if systems function properly.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-81



SUBSTATION PROTECTION IMPROVEMENTS (EL-89038)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$233,986

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$57,438					\$57,438
Design Costs						
Construction Costs	\$222,562	\$290,000	\$300,000	\$300,000	\$300,000	\$1,412,562
Other						
Total Budget Request	\$280,000	\$290,000	\$300,000	\$300,000	\$300,000	\$1,470,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$280,000	\$290,000	\$300,000	\$300,000	\$300,000	\$1,470,000
Total Sources of Funds	\$280,000	\$290,000	\$300,000	\$300,000	\$300,000	\$1,470,000

UG DISTRICT 42 - EMBARCADERO RD. (BETWEEN EMERSON & MIDDLEFIELD) (EL-08001)



Description: This project will replace the existing overhead distribution system with an underground system along Embarcadero between Emerson and Middlefield. This project involves creating an Underground Utilities District and performing the work on a general benefit basis under the provisions of Utility Rule 17. This rule requires the Utility to bear the cost of the distribution system and the property owners to bear the cost of undergrounding their services.

Justification: Benefits of undergrounding include system improvement, higher reliability, reduced tree trimming, and improved aesthetics. Undergrounding was approved to continue the ongoing underground conversion program and also because the area meets the California Public Utilities Commission rules dictating the areas where a telephone company can underground their lines.

Supplemental Information: "Revenues From Others" represents reimbursements by the telephone and cable television company for work performed on their behalf, primarily conduit and box installation.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2017- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project may increase operating expense as underground systems require more time to inspect; however the increased costs are outweighed by benefits including system improvement, higher reliability, reduced tree trimming and improved aesthetics.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Public Ways
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-80, L-81



UG DISTRICT 42 - EMBARCADERO RD. (BETWEEN EMERSON & MIDDLEFIELD) (EL-08001) *CONTINUED*

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs			\$150,000	\$150,000	\$2,000,000	\$2,300,000
Other						
Total Budget Request			\$150,000	\$150,000	\$2,000,000	\$2,300,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund			\$150,000	\$150,000	\$1,250,000	\$1,550,000
Others					\$750,000	\$750,000
Total Sources of Funds			\$150,000	\$150,000	\$2,000,000	\$2,300,000

Description: This project includes the design costs to underground the existing overhead distribution system in the area bounded by Alma, Addison, Bryant, and Melville. The undergrounding project will be started in Fiscal Year 2017.

Justification: Benefits of undergrounding include system improvement, higher reliability, reduced tree trimming and improved aesthetics. Undergrounding was approved to continue the ongoing underground conversion program and also because the area meets California Public Utilities Commission rules dictating the areas where a telephone company can underground their lines.

Supplemental Information: "Revenues From Others" represents reimbursements by the telephone and cable television company for work performed on their behalf, primarily conduit and box installation.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2017- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project may increase operating expense as underground systems require more time to inspect.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Land Use and Community Design
- **Section:** Local Landuse and Growth Management
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-80, L-81



UG DISTRICT 43 - ALMA/EMBARCADERO (EL-11009)

CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs			\$150,000	\$2,000,000	\$500,000	\$2,650,000
Other						
Total Budget Request			\$150,000	\$2,000,000	\$500,000	\$2,650,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund			\$150,000	\$1,300,000	\$500,000	\$1,950,000
Others				\$700,000		\$700,000
Total Sources of Funds			\$150,000	\$2,000,000	\$500,000	\$2,650,000

Description: This project includes the costs to underground the existing overhead distribution system in the area along the 400 block of West Charleston and El Camino Real. Undergrounding will be completed by Fiscal Year 2017, and the overhead system will be removed.

Justification: Benefits of undergrounding include system improvement, higher reliability, reduced tree trimming, and improved aesthetics of this busy intersection. Undergrounding was approved to continue the ongoing underground conversion program and also because the area meets California Public Utilities Commission rules dictating the areas where a telephone company can underground their lines.

Supplemental Information: "Revenues From Others" represents reimbursements by the telephone and cable television company for work performed on their behalf, primarily conduit and box installation.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2015- 2017
- **Managing Department:** Utilities
- **Overall Project Completion:** 10%
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** Possible exemption
- **Design Elements:** The City's landscape architect will be consulted for any new above ground equipment mounted on a pad installed in the public right of way.
- **Operating:** This project may increase operating expense as underground systems require more time to inspect; however the increased costs are outweighed by benefits including system improvement, higher reliability, reduced tree trimming and improved aesthetics.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** L-9
- **Policy:** L-79
- **Program:** L-80, L-81



UG DISTRICT 46 - CHARLESTON/EL CAMINO REAL (EL-12001)

CONTINUED

Prior Years

Expended and Encumbered	\$56,505
Continuing Appropriations	\$97,449

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$37,628					\$37,628
Design Costs						
Construction Costs	\$362,372	\$100,000				\$462,372
Other						
Total Budget Request	\$400,000	\$100,000				\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$200,000	\$50,000				\$250,000
Others	\$200,000	\$50,000				\$250,000
Total Sources of Funds	\$400,000	\$100,000				\$500,000

UG DISTRICT 47 - MIDDLEFIELD, HOMER AVENUE, WEBSTER STREET AND ADDISON AVENUE (EL-11010)



Description: This project includes the design costs to underground the existing overhead distribution system in the area bounded by Middlefield, Homer Avenue, Webster Street, and Addison Avenue. Undergrounding will be completed in Fiscal Year 2016 and the overhead system will be removed.

Justification: Benefits of undergrounding include system improvement, higher reliability, reduced tree trimming, and improved aesthetics. Undergrounding was approved to continue the ongoing underground conversion program and also because the area meets California Public Utilities Commission rules dictating the areas where a telephone company can underground their lines.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2013- 2016
- **Managing Department:** Utilities
- **Overall Project Completion:** 10%
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** Pad-mounted equipment will be screened. This project may be subject to ARB review.
- **Operating:** This project may increase operating expense as underground systems require more time to inspect; however the increased costs are outweighed by benefits including system improvement, higher reliability, reduced tree trimming, and improved aesthetics.



UG DISTRICT 47 - MIDDLEFIELD, HOMER AVENUE, WEBSTER STREET AND ADDISON AVENUE (EL-11010) *CONTINUED*

Prior Years

Expended and Encumbered	\$105,889
Continuing Appropriations	\$1,749,685

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$113,962					\$113,962
Design Costs	\$286,038					\$286,038
Construction Costs						
Other						
Total Budget Request	\$400,000					\$400,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$400,000					\$400,000
Total Sources of Funds	\$400,000					\$400,000

Description: This project funds the purchase and installation of equipment to secure underground electric distribution facilities used to provide electricity to utility customers in the City of Palo Alto, from vandalism, tampering, and theft to facilitate a safe, secure, and reliable electric system.

Justification: In recent years, the theft of metals for scrap has escalated due to increased demand overseas, shortages of raw material, and the downturn in the economy. This has included the theft of electrical wire and cast iron manhole covers. The electric system, and to a lesser extent the dark fiber system, fuels the economy of the City as technology has become more reliant on electricity and communications systems.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2015- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15302.
- **Design Elements:** None
- **Operating:** This project will secure the underground electric system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Secondary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-4
- **Policy:** C-24



UNDERGROUND DISTRIBUTION SYSTEM SECURITY (EL-13007) CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$30,000

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$300,000	\$300,000			\$600,000
Other						
Total Budget Request		\$300,000	\$300,000			\$600,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund		\$300,000	\$300,000			\$600,000
Total Sources of Funds		\$300,000	\$300,000			\$600,000

UTILITY CONTROL CENTER UPGRADES (EL-06003)



Description: This project will make improvements to the Utility Control Center including: upgrade to the existing lighting system, improvement to the operation map display by installing large video display panels, and improvement to the system-wide security monitoring facilities.

Justification: The Utilities Control Center is used to coordinate the activities of the City's Electric Utility. Within the facility there are large maps for monitoring the control of the system, video surveillance feeds from other utility facilities and the Supervisory Control and Data Acquisition system. The first year of the project will improve efficiency and operation of the room by improving the lighting. In later years map displays and the surveillance facilities will be upgraded.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** Winter 2016-Spring 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** This project may be subject to ARB review.
- **Operating:** This project will improve operating efficiency.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Parks & Public Facilities
- **Goal:** C-3
- **Policy:** C-24



UTILITY CONTROL CENTER UPGRADES (EL-06003) *CONTINUED*

Prior Years

Expended and Encumbered	\$392,011
Continuing Appropriations	\$400,000

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$75,000			\$400,000		\$475,000
Other						
Total Budget Request	\$75,000			\$400,000		\$475,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$75,000			\$400,000		\$475,000
Total Sources of Funds	\$75,000			\$400,000		\$475,000

UTILITY SITE SECURITY IMPROVEMENTS (EL-04012)



Description: This project will add electronic security systems at electrical utility sites, and install intrusion detectors and surveillance equipment at electric substations, water pumping plants, reservoirs, and gas stations.

Justification: The project will address increased security concerns regarding utility sites and systems. A utility site assessment was completed in 2003 identifying security risks and methods of mitigation for City utility facilities. This CIP is implementing the recommendations in the site assessment report. Equipment is installed at two to three facilities per year.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2004- 2016
- **Managing Department:** Utilities
- **Overall Project Completion:** 50%

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15302.
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-26
- **Program:** N-40



UTILITY SITE SECURITY IMPROVEMENTS (EL-04012) *CONTINUED*

Prior Years

Expended and Encumbered	\$1,085,549
Continuing Appropriations	\$32,604

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$38,402					\$38,402
Design Costs						
Construction Costs	\$211,598	\$250,000				\$461,598
Other						
Total Budget Request	\$250,000	\$250,000				\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$250,000	\$250,000				\$500,000
Total Sources of Funds	\$250,000	\$250,000				\$500,000

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Fiber Optics Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



FIBER OPTICS CUSTOMER CONNECTIONS (FO-10000)

Description: This project provides funding for the installation of fiber optic infrastructure for new service connections. These new service connections will be reimbursed to the Fiber Optics Fund as requesting parties will be billed for the interconnection and the utility's ongoing costs of ownership. Typical activities in this project include: purchasing, upgrading, and installing fiber optic cables, conduits, and splice enclosures.

Justification: This project promotes the formation of a competitive market for telecommunications in Palo Alto, accelerating the pace at which high-quality, low-cost, advanced telecommunications services are delivered to residents and businesses, while limiting the negative impacts on Palo Alto's environment by using existing conduits and poles. Finally, it enables the Fiber Optics Fund to generate additional revenues through the enhanced use of its conduits and poles.

Supplemental Information: "Revenues from others" represent reimbursements from customers.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Screening of pad-mount equipment will be included. This project may be subject to ARB review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Business & Economics
- **Section:** Growth
- **Goal:** B-3
- **Policy:** B-13
- **Program:** B-4

FIBER OPTICS CUSTOMER CONNECTIONS (FO-10000)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$215,677

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Other						
Total Budget Request	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Others	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total Sources of Funds	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000



FIBER OPTICS NETWORK SYSTEM IMPROVEMENTS (FO-10001)

Description: This project extends the "dark" fiber optic network around Palo Alto which, in turn, is leased to parties providing telecommunication services to citizens and businesses in Palo Alto. Included in the project are increases in system capacity, development of fiber sub-rings, and general improvements to the fiber system. Additional fibers will be reserved for future use by the City.

Justification: This project promotes the formation of a competitive market for telecommunications in Palo Alto, accelerating the pace at which high-quality, low-cost, advanced telecommunications services are delivered to the residents and businesses of Palo Alto. It does so while limiting the negative impacts on Palo Alto's environment by using pre-existing conduit and poles. Finally, it enables the Fiber Optics Fund to generate additional revenues through the enhanced use of its conduit and poles.

Supplemental Information: The Fiber Utility continues to add capital improvements in the form of additional fiber in congested areas as well as areas of predicted growth.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, PTC

IMPACT ANALYSIS:

- **Environmental:** This project is exempt from CEQA under section 15302.
- **Design Elements:** Screening of pad-mounted equipment will be included.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Business & Economics
- **Section:** Growth
- **Goal:** B-3
- **Policy:** B-13
- **Program:** B-4

FIBER OPTICS NETWORK SYSTEM IMPROVEMENTS (FO-10001) CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$85,732

Expenditures

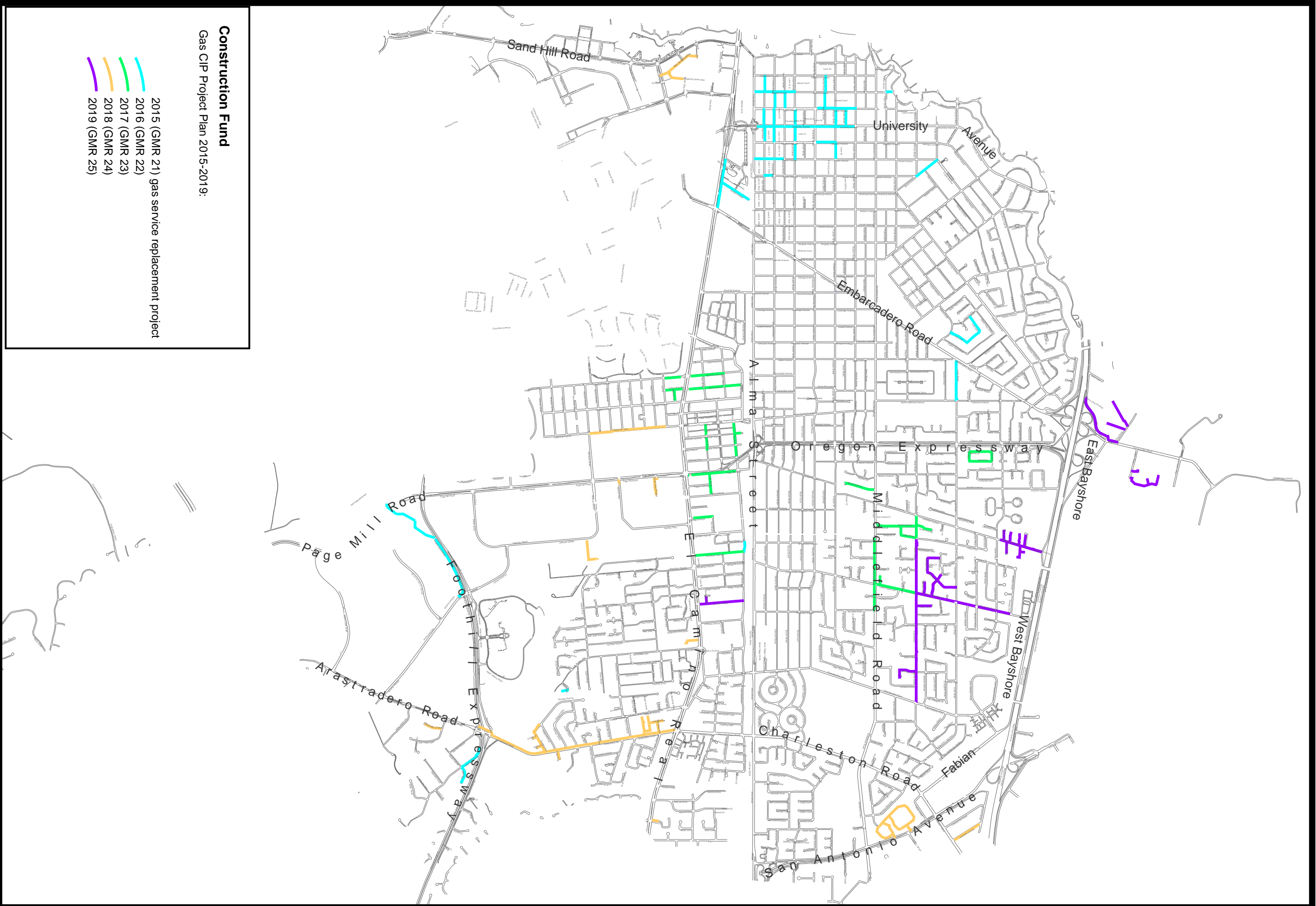
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$88,702					\$88,702
Design Costs						
Construction Costs	\$111,298	\$200,000	\$200,000	\$200,000	\$200,000	\$911,298
Other						
Total Budget Request	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Fiber Optics Fund	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000
Total Sources of Funds	\$200,000	\$200,000	\$200,000	\$200,000	\$200,000	\$1,000,000

Gas Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.

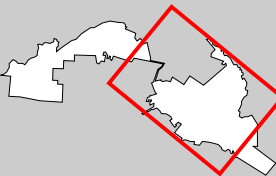


Construction Fund
Gas CIP Project Plan 2015-2019:

- 2015 (GMR 21) gas service replacement project
- 2016 (GMR 22)
- 2017 (GMR 23)
- 2018 (GMR 24)
- 2019 (GMR 25)



The City of
Palo Alto



City of Palo Alto
2015-2019 Adopted CIP
Gas Fund Map

5 Year CIP Project Plan

This map is a product of the
City of Palo Alto GIS



0 2500'

THIS PAGE IS INTENTIONALLY LEFT BLANK



GAS EQUIPMENT AND TOOLS (GS-13002)

Description: This project funds the purchase of polyethylene (PE) fusion equipment and tools, directional boring/locating equipment and tools, and general shop equipment and tools.

Justification: In order to safely operate and maintain a natural gas distribution system, and support operating personnel safety and productivity, directional boring/locating and fusion equipment and tools need to be upgraded on annual basis.

Supplemental Information: This project was previously titled "General Shop Equipment and Tools". As part of the Fiscal Year 2015 budget it has been retitled "Gas Equipment and Tools" to more accurately reflect the work done with this funding.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** The project will contribute to reliability, and safe and efficient operation and maintenance of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS EQUIPMENT AND TOOLS (GS-13002) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$50,000

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000



GAS MAIN REPLACEMENT - PROJECT 22 (GS-12001)

Description: This project replaces leaking, inadequately-sized, and structurally deficient gas mains and services. Staff identifies problematic mains/services by researching maintenance and leak histories, analyzing performance of the entire gas distribution system, and considering risks ratings of the Distribution Integrity Management Plan.

Justification: The project will target replacement PVC mains and services, located in business districts, and steel mains and services with ineffective corrosion protection, also known in the industry as cathodic protection. This project is mandatory due to the need to replace aging infrastructure and to reduce the City's liability exposure due to PVC and steel gas facilities with ineffective cathodic protection.

Supplemental Information: The City of Palo Alto Distribution Integrity Management Plan's mathematical model is used to evaluate risks presented by PVC facilities, located within business districts, assigned the highest probability and consequences scores based on the probability and significance of the incidents. Targeted streets will be coordinated with the Public Works street maintenance program to complete replacement before streets are paved.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2015-Summer 2017
- **Managing Department:** Utilities
- **Location:** Various Streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability, and safe and efficient operation and maintenance of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS MAIN REPLACEMENT - PROJECT 22 (GS-12001)

CONTINUED



Prior Years

Expended and Encumbered	\$94
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$602,575					\$602,575
Design Costs						
Construction Costs		\$3,540,000				\$3,540,000
Other						
Total Budget Request	\$602,575	\$3,540,000				\$4,142,575

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$602,575	\$3,540,000				\$4,142,575
Total Sources of Funds	\$602,575	\$3,540,000				\$4,142,575



GAS MAIN REPLACEMENT - PROJECT 23 (GS-13001)

Description: This project replaces leaking, inadequately-sized, and structurally deficient gas mains and services. Staff identifies problematic mains/services by researching maintenance and leak histories, analyzing performance of the entire gas distribution system, and considering risks ratings of the Distribution Integrity Management Plan.

Justification: The project will target replacement PVC mains and services, located in business districts, and steel mains and services with ineffective corrosion protection, also known in the industry as cathodic protection. This project is mandatory due to the need to replace aging infrastructure and to reduce the City's liability exposure due to PVC and steel gas facilities with ineffective cathodic protection.

Supplemental Information: The City of Palo Alto Distribution Integrity Management Plan's mathematical model is used to evaluate risks presented by PVC facilities, located within business districts, assigned the highest probability and consequences scores. Targeted streets will be coordinated with the Public Works street maintenance program to complete replacement before streets are paved.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2016-Summer 2018
- **Managing Department:** Utilities
- **Location:** Various streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability and safe and efficient operation and maintenance of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS MAIN REPLACEMENT - PROJECT 23 (GS-13001)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits		\$620,650				\$620,650
Design Costs						
Construction Costs			\$3,010,000			\$3,010,000
Other						
Total Budget Request		\$620,650	\$3,010,000			\$3,630,650

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund		\$620,650	\$3,010,000			\$3,630,650
Total Sources of Funds		\$620,650	\$3,010,000			\$3,630,650



GAS MAIN REPLACEMENT - PROJECT 24 (GS-14003)

Description: This project replaces leaking, inadequately-sized, and structurally deficient gas mains and services. Staff identifies problematic mains/services by researching maintenance and leak histories, analyzing performance of the entire gas distribution system, and considering risks ratings of the Distribution Integrity Management Plan.

Justification: The project will target replacement PVC mains and services, located in business districts, and steel mains and services with ineffective corrosion protection, also known in the industry as cathodic protection. This project is mandatory due to the need to replace aging infrastructure and to reduce the City's liability exposure due to PVC and steel gas facilities with ineffective cathodic protection.

Supplemental Information: The City of Palo Alto Distribution Integrity Management Plan's mathematical model is used to evaluate risks presented by PVC facilities, located within business districts, assigned the highest probability and consequences scores. Targeted streets will be coordinated with the Public Works Street Maintenance Program to complete replacement before streets are paved.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2017-Summer 2019
- **Managing Department:** Utilities
- **Location:** Various streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with the Public Works Street Maintenance Program.
- **Operating:** The project will reduce future maintenance costs and other expenses.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS MAIN REPLACEMENT - PROJECT 24 (GS-14003)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs			\$640,000			\$640,000
Construction Costs				\$3,100,000		\$3,100,000
Other						
Total Budget Request			\$640,000	\$3,100,000		\$3,740,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund			\$640,000	\$3,100,000		\$3,740,000
Total Sources of Funds			\$640,000	\$3,100,000		\$3,740,000



GAS MAIN REPLACEMENT - PROJECT 25 (GS-15000)

Description: This project replaces leaking, inadequately-sized, and structurally deficient gas mains and services. Staff identifies problematic mains/services by researching maintenance and leak histories, analyzing performance of the entire gas distribution system, and considering risks ratings of the Distribution Integrity Management Plan.

Justification: The project will target replacement PVC mains and services, located in business districts, and steel mains and services with ineffective corrosion protection, also known in the industry as cathodic protection. This project is mandatory due to the need to replace aging infrastructure and to reduce the City's liability exposure due to PVC and steel gas facilities with ineffective cathodic protection.

Supplemental Information: The City of Palo Alto Distribution Integrity Management Plan's mathematical model is used to evaluate risks presented by PVC facilities, located within business districts, assigned the highest probability and consequences scores. Targeted streets will be coordinated with the Public Works street maintenance program to complete replacement before streets are paved.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2018-Summer 2020
- **Managing Department:** Utilities
- **Location:** Various streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability, and safe and efficient operation and maintenance of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS MAIN REPLACEMENT - PROJECT 25 (GS-15000)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$685,000		\$685,000
Construction Costs					\$3,200,000	\$3,200,000
Other						
Total Budget Request				\$685,000	\$3,200,000	\$3,885,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund				\$685,000	\$3,200,000	\$3,885,000
Total Sources of Funds				\$685,000	\$3,200,000	\$3,885,000



GAS MAIN REPLACEMENT - PROJECT 26 (GS-16000)

Description: This project replaces leaking, inadequately-sized, and structurally deficient gas mains and services. Staff identifies problematic mains/services by researching maintenance and leak histories, analyzing performance of the entire gas distribution system, and considering risks ratings of the Distribution Integrity Management Plan.

Justification: The project will target replacement PVC mains and services, located in business districts, and steel mains and services with ineffective corrosion protection, also known in the industry as cathodic protection. This project is mandatory due to the need to replace aging infrastructure and to reduce the City's liability exposure due to PVC and steel gas facilities with ineffective cathodic protection.

Supplemental Information: The City of Palo Alto Distribution Integrity Management Plan's mathematical model is used to evaluate risks presented by PVC facilities, located within business districts, assigned the highest probability and consequences scores. Targeted streets will be coordinated with the Public Works street maintenance program to complete replacement before streets are paved.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2019-Summer 2021
- **Managing Department:** Utilities
- **Location:** Various streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The streets for this project will be selected based on recommendations of Distribution Integrity Management Plan (DIMP). The project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability, and safe and efficient operation and maintenance of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

GAS MAIN REPLACEMENT - PROJECT 26 (GS-16000)

CONTINUED



Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs					\$678,200	\$678,200
Construction Costs						
Other						
Total Budget Request					\$678,200	\$678,200
Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund					\$678,200	\$678,200
Total Sources of Funds					\$678,200	\$678,200



GAS METERS AND REGULATORS (GS-80019)

Description: This project provides replacement of the existing meters and regulators for approximately 2,000 meter sets per year.

Justification: The meter replacement program ensures accuracy of gas consumption measurement, reducing possible revenue loss due to under-registering gas, and provides customers with accurate monthly bills. The program exchanges large meters (630 cubic feet per hour and larger) every 10 years and smaller meters every 17 to 20 years.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** The project will contribute to accuracy of the City gas metering/billing and ensure compliance with DOT 49 CFR Part 192 requirements for natural gas meter sets.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$607,285

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$100,641					\$100,641
Design Costs						
Construction Costs	\$234,009	\$344,690	\$355,030	\$365,681	\$376,652	\$1,676,062
Other						
Total Budget Request	\$334,650	\$344,690	\$355,030	\$365,681	\$376,652	\$1,776,703

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$334,650	\$344,690	\$355,030	\$365,681	\$376,652	\$1,776,703
Total Sources of Funds	\$334,650	\$344,690	\$355,030	\$365,681	\$376,652	\$1,776,703

GAS SYSTEM IMPROVEMENTS (GS-11002)



Description: This project provides funding as needed to improve the Gas Distribution System. Typical activities include: increasing distribution system capacity for load growth, replacing deteriorated capital facilities, reconfiguring/adding to the system to improve service reliability, conducting research related to performance of the gas distribution system or its various components, and making general improvement to the system.

Justification: Gas Distribution System reliability and adequate capacity are critical to providing a high level of service to customers. When service interruptions occur, customers may experience significant economic losses. The City must continuously evaluate service reliability needs and make improvements to the system to maintain top level service to City customers.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability, and adequate capacity of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44



GAS SYSTEM IMPROVEMENTS (GS-11002) *CONTINUED*

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$59,655

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$122,880					\$122,880
Design Costs						
Construction Costs	\$95,720	\$225,158	\$231,913	\$238,870	\$246,036	\$1,037,697
Other						
Total Budget Request	\$218,600	\$225,158	\$231,913	\$238,870	\$246,036	\$1,160,577

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$218,600	\$225,158	\$231,913	\$238,870	\$246,036	\$1,160,577
Total Sources of Funds	\$218,600	\$225,158	\$231,913	\$238,870	\$246,036	\$1,160,577

GAS SYSTEM, CUSTOMER CONNECTIONS (GS-80017)



Description: This project extends the Gas Distribution System to provide gas service to new customers and augments service to customers with increased natural gas demands. Improvements include new mains, services, valves, regulators, meters, and accessories.

Justification: This ongoing project upgrades infrastructure to provide gas service connections to new customers, meet changes in existing customer service demands, and respond to changes in gas service requirements due to new development or redevelopment.

Supplemental Information: This project is funded from reimbursements by customers. This project was previously titled "Gas Systems Extensions" however the title has been changed as part of the FY 2015 budget to more accurately reflect the work performed with this funding.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with the Public Works Department.
- **Operating:** The project will contribute to reliability, and adequate capacity of natural gas distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44



GAS SYSTEM, CUSTOMER CONNECTIONS (GS-80017)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$289,420					\$289,420
Design Costs						
Construction Costs	\$462,580	\$789,600	\$812,000	\$836,360	\$861,450	\$3,761,990
Other						
Total Budget Request	\$752,000	\$789,600	\$812,000	\$836,360	\$861,450	\$4,051,410

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$150,000	\$150,000	\$150,000	\$150,000		\$600,000
Others	\$602,000	\$639,600	\$662,000	\$686,360	\$861,450	\$3,451,410
Total Sources of Funds	\$752,000	\$789,600	\$812,000	\$836,360	\$861,450	\$4,051,410

SECURITY AT CITY GAS RECEIVING STATIONS (GS-15001)



Description: This project equips the City's four Gas Receiving Stations with video surveillance systems.

Justification: Video surveillance systems will enhance security at the City's four gas receiving stations providing constant video monitoring of the stations' premises and alert against intrusion.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Summer 2015-Summer 2016
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** This project enhances security at the City's gas receiving stations and reduces City's liability exposure due to intrusion and associated costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$20,000					\$20,000
Design Costs						
Construction Costs	\$130,000					\$130,000
Other						
Total Budget Request	\$150,000					\$150,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$150,000					\$150,000
Total Sources of Funds	\$150,000					\$150,000



SYSTEM EXTENSIONS - UNREIMBURSED (GS-03009)

Description: This project replaces existing sections of the Gas Distribution System to continue providing gas service to existing customers. Improvements include replacement of existing main sections, services, valves, regulators, meters, and accessories.

Justification: This project replaces gas distribution and existing customer service infrastructure. Existing gas service connections are replaced by the Gas Utility to maintain customer service. This project will capture non-reimbursed capital assets installed by staff.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC, PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** This project will reduce future maintenance costs and other expenses.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Energy
- **Goal:** N-9
- **Policy:** N-44

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$364,561

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$99,472					\$99,472
Design Costs						
Construction Costs	\$84,028	\$192,675	\$198,500	\$204,455	\$210,590	\$890,248
Other						
Total Budget Request	\$183,500	\$192,675	\$198,500	\$204,455	\$210,590	\$989,720

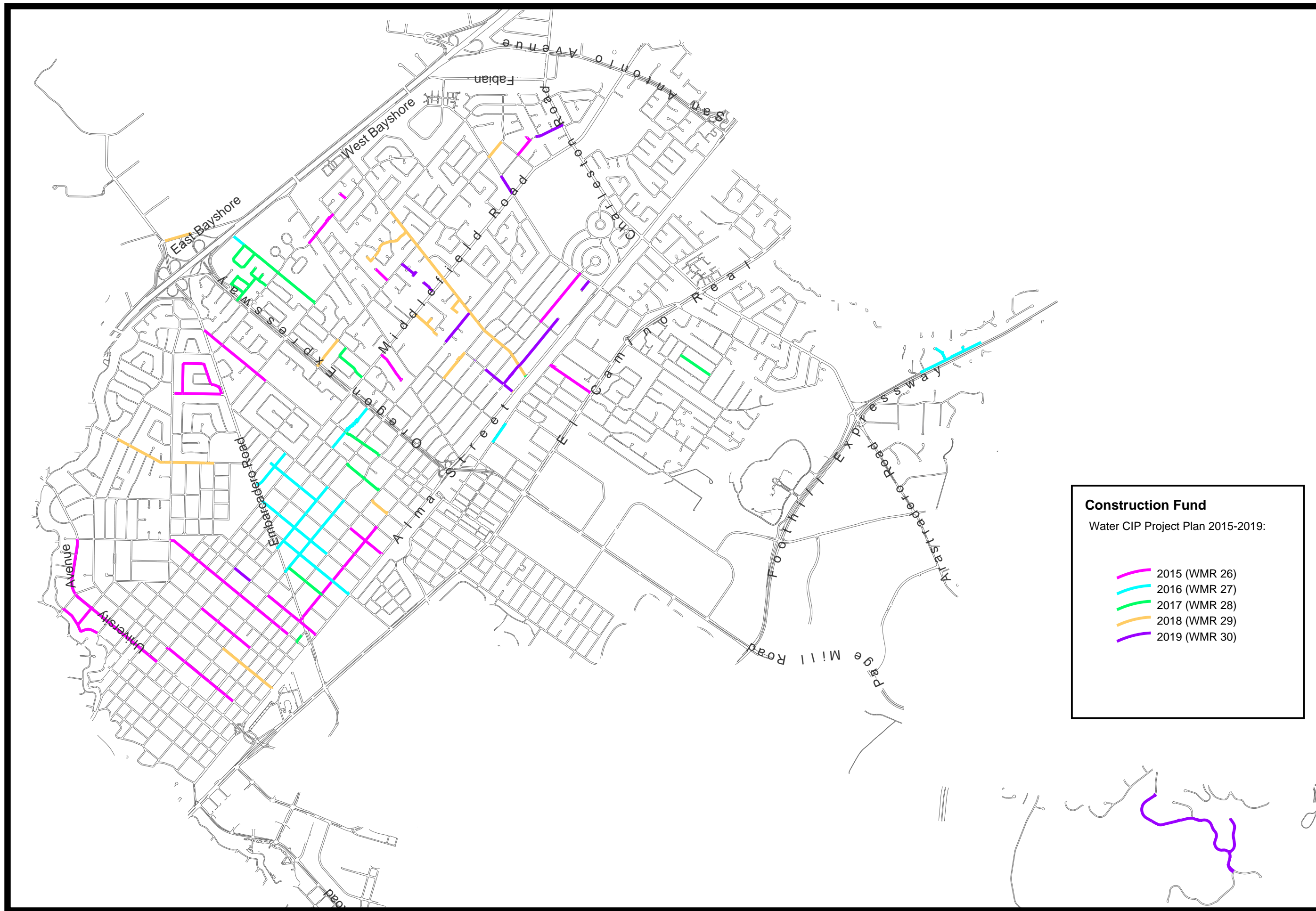
Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$183,500	\$192,675	\$198,500	\$204,455	\$210,590	\$989,720
Total Sources of Funds	\$183,500	\$192,675	\$198,500	\$204,455	\$210,590	\$989,720

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Water Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



Construction Fund
 Water CIP Project Plan 2015-2019:

- 2015 (WMR 26)
- 2016 (WMR 27)
- 2017 (WMR 28)
- 2018 (WMR 29)
- 2019 (WMR 30)

The City of
Palo Alto

City of Palo Alto
 2015-2019 Adopted
 CIP Water Fund Map

5 Year CIP Project Plan

This map is a product of the
 City of Palo Alto GIS

THIS PAGE IS INTENTIONALLY LEFT BLANK



SEISMIC WATER SYSTEM UPGRADES (WS-09000)

Description: This project will provide structural reinforcement for the Monte Bello, Corte Madera, Park, Boronda, and Dahl reservoirs to improve earthquake resistance in compliance with the American Society of Civil Engineers (ASCE 7) seismic codes. Work at the reservoir sites will also include the installation of: seismic shut off valves, flexible joints at the inlet/outlet piping connections, backup power supplies, the relocation of overflow pipes, and reinforcement of interior pipe columns.

Justification: Palo Alto's water tanks have no protection from water loss in a seismic event. If an earthquake causes a significant water leak, various impacts such as loss of water for fire fighting purposes, loss of water storage for drinking, property damage from flooding, environmental damages, and possible mudslides causing significant property damage could occur. The seismic protection systems will preserve potable water after a seismic event.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2014- 2017
- **Managing Department:** Utilities
- **Overall Project Completion:** 0%
- **Potential Board/Commission Review:** UAC, PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project is coordinated with Public Works.
- **Operating:** This project will decrease water system maintenance costs.

Prior Years

Expended and Encumbered	\$21,285
Continuing Appropriations	\$3,500,000

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$2,230,000					\$2,230,000
Other						
Total Budget Request	\$2,230,000					\$2,230,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$2,230,000					\$2,230,000
Total Sources of Funds	\$2,230,000					\$2,230,000

WATER DISTRIBUTION SYSTEM IMPROVEMENTS (WS-11003)



Description: This project provides funds as needed to improve water distribution system deliverability and reliability. Typical activities include: installing restraining joints at critical pipelines and bridge crossings, increasing the size of inadequate facilities, system leakage surveys, network modeling, and fire flow studies or other system improvements as required.

Justification: Water distribution system reliability and adequate capacity are critical to providing a high level of service to customers in Palo Alto. Continuous evaluation of system needs and making required improvements is necessary to maintain adequate quantities of quality water, meeting local, state, and federal safe drinking water standards.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$241,825

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000
Other						
Total Budget Request	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000
Total Sources of Funds	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000



WATER FUSION AND GENERAL EQUIPMENT/TOOLS (WS-13002)

Description: This funding allows for the acquisition of new equipment and tools, the replacement of existing fusion equipment, and other associated tools, annually. The fusion equipment is used to fuse together pipe joints in the City's water distribution system.

Justification: As the equipment ages, the quality of the fusion joints begins to decline, and the operators must spend more time scraping, aligning, and fusing construction joints. In order to maintain high quality standards for the installation of the City's water distribution mains, along with the associated service standards and worker safety and productivity measures, equipment and tools are required to be upgraded on an annual basis.

Supplemental Information: This project was retitled from "Fusion and General Equipment/Tools" to "Water Fusion and General Equipment/Tools" to more accurately reflect the work done with this funding.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** The project will contribute to reliability, safe operation, and maintenance of the water distribution system and operating personnel safety.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

WATER FUSION AND GENERAL EQUIPMENT/TOOLS (WS-13002) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$28,132

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Total Budget Request	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Total Sources of Funds	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000



WATER MAIN REPLACEMENT - PROJECT 26 (WS-12001)

Description: This project will fund the replacement of structurally deficient water mains and appurtenances in Fiscal Year 2016. Mains are selected by researching the maintenance history of the system and identifying those that are undersized, corroded, and subject to breaks. Based on this analysis, staff has developed a program to accelerate main replacements.

Justification: Some mains are inadequate in size to supply required flows and pressures for fire protection, and others are subject to recurring breaks.

Supplemental Information: The rate of main replacement was increased from one mile per year to three miles per year in Fiscal Year 1994. In addition, an analysis of cost effective system improvements was initiated in the same year. This analysis helps determine the best materials and construction methods to use, with a goal of reducing the accelerated main replacement program's cost. The program to replace 75 miles of deficient mains started in 1993. It is anticipated that in Fiscal Year 2016 approximately 18 miles of the total 234 miles in the City's water distribution system will still be in need of replacement or rehabilitation. Each year the projects are evaluated and the highest priority is given to the most deteriorated portions of the system. No replacements are scheduled for Fiscal Year 2015, as a system study to validate the replacement program will be conducted.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20

WATER MAIN REPLACEMENT - PROJECT 26 (WS-12001)

CONTINUED



Prior Years

Expended and Encumbered	\$42,500
Continuing Appropriations	\$462,500

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs		\$4,396,800				\$4,396,800
Other						
Total Budget Request		\$4,396,800				\$4,396,800

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund		\$4,396,800				\$4,396,800
Total Sources of Funds		\$4,396,800				\$4,396,800



WATER MAIN REPLACEMENT - PROJECT 27 (WS-13001)

Description: This project will fund the replacement of structurally deficient water mains and appurtenances in Fiscal Year 2017. Mains are selected by researching the maintenance history of the system and identifying those that are undersized, corroded, and subject to breaks. Based on this analysis, staff has developed a program to accelerate main replacements.

Justification: Some mains are inadequate in size to supply required flows and pressures for fire protection, and others are subject to recurring breaks.

Supplemental Information: The rate of main replacement was increased from one mile per year to three miles per year in Fiscal Year 1994. In addition, an analysis of cost effective system improvements was initiated in the same year. This analysis helped determine the best materials and construction methods to use, with a goal of reducing the accelerated main replacement program's cost. It is anticipated that in Fiscal Year 2017 approximately 15 miles of the total 234 miles in the City's water distribution system will still be in need of replacement or rehabilitation. Each year the projects are evaluated and the highest priority is given to the most deteriorated portions of the system.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20

WATER MAIN REPLACEMENT - PROJECT 27 (WS-13001)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$439,680				\$439,680
Construction Costs			\$4,111,740			\$4,111,740
Other						
Total Budget Request		\$439,680	\$4,111,740			\$4,551,420

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund		\$439,680	\$4,111,740			\$4,551,420
Total Sources of Funds		\$439,680	\$4,111,740			\$4,551,420



WATER MAIN REPLACEMENT - PROJECT 28 (WS-14001)

Description: This project will fund the replacement of structurally deficient water mains and appurtenances in Fiscal Year 2018. Mains are selected by researching the maintenance history of the system and identifying those that are undersized, corroded, and subject to breaks. Based on this analysis, staff has developed a program to accelerate main replacements.

Justification: Some mains are inadequate in size to supply required flows and pressures for fire protection, and others are subject to recurring breaks.

Supplemental Information: The rate of main replacement was increased from one mile per year to three miles per year in Fiscal Year 1994. In addition, an analysis of cost effective system improvements was initiated in the same year. This analysis helped determine the best materials and construction methods to use, with a goal of reducing the accelerated main replacement program's cost. It is anticipated that in Fiscal Year 2018 approximately 12 miles of the total 234 miles in the City's water distribution system will still be in need of replacement or rehabilitation. Each year the projects are evaluated and the highest priority is given to the most deteriorated portions of the system.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** 2017- 2018
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability, safe operation, and maintenance of the water system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20

WATER MAIN REPLACEMENT - PROJECT 28 (WS-14001)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs			\$523,000			\$523,000
Construction Costs				\$5,568,744		\$5,568,744
Other						
Total Budget Request			\$523,000	\$5,568,744		\$6,091,744

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund			\$523,000	\$5,568,744		\$6,091,744
Total Sources of Funds			\$523,000	\$5,568,744		\$6,091,744



WATER MAIN REPLACEMENT - PROJECT 29 (WS-15002)

Description: This project will replace structurally deficient water mains and appurtenances in FY 2019. Mains are selected by researching the maintenance history of the system and identifying those that are undersized, corroded, and subject to breaks. Based on this analysis, staff has developed a program to accelerate main replacements.

Justification: Some mains are inadequate in size to supply required flows and pressures for fire protection, and others are subject to recurring breaks.

Supplemental Information: The rate of main replacement was increased from one mile per year to three miles per year in Fiscal Year 1994. In addition, an analysis of cost effective system improvements was initiated in the same year. This analysis helped determine the best materials and construction methods to use, with a goal of reducing the accelerated main replacement program's cost. It is anticipated that in Fiscal Year 2019 approximately 9 miles of the total 234 miles in the City's water distribution system will still be in need of replacement or rehabilitation. Each year the projects are evaluated and the highest priority is given to the most deteriorated portions of the system.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** 2018- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

WATER MAIN REPLACEMENT - PROJECT 29 (WS-15002)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$556,874		\$556,874
Construction Costs					\$5,498,160	\$5,498,160
Other						
Total Budget Request				\$556,874	\$5,498,160	\$6,055,034

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund				\$556,874	\$5,498,160	\$6,055,034
Total Sources of Funds				\$556,874	\$5,498,160	\$6,055,034



WATER MAIN REPLACEMENT - PROJECT 30 (WS-16001)

Description: This project will fund the design work required for the replacement of structurally deficient water mains and appurtenances in Fiscal Year 2020. Mains are selected by researching the maintenance history of the system and identifying those that are undersized, corroded, and subject to breaks. Based on this analysis, staff has developed a program to accelerate main replacements.

Justification: Some mains are inadequate in size to supply required flows and pressures for fire protection, and others are subject to recurring breaks.

Supplemental Information: The rate of main replacement was increased from one mile per year to three miles per year in Fiscal Year 1994. In addition, an analysis of cost effective system improvements was initiated in the same year. This analysis helped determine the best materials and construction methods to use, with a goal of reducing the accelerated main replacement program's cost. It is anticipated that in Fiscal Year 2020 approximately 6 miles of the total 234 miles in the City's water distribution system will still be in need of replacement or rehabilitation. Each year the projects are evaluated and the highest priority is given to the most deteriorated portions of the system.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** 2018- 2020
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20

WATER MAIN REPLACEMENT - PROJECT 30 (WS-16001)

CONTINUED



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs					\$549,816	\$549,816
Construction Costs						
Other						
Total Budget Request					\$549,816	\$549,816

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund					\$549,816	\$549,816
Total Sources of Funds					\$549,816	\$549,816



WATER METERS (WS-80015)

Description: This funding allows for the purchase of meters for new customers, upgrading meters for current customers, installing meter bypasses, and replacing obsolete meters that are no longer repairable. This project also tests and calibrates selected water meters annually.

Justification: This project will maintain meter accuracy, reliability, and stock meter equipment and replacement parts. The City has an ongoing meter repair and replacement program. Meter replacements enhance information on system water volume; align the Utility's ten-year meter testing and replacement cycle in accordance with industry-standard best management practices; and provide accurate data for the Water Utility billing system.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** This project will reduce water meter maintenance costs by 5% and increase accuracy by 20%. It is anticipated the project will greatly contribute to improving the accuracy of water system revenues.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19

WATER METERS (WS-80015) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$394,110

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$39,128					\$39,128
Design Costs						
Construction Costs	\$346,872	\$393,080	\$400,372	\$407,000	\$415,000	\$1,962,324
Other						
Total Budget Request	\$386,000	\$393,080	\$400,372	\$407,000	\$415,000	\$2,001,452

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$386,000	\$393,080	\$400,372	\$407,000	\$415,000	\$2,001,452
Total Sources of Funds	\$386,000	\$393,080	\$400,372	\$407,000	\$415,000	\$2,001,452



WATER RESERVOIR COATING IMPROVEMENTS (WS-08001)

Description: This project will remove and replace the coatings on the interiors and exteriors of the City's four foothill steel water reservoirs. Detailed inspection of the remaining metal structural components will be made after the coatings are completely removed. Minor strengthening of the structural components is expected.

Justification: Recent coating inspection of the interiors showed signs of heavy rusting on the interior walls, roof, and support beams on each of the steel reservoirs. The reservoirs' coatings need to be replaced to extend the life of the reservoir structures.

Supplemental Information: These reservoirs were last coated in 1995.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2015- 2016
- **Managing Department:** Utilities
- **Overall Project Completion:** 0%
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project is coordinated with Public Works. This project may be subject to ARB review.
- **Operating:** This project will decrease water system maintenance costs.

WATER RESERVOIR COATING IMPROVEMENTS (WS-08001)

CONTINUED



Prior Years

Expended and Encumbered	\$179,402
Continuing Appropriations	\$2,050,491

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$750,000					\$750,000
Other						
Total Budget Request	\$750,000					\$750,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$750,000					\$750,000
Total Sources of Funds	\$750,000					\$750,000



WATER SERVICE HYDRANT REPLACEMENT (WS-80014)

Description: This project replaces system control valves, deteriorated galvanized service lines, lead goosenecks, and fire hydrant valves and assemblies as a result of Fire Department flow testing; upgrades fire hydrants in main replacement project areas; and replaces existing undersized or deteriorated copper water services. Upgrading hydrants and system control valves is consistent with fire protection policies.

Justification: In order to maintain a high water quality standard for Palo Alto's water supplies, it is necessary to replace old, lead, galvanized, and corroded copper water service lines when found.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** Screening may be required on above-grade equipment. This project may be subject to ARB review.
- **Operating:** This project will reduce water hydrant maintenance costs by 5% and increase operating efficiency by 20% based on reduction of field repairs encountered during hydrant flushing operations for water quality maintenance.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$389,677

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$38,767					\$38,767
Design Costs						
Construction Costs	\$197,233	\$243,080	\$250,400	\$263,000	\$270,000	\$1,223,713
Other						
Total Budget Request	\$236,000	\$243,080	\$250,400	\$263,000	\$270,000	\$1,262,480

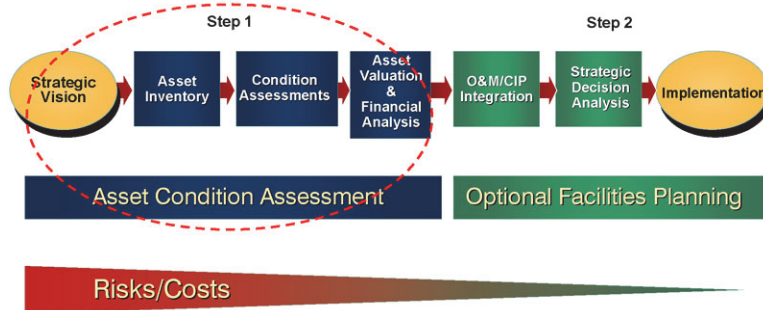
Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$236,000	\$243,080	\$250,400	\$263,000	\$270,000	\$1,262,480
Total Sources of Funds	\$236,000	\$243,080	\$250,400	\$263,000	\$270,000	\$1,262,480

Description: The primary objective of the City of Palo Alto 2015 Water System Master Plan is to identify and present capital improvements and replacement rates required to ensure optimal reliability levels of service to the existing distribution and transmission conveyance system (Step 1: see diagram below). Further, the Plan serves as a guide for long-range CIP planning for improvements to ensure the community has a reliable water delivery system for years to come (Step 2: see diagram below).

Justification: Water conveyance system reliability and adequate capacity are critical to providing a high level of service to customers in Palo Alto. Rate stabilization through strategic capital improvements to the water conveyance system is essential. Continuous evaluation of system needs through condition assessment and seismic vulnerability improvements must be conducted to maintain high level of service reliability factoring lifecycle costing, meeting local, state, and federal safe drinking water standards

Supplemental Information: The scope of work entails for this project entails seismic evaluation of the water transmission system, condition assessment of both the transmission and distribution system, optimal replacement and/or rehabilitation rates, and construction methods based on pipe material coupled with a master operations and maintenance plan. The Master Plan will integrate with the City's existing asset management GIS/Topobase platform in order to establish a strategic capital improvement plan which stabilizes water rates.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2015-Summer 2015
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19



WATER SYSTEM MASTER PLAN (WS-15004) *CONTINUED*

Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$52,330					\$52,330
Design Costs						
Construction Costs						
Other	\$447,670					\$447,670
Total Budget Request	\$500,000					\$500,000
Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$500,000					\$500,000
Total Sources of Funds	\$500,000					\$500,000

WATER SYSTEM SUPPLY IMPROVEMENTS (WS-11004)



Description: This project provides funding, as needed, to improve the City's water distribution system. This system includes: connection facilities between the City's and the San Francisco Public Utility Commission's pipelines, emergency water wells within the City, pumping stations, water reservoirs, and pipelines.

Justification: It is critical that the City has an adequate supply of water that meets federal and state drinking water requirements. To meet these objectives, the City must continually evaluate the system and make improvements when they are required.

Supplemental Information: Typical activities performed under this project include: piping modifications, equipment replacements associated with water delivery, Supervisory Control software upgrades, system modifications for water system quality compliance, implementation of an asset management system, conditional assessment of the reliability of transmission mains, and security system installations.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability and safe operation and maintenance of the water supply system and operating personnel safety by minimizing future operating expenses.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19



WATER SYSTEM SUPPLY IMPROVEMENTS (WS-11004)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$133,343

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$51,615					\$51,615
Design Costs						
Construction Costs	\$173,385	\$232,000	\$239,000	\$247,000	\$254,000	\$1,145,385
Other						
Total Budget Request	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Water Fund	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000
Total Sources of Funds	\$225,000	\$232,000	\$239,000	\$247,000	\$254,000	\$1,197,000

WATER SYSTEM, CUSTOMER CONNECTIONS (WS-80013)



Description: This project allows for improvements that include new main extensions, valves, domestic services, meters on upgraded services, backflow devices, fire services, and fire hydrants.

Justification: System extensions are required to provide service to new customers and to serve existing customers requesting expanded service.

Supplemental Information: "Revenues from Others" represents reimbursements from customer connection and capacity fees for connecting to the water distribution system. Capacity fees are collected through connection charges to cover the proportionate cost of system improvements required to serve new customers.

This project was previously titled "Water System Extensions". As part of the Fiscal Year 2015 budget, this project has been retitled to "Water System, Customer Connections" to more accurately reflect the work done with this funding.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** The project will contribute to system reliability, safe operation, and maintenance of the water distribution system. Historically, costs have been steadily on the rise based on material age and replacement cycles.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-19



WATER SYSTEM, CUSTOMER CONNECTIONS (WS-80013)

CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$376,882

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$143,507					\$143,507
Design Costs						
Construction Costs	\$306,493	\$460,000	\$473,000	\$486,000	\$500,000	\$2,225,493
Other						
Total Budget Request	\$450,000	\$460,000	\$473,000	\$486,000	\$500,000	\$2,369,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Others	\$450,000	\$460,000	\$473,000	\$486,000	\$500,000	\$2,369,000
Total Sources of Funds	\$450,000	\$460,000	\$473,000	\$486,000	\$500,000	\$2,369,000

Description: This project will improve the ability of Utilities Department staff to use the Geographic Information System (GIS). As with other GIS activities, continuing the completion of data-related tasks is the primary emphasis. Because field personnel still need accurate paper maps in the field, standard map books will be produced that meet their specific needs. Funding is also included to improve the GIS user interface to better serve the unique requirements of Utility Department users.

Justification: The primary uses of equal importance will be for interfacing with modeling software to perform engineering analysis and master planning; developing and prioritizing cost-effective capital improvement designs; and asset management of the City's utility enterprise system; thereby enhancing the level of service to utility customers.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This is not a project under CEQA.
- **Design Elements:** None
- **Operating:** This project requires ongoing annual maintenance and periodic upgrade of the mapping system.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Transportation
- **Section:** Reducing Auto Use
- **Goal:** T-1
- **Policy:** T-2
- **Program:** T-10



WATER, GAS, WASTEWATER UTILITY GIS DATA (WS-02015) CONTINUED

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$107,201

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$162,797					\$162,797
Design Costs						
Construction Costs	\$139,703	\$332,750	\$366,025	\$402,628	\$442,890	\$1,683,996
Other						
Total Budget Request	\$302,500	\$332,750	\$366,025	\$402,628	\$442,890	\$1,846,793

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Gas Fund	\$100,833	\$110,916	\$122,008	\$134,209	\$147,630	\$615,596
Wastewater Collection Fund	\$100,833	\$110,917	\$122,009	\$134,209	\$147,630	\$615,598
Water Fund	\$100,834	\$110,917	\$122,008	\$134,210	\$147,630	\$615,599
Total Sources of Funds	\$302,500	\$332,750	\$366,025	\$402,628	\$442,890	\$1,846,793

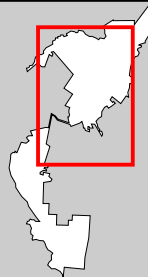
THIS PAGE IS INTENTIONALLY LEFT BLANK.

Wastewater Collection Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



The City of
Palo Alto



City of Palo Alto
2015-2019 Adopted CIP
Wastewater Fund Map
5 Year CIP Project Plan

Construction Fund
Wastewater CIP Project Plan 2015-2019:

- 2015 (SSR 26)
- 2016 (SSR 27)
- 2017 (SSR 28)
- 2018 (SSR 29)
- 2019 (SSR 30)

This map is a product of the
City of Palo Alto GIS



0' 2400'

THIS PAGE IS INTENTIONALLY LEFT BLANK



SEWER LATERAL/MANHOLE REHAB/REPLACEMENT (WC-99013)

Description: This project will replace defective sewer laterals, cleanouts, manholes, install backwater devices, and purchase equipment to support these activities in order to maintain the Wastewater Collection System. The work will help reduce both the backflow of sewage onto private property and the City's treatment expenses. This project also cleans and videotapes sewer collection mains and laterals as necessary.

Justification: The City performs routine annual maintenance on the Wastewater Collection System. Information collected during maintenance activities is used to prioritize work. Defective laterals, for example, will be replaced to re-establish existing services, reduce maintenance expenses, and eliminate ground water intrusion. Backwater devices will be installed to reduce backflows of sewage. New manholes will be installed or rehabilitated to improve structural integrity.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to reliability and safe operation and maintenance of the Wastewater Collection System and operating personnel safety by minimizing future operating expenses and potential backwater damage claims.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** L-1
- **Policy:** N-25

SEWER LATERAL/MANHOLE REHAB/REPLACEMENT (WC-99013) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$503,272

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$28,782					\$28,782
Design Costs						
Construction Costs	\$71,218	\$100,000	\$100,000	\$100,000	\$100,000	\$471,218
Other						
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000



SEWER SYSTEM, CUSTOMER CONNECTIONS (WC-80020)

Description: This project provides for the installation of sewer lateral connections, additions of existing mains, and extensions of mains for new or existing customers.

Justification: It is necessary to provide sewer connections to serve new customers and to respond to changes in sewer requirements due to redevelopment. Old existing non-plastic sewer service laterals become cracked and broken by tree root intrusion, ground movement, and third party excavation damages requiring the laterals to be replaced.

Supplemental Information: This project was previously titled "Sewer System Extension". As part of the Fiscal Year 2015 budget it has been retitled "Sewer System, Customer Connections" to more accurately reflect the work done with this funding. Revenues for this project represents customer connection and capacity fees for connecting to the wastewater collection system. Capacity fees are collected through connection charges to cover the proportionate cost of system improvements required to serve new customers.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** The trenching work of this project will be coordinated with Public Works Department.
- **Operating:** The project will contribute to reliability and safe operation and maintenance of the Wastewater Collection System, and operating personnel safety by minimizing future operating expenses.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

SEWER SYSTEM, CUSTOMER CONNECTIONS (WC-80020)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$35,148

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$125,058					\$125,058
Design Costs						
Construction Costs	\$246,942	\$383,000	\$394,000	\$405,000	\$416,000	\$1,844,942
Other						
Total Budget Request	\$372,000	\$383,000	\$394,000	\$405,000	\$416,000	\$1,970,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Others	\$372,000	\$383,000	\$394,000	\$405,000	\$416,000	\$1,970,000
Total Sources of Funds	\$372,000	\$383,000	\$394,000	\$405,000	\$416,000	\$1,970,000



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 27 (WC-14001)

Description: This project will implement high priority rehabilitation, augmentation, and lateral replacement work, reducing inflow of rainfall and ground water into the collection system in FY 2016. The project will be comprised of streets identified in the Master Plan or through video inspection as deficient and in need of enlargement or rehabilitation. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among different City departments.

Justification: The 2004 Collection System Master Plan update indicated certain facilities are in need of enlargement to handle growth and peak flows. The mains selected for replacement and/or rehabilitation are determined by the recommendations for the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping of sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** 2015- 2016
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 27 (WC-14001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$320,000					\$320,000
Design Costs						
Construction Costs		\$3,090,000				\$3,090,000
Other						
Total Budget Request	\$320,000	\$3,090,000				\$3,410,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund	\$320,000	\$3,090,000				\$3,410,000
Total Sources of Funds	\$320,000	\$3,090,000				\$3,410,000



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 28 (WC-15001)

Description: This project will implement high priority rehabilitation, augmentation, and lateral replacement work, reducing inflow of rainfall and ground water into the collection system in FY 2017. The project will be comprised of streets identified in the Master Plan or through video inspection as deficient and in need of enlargement or rehabilitation. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among different City departments.

Justification: The 2004 Collection System Master Plan update indicated certain facilities are in need of enlargement to handle growth and peak flows. The mains selected for replacement and/or rehabilitation are determined by the recommendations for the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping of sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** 2016- 2017
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 28 (WC-15001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$330,000				\$330,000
Construction Costs			\$3,183,000			\$3,183,000
Other						
Total Budget Request		\$330,000	\$3,183,000			\$3,513,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund		\$330,000	\$3,183,000			\$3,513,000
Total Sources of Funds		\$330,000	\$3,183,000			\$3,513,000



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 29 (WC-16001)

Description: This project will implement high priority rehabilitation, augmentation, and lateral replacement work, reducing inflow of rainfall and ground water into the collection system in FY 2018. The project will be comprised of streets identified in the Master Plan or through video inspection as deficient and in need of enlargement or rehabilitation. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among the different departments.

Justification: The 2004 Collection System Master Plan update indicated certain facilities are in need of enlargement to handle growth and peak flows. The mains selected for replacement and/or rehabilitation are determined by the recommendations for the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping of sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2017- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 29 (WC-16001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs			\$340,000			\$340,000
Construction Costs				\$3,270,000		\$3,270,000
Other						
Total Budget Request			\$340,000	\$3,270,000		\$3,610,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund			\$340,000	\$3,270,000		\$3,610,000
Total Sources of Funds			\$340,000	\$3,270,000		\$3,610,000



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 30 (WC-17001)

Description: This project will implement high priority lateral replacement work, reducing inflow of rainfall and ground water into the collection system in FY 2019. The project will be comprised of laterals identified through video inspection or in maintenance records as deficient and in need of replacement. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among the different City departments.

Justification: Reducing sanitary sewer overflows (SSOs) is an important component in the maintenance of the wastewater collection system. Historically, SSOs in lower laterals far exceed the occurrence in mainlines. Problems in laterals include roots, offsets, and other structural defects. The wastewater lateral work will provide new sewer laterals that will reduce current and future maintenance, groundwater infiltration, and sanitary sewer overflows.

Supplemental Information: The mains selected for replacement and/or rehabilitation are determined by the recommendations of the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping of sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2018- 2019
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 30 (WC-17001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs				\$350,000		\$350,000
Construction Costs					\$3,361,500	\$3,361,500
Other						
Total Budget Request				\$350,000	\$3,361,500	\$3,711,500

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund				\$350,000	\$3,361,500	\$3,711,500
Total Sources of Funds				\$350,000	\$3,361,500	\$3,711,500



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 31 (WC-19001)

Description: This project will fund the design of high priority lateral replacement work, which reduces inflow of rainfall and ground water into the collection system for implementation in Fiscal Year 2020. The project will be comprised of laterals identified in video inspection work or through maintenance records as deficient and in need of replacement. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among different City departments.

Justification: Reducing sanitary sewer overflows (SSOs) is an important component in the maintenance of the wastewater collection system. Historically, SSOs in lower laterals far exceed the occurrence in mainlines. Problems in laterals include roots, offsets, and other structural defects. The wastewater lateral work will provide new sewer laterals that will reduce current and future maintenance, groundwater infiltration, and sanitary sewer overflows.

Supplemental Information: The mains selected for replacement and/or rehabilitation are determined by the recommendations of the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping of sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2019- 2020
- **Managing Department:** Utilities
- **Location:** Various Streets in Palo Alto
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:**
- **Goal:** N-4
- **Policy:** N-25

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 31 (WC-19001) *CONTINUED*



Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs					\$360,000	\$360,000
Construction Costs						
Other						
Total Budget Request					\$360,000	\$360,000
Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund					\$360,000	\$360,000
Total Sources of Funds					\$360,000	\$360,000



WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 26 (WC-13001)

Description: This project will implement high priority rehabilitation, augmentation, and lateral replacement work, which reduces inflow of rainfall and ground water into the collection system. The project will be comprised of streets identified in the Master Plan or through video inspection as deficient and in need of enlargement or rehabilitation. Priority will be given to areas identified by Public Works as targeted work zones ensuring infrastructure coordination among different City departments.

Justification: The 2004 Collection System Master Plan update indicated certain facilities are in need of enlargement to handle growth and peak flows. The mains selected for replacement and/or rehabilitation are determined by the recommendations for the Master Plan Study; research and analysis of sewer main maintenance records; cleaning and videotaping sanitary sewer mains; condition assessment; real time flow monitoring of existing sewers; and hydraulic computer modeling.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** 2015- 2015
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project will be coordinated with Public Works street maintenance program.
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-18

WASTEWATER COLLECTION SYSTEM REHABILITATION/ AUGMENTATION PROJECT 26 (WC-13001) *CONTINUED*



Prior Years

Expended and Encumbered	\$42,500
Continuing Appropriations	\$267,500

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$438,440					\$438,440
Design Costs						
Construction Costs	\$2,561,560					\$2,561,560
Other						
Total Budget Request	\$3,000,000					\$3,000,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund	\$3,000,000					\$3,000,000
Total Sources of Funds	\$3,000,000					\$3,000,000



WASTEWATER FUSION AND GENERAL EQUIPMENT/TOOLS (WC-13002)

Description: This funding allows for the acquisition of new fusion equipment and other associated tools. This equipment is used to fuse together pipe joints in the City's wastewater collection system.

Justification: As the equipment ages, the quality of the fusion joints begins to decline, and the operators must spend more time scraping, aligning, and fusing construction joints. In order to maintain high quality standards for the installation of City's wastewater collection mains, along with the associated service standards and worker safety and productivity measures, equipment and tools require continuous upgrades.

Supplemental Information: This project was previously titled "Fusion and General Equipment/Tools". As part of the Fiscal Year 2015 budget, it has been retitled "Wastewater Fusion and General Equipment/Tools" to more accurately reflect the work done with this funding.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** The project will contribute to reliability, safe operation, and maintenance of the Wastewater Collection System and operating personnel safety.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-14
- **Program:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20
- **Program:** N-25

WASTEWATER FUSION AND GENERAL EQUIPMENT/TOOLS (WC-13002) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$28,132

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Total Budget Request	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000
Total Sources of Funds	\$50,000	\$50,000	\$50,000	\$50,000	\$50,000	\$250,000



WASTEWATER SYSTEM IMPROVEMENTS (WC-15002)

Description: This project provides funding as needed to improve the Wastewater Collection System. Typical activities include: increasing system capacity for growth, flow monitoring, hydraulic modeling and system analysis, load simulations, asset management analysis and assessment, system inflow/infiltration analysis, and sanitary sewer overflow monitoring and reduction.

Justification: Wastewater Collection System reliability and adequate capacity are critical to providing a high level of service to customers. Mainline sewer backups and overflows into homes and businesses are costly and a health risk. Reducing the losses associated with these backup claims requires a continuous evaluation of system needs and making improvements to maintain a high level of service.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** UAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302
- **Design Elements:** This project will be coordinated with Public Works street maintenance program
- **Operating:** The project will contribute to system reliability, and safe operation and maintenance of the Wastewater Collection System.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-14
- **Program:** N-18

Secondary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-20
- **Program:** N-25

WASTEWATER SYSTEM IMPROVEMENTS (WC-15002)

CONTINUED



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$328,383

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$63,398					\$63,398
Design Costs						
Construction Costs	\$161,602	\$232,000	\$239,000	\$246,000	\$253,000	\$1,131,602
Other						
Total Budget Request	\$225,000	\$232,000	\$239,000	\$246,000	\$253,000	\$1,195,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Collection Fund	\$225,000	\$232,000	\$239,000	\$246,000	\$253,000	\$1,195,000
Total Sources of Funds	\$225,000	\$232,000	\$239,000	\$246,000	\$253,000	\$1,195,000

Wastewater Treatment Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



BIOSOLIDS FACILITY (WQ-14001)

Description: The biosolids facility will replace the current sewage sludge incinerators with a new solids handling system and disposal facility. A biosolids facility plan scheduled for completion in August 2015 will lead to CEQA review, design, and construction of the new biosolids facility for startup by 2019. The budget estimate represents the capital cost of a sludge dewatering and truckload facility as Phase I of a biosolids handling solution.

Justification: Current sewage sludge incinerators were constructed in 1972 and are at the end of their useful life. A new facility is required to improve the wastewater plant's operational reliability. On July 2, 2012, Council agreed to retire the incinerators as soon as possible when accepting the Long Range Facility Plan.

Supplemental Information: This project was identified in the Long Range Facilities Plan accepted by Council in July 2012. Low interest state loan (i.e., State Revolving Fund) funding will be pursued. Approval by the partner agencies (Stanford, the Cities of Mountain View and Los Altos, and the Board of the East Palo Alto Sanitary District) is required for project approval and to guarantee repayment of any state loans or revenue bond indebtedness. Funding for the anaerobic digesters is no longer being reflected in this project. The build-out of the anaerobic digesters will likely occur outside the period of this CIP, if approved by the partner agencies and funding is secured.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Summer 2013-Summer 2019
- **Managing Department:** Public Works
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303

IMPACT ANALYSIS:

- **Environmental:** CEQA will be required.
- **Design Elements:** This project may require Site and Design review.
- **Operating:** None.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

BIOSOLIDS FACILITY (WQ-14001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$42,104					\$42,104
Design Costs	\$533,000	\$839,000	\$601,000	\$631,000		\$2,604,000
Construction Costs			\$5,339,000	\$5,606,000		\$10,945,000
Other						
Total Budget Request	\$575,104	\$839,000	\$5,940,000	\$6,237,000		\$13,591,104

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund	\$575,104	\$839,000	\$5,940,000	\$6,237,000		\$13,591,104
Total Sources of Funds	\$575,104	\$839,000	\$5,940,000	\$6,237,000		\$13,591,104



FACILITY CONDITION ASSESSMENT & RETROFIT (WQ-04011)

Description: This project assesses the structural condition of existing plant facilities and, once identified, funds the construction of repair and retrofits. Concrete and metal structures are evaluated for evidence of damage caused by corrosion, weathering, age, and ground movement.

Justification: Plant facilities are subject to many adverse conditions, including a highly corrosive environment and potential ground movements. Facilities with repair and retrofit deficiencies need to be returned to good structural condition to ensure that the plant continues to provide safe and reliable plant operations through the year 2035 and beyond.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** Winter 2004-Fall 2019
- **Managing Department:** Public Works
- **Overall Project Completion:** 30%
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** Possible exemption from Design Review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

Prior Years

Expended and Encumbered	\$2,573,829
Continuing Appropriations	\$3,331,522

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$31,579					\$31,579
Design Costs	\$40,000	\$100,000	\$100,000	\$100,000	\$100,000	\$440,000
Construction Costs	\$360,000	\$900,000	\$900,000	\$900,000	\$900,000	\$3,960,000
Other						
Total Budget Request	\$431,579	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,431,579

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund	\$431,579	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,431,579
Total Sources of Funds	\$431,579	\$1,000,000	\$1,000,000	\$1,000,000	\$1,000,000	\$4,431,579

FIXED FILM REACTOR REHABILITATION (WQ-14004)



Description: Fixed Film Reactors provide biological treatment, helping the City to comply with discharge permit limits. The two reactors, which came online in 1980, need replacement of core structural components including fiberglass barriers, steel supports, and concrete underdrains. Process components need replacement including biofilter media, 20-foot deep plastic media, rotating distributor mechanisms, electrical motor control centers, and process piping and pumping.

Justification: The Fixed Film Reactors are 34 years old. Concrete shows signs of stress and reinforcing steel bars are exposed. Plastic media needs replacement due to embrittlement and clogging with rags/plastic. Piping and distributors need replacement due to steel corrosion. The biofilter media needs replacement to ensure adequate airflow through reactors. Electrical controls are at the end of their life. This project was identified in the Long Range Facilities Plan report accepted by Council in July 2012.

Supplemental Information: Low interest state loans (i.e., State Revolving Fund) funding will be pursued. Approval by the partner agencies (Stanford, the Cities of Mountain View and Los Altos, and the Board of the East Palo Alto Sanitary District) is required for project approval to guarantee repayment of any state loans or revenue bond indebtedness. Funding for the construction of this project has been accelerated as part of the 2015-2019 CIP in order to address the plastic media replacement.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Spring 2015-Winter 2019
- **Managing Department:** Public Works
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** This project is exempt from design review.
- **Operating:** None.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25



FIXED FILM REACTOR REHABILITATION (WQ-14004)

CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$12,398					\$12,398
Design Costs	\$115,000	\$458,000	\$1,145,000	\$573,000		\$2,291,000
Construction Costs			\$8,565,000	\$8,565,000		\$17,130,000
Other						
Total Budget Request	\$127,398	\$458,000	\$9,710,000	\$9,138,000		\$19,433,398

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund	\$127,398	\$458,000	\$9,710,000	\$9,138,000		\$19,433,398
Total Sources of Funds	\$127,398	\$458,000	\$9,710,000	\$9,138,000		\$19,433,398

LABORATORY AND ENVIRONMENTAL SERVICES BUILDING (WQ-14002)



Description: This project funds the design of a new building that would consolidate staff and build a larger and updated lab.

Justification: Currently staff is located in four separate facilities. Buildings are aging, shared with industrial pumps, and limited in size for the number of staff in them.

Supplemental Information: Low interest state loan funding will be pursued for this project, which is subject to approval from the partner agencies (Stanford, Mountain View, Los Altos, and the East Palo Alto Sanitary District). This project was identified in the Long Range Plan accepted by the City Council in July 2012.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Spring 2015-Winter 2021
- **Managing Department:** Public Works
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303
- **Potential Board/Commission Review:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project will require Site and Design review.
- **Design Elements:** This project is exempt from design review.
- **Operating:** None.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs		\$410,000	\$615,000	\$717,000	\$307,000	\$2,049,000
Construction Costs						
Other						
Total Budget Request		\$410,000	\$615,000	\$717,000	\$307,000	\$2,049,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund		\$410,000	\$615,000	\$717,000	\$307,000	\$2,049,000
Total Sources of Funds		\$410,000	\$615,000	\$717,000	\$307,000	\$2,049,000



PLANT EQUIPMENT REPLACEMENT (WQ-80021)

Description: This project replaces, as necessary, plant equipment in order to maintain treatment reliability. In addition, the project replaces various ancillary facilities as necessary to maintain existing Plant infrastructure.

Justification: Plant equipment requires periodic replacement in order to maintain reliability. US Environmental Protection Agency regulations require equipment replacement funds to ensure adequate treatment reliability and equipment maintenance. In renovating and replacing ancillary facilities such as building structures and landscaping, the City ensures its commitment to maintaining sound infrastructure, energy efficiency, and sound facility sites.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** Spring 1980-Fall 2050
- **Managing Department:** Public Works
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303
- **Potential Board/Commission Review:** None

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** Possible exemption from design review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25

Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$785,161

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$181,302					\$181,302
Design Costs	\$230,000	\$177,000	\$184,000	\$192,000	\$199,500	\$982,500
Construction Costs	\$2,070,000	\$1,593,000	\$1,656,000	\$1,728,000	\$1,795,500	\$8,842,500
Other						
Total Budget Request	\$2,481,302	\$1,770,000	\$1,840,000	\$1,920,000	\$1,995,000	\$10,006,302

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund	\$2,481,302	\$1,770,000	\$1,840,000	\$1,920,000	\$1,995,000	\$10,006,302
Total Sources of Funds	\$2,481,302	\$1,770,000	\$1,840,000	\$1,920,000	\$1,995,000	\$10,006,302

PRIMARY SEDIMENTATION TANK REHABILITATION (WQ-14003)



Description: Four primary sedimentation tanks were installed in 1972. Each tank is 220 feet long by 41 feet wide. These tanks remove settleable solids and grease. The four tanks need their structural concrete recoated to ensure the reinforcing steel bars within the concrete are not attacked by penetrating corrosive sewer gases. An industrial coating contractor would install a new protective coating on the concrete to extend concrete life another 30 years. Rotating parts also need replacement due to wear.

Justification: Rehabilitation of concrete slabs extends the life of the tanks, avoids the higher capital cost of replacement tanks, and preserves Plant land for other facilities, including biosolids options. Without recoating the concrete, the top slabs would gradually spall and crumble as the concrete loses its structural capacity. With weakening, the top slabs could collapse in a mild seismic event, endangering staff and the treatment system. Spalling concrete harms pumps, pipes, and treatment systems.

Supplemental Information: This project was identified in the Long Range Facilities Plan accepted by Council in July 2012. Low interest state loan (i.e., State Revolving Fund) funding will be pursued. Approval by the partner agencies (Stanford, the cities of Mountain View and Los Altos, and the Board of the East Palo Alto Sanitary District) is required for project approval and to guarantee repayment of any state loans or revenue bond indebtedness.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Spring 2015-Spring 2019
- **Managing Department:** Public Works
- **Location:** 2501 Embarcadero Way, Palo Alto, CA 94303
- **Potential Board/Commission Review:** Yes

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** This project may require Site and Design review.
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-25



PRIMARY SEDIMENTATION TANK REHABILITATION (WQ-14003) CONTINUED

Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$7,532					\$7,532
Design Costs	\$73,000	\$165,000	\$274,000	\$219,000		\$731,000
Construction Costs		\$658,000	\$1,975,000	\$1,975,000	\$1,975,000	\$6,583,000
Other						
Total Budget Request	\$80,532	\$823,000	\$2,249,000	\$2,194,000	\$1,975,000	\$7,321,532

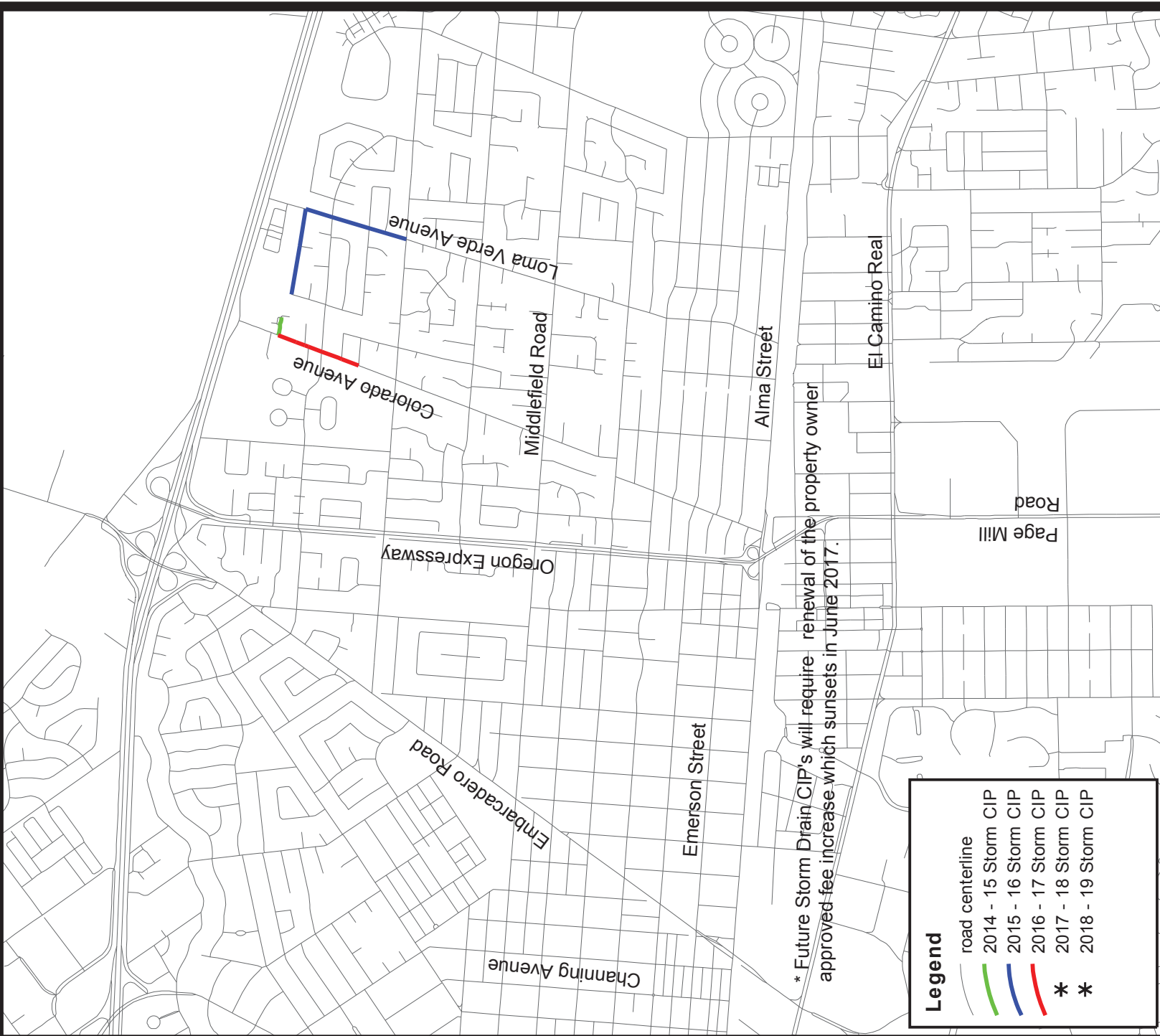
Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Wastewater Treatment Fund	\$80,532	\$823,000	\$2,249,000	\$2,194,000	\$1,975,000	\$7,321,532
Total Sources of Funds	\$80,532	\$823,000	\$2,249,000	\$2,194,000	\$1,975,000	\$7,321,532

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Storm Drainage Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



* Future Storm Drain CIP's will require renewal of the property owner approved fee increase which sunsets in June 2017.

Legend

- road centerline
- 2014 - 15 Storm CIP
- 2015 - 16 Storm CIP
- 2016 - 17 Storm CIP
- * 2017 - 18 Storm CIP
- * 2018 - 19 Storm CIP

The City of
Palo Alto

CITY OF PALO ALTO
2015-2019 Adopted CIP
Storm Drainage Fund Map

This map is a product of the
City of Palo Alto GIS

THIS PAGE IS INTENTIONALLY LEFT BLANK



MATADERO CREEK STORM WATER PUMP STATION AND TRUNK LINES IMPROVEMENTS (SD-13002)

Description: This project consists of the construction of upgrades to the Matadero Creek Storm Water Pump Station and the trunk storm drain pipelines that flow to the pump station. The Matadero Creek Storm Water Pump Station serves a low-lying 1200-acre area of southeastern Palo Alto.

Justification: This project will improve drainage system performance in the Midtown and Palo Verde neighborhoods. The streets in this area of the City are lower than the creek water level during storm events. Upgrades to the pump station and the storm drain pipelines leading to it will allow storm runoff to be pumped into Matadero Creek regardless of the creek level.

Supplemental Information: This improvement is consistent with the priorities established with the voter-approved storm drain rate increase in 2005.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Design
- **Est. Timeline:** Winter 2015-Fall 2017
- **Managing Department:** Public Works
- **Overall Project Completion:** 0%
- **Location:** Various locations in Midtown neighborhood
- **Potential Board/Commission Review:** SDOC, ARB

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project is coordinated with the street resurfacing program.
- **Operating:** This project will result in reduced storm drain maintenance expense.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-24
- **Program:** N-36

MATADERO CREEK STORM WATER PUMP STATION AND TRUNK LINES IMPROVEMENTS (SD-13002) *CONTINUED*



Prior Years

Expended and Encumbered	\$340,387
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$71,946					\$71,946
Design Costs						
Construction Costs	\$1,840,000	\$1,915,000	\$1,990,000			\$5,745,000
Other						
Total Budget Request	\$1,911,946	\$1,915,000	\$1,990,000			\$5,816,946

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Storm Drainage Fund	\$1,911,946	\$1,915,000	\$1,990,000			\$5,816,946
Total Sources of Funds	\$1,911,946	\$1,915,000	\$1,990,000			\$5,816,946

Description: This project will utilize an engineering consultant to assist staff with updating the 1993 Storm Drain Master Plan. The consultant will review and modify the computer-based storm drain model and identify an updated list of capital projects needed to upgrade the City's storm drain system to meet current drainage performance standards.

Justification: The City's Storm Drain Master Plan was last updated in 1993. The master plan and associated storm drain model should be updated to reflect changes in land development patterns and modeling technology since 1993. An updated master plan is needed in order to generate a validated list of future storm drain system upgrade requirements and funding needs.

Supplemental Information: The property owner-approved enhanced Storm Drainage Fee will sunset on June 30, 2017 unless the City Council asks the voters to reauthorize the current Storm Drainage Fee at a future general election, and the voters approve of the continuation of the current fee level. An updated storm drain master plan will enable staff to identify the drainage system infrastructure needs to be incorporated into a future ballot measure to fund the City's Storm Drain Program beyond Fiscal Year 2017.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Pre-Design
- **Est. Timeline:** Fall 2015-Spring 2016
- **Managing Department:** Public Works
- **Location:** Storm Drain Master Plan
- **Potential Board/Commission Review:** SDOC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** None
- **Operating:** This project will not affect storm drain operating expenses.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-24

STORM DRAIN MASTER PLAN UPDATE (SD-15008) *CONTINUED*



Expenditures						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$69,320					\$69,320
Design Costs	\$250,000					\$250,000
Construction Costs						
Other						
Total Budget Request	\$319,320					\$319,320

Revenues						
	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Storm Drainage Fund	\$319,320					\$319,320
Total Sources of Funds	\$319,320					\$319,320



STORM DRAIN SYSTEM REPLACEMENT AND REHABILITATION (SD-06101)

Description: This project implements annual replacement and rehabilitation projects that help maintain the integrity of the storm drain system. The project consists of the replacement or rehabilitation of deteriorated storm drain pipes, manholes, and storm drain inlets, as identified by a previous condition assessment. For Fiscal Year 2015, the project scope will include the implementation of upgrades to the communications network, linking the storm water pump stations to the central monitoring facility.

Justification: The project will implement the recommendations established by the 1993 Storm Drain Condition Assessment Report. The specific pipes and drainage structures selected for replacement and/or rehabilitation will be determined based on their 1993 condition score, and recommendations by field maintenance staff. The communications upgrades planned for Fiscal Year 2015 will improve staff's ability to remotely monitor and control the storm water pump stations.

Supplemental Information: This improvement is consistent with the priorities established with the voter-approved storm drain rate increase. The property owner-approved enhanced Storm Drainage Fee will sunset on June 30, 2017 unless the City Council asks the voters to reauthorize the current Storm Drainage Fee at a future general election, and the voters approve the continuation of the current fee level. CIP funding for Fiscal Year 2018 and beyond will be developed once voters authorize a continuation of the fee increase.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **Location:** Various
- **Potential Board/Commission Review:** SDOC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15302.
- **Design Elements:** This project is coordinated with street resurfacing program.
- **Operating:** This project will result in reduced storm drain maintenance expense.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Water Resources
- **Goal:** N-4
- **Policy:** N-24
- **Program:** N-36

STORM DRAIN SYSTEM REPLACEMENT AND REHABILITATION (SD-06101) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$1,507,093

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits	\$57,944					\$57,944
Design Costs						
Construction Costs	\$371,000	\$640,000	\$659,000			\$1,670,000
Other						
Total Budget Request	\$428,944	\$640,000	\$659,000			\$1,727,944

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Storm Drainage Fund	\$428,944	\$640,000	\$659,000			\$1,727,944
Total Sources of Funds	\$428,944	\$640,000	\$659,000			\$1,727,944

Airport Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



TEMPORARY AIRPORT TERMINAL (AP-15001)

Description: This project provides for a modular trailer to be installed, including connection of utilities and groundwork, providing a temporary airport terminal building to receive the flying community and office space to house airport staff until the completion of an Airport Master Plan.

Justification: The existing terminal building and airport office are currently located in a modular trailer which is in very poor condition. Staff evaluated costs to bring the trailer up to a safe and serviceable level and determined that it was more cost effective to replace the trailer in kind. The airport terminal building is used for the flying public, public meetings, and airport staff offices.



CIP FACTS:

NEW

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2015-Summer 2015
- **Managing Department:** Public Works
- **Location:** 1925 Embarcadero Rd, Palo Alto, CA 94303

IMPACT ANALYSIS:

- **Environmental:** None
- **Design Elements:** None
- **Operating:** None

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Open Space
- **Goal:** N-1
- **Policy:** N-8

Secondary Connection

- **Element:** Natural Environment
- **Section:** Noise
- **Goal:** N-8
- **Policy:** N-43
- **Program:** N-56

TEMPORARY AIRPORT TERMINAL (AP-15001) *CONTINUED*



Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$180,000					\$180,000
Other						
Total Budget Request	\$180,000					\$180,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
General Fund	\$180,000					\$180,000
Total Sources of Funds	\$180,000					\$180,000

OTHER FUND PROJECTS

THIS PAGE IS INTENTIONALLY LEFT BLANK.

Other Funds Overview

Two of the City's three Internal Service Funds, the Vehicle Replacement and Technology Funds, also manage CIP projects.

TECHNOLOGY FUND

Technology projects enhance service delivery to the community and to City staff through the efficient and effective implementation of information technology.

The Technology Fund has a total CIP budget of \$0.4 million in Fiscal Year 2015.

Projects for FY 2015 include:

- Enhancements to the City's Utility Customer Billing System (\$250,000)
- Radio Infrastructure Replacement (\$100,000)
- Library Virtual Branch (\$95,000)

There are no new Technology Fund projects included as part of the 2015-2019 CIP.

VEHICLE REPLACEMENT FUND

The Vehicle Replacement Fund provides maintenance and replacement of vehicles and equipment used by all City departments. The Vehicle Replacement Fund has a total CIP budget of \$3.9 million in Fiscal Year 2015 for the Emergency Repair and Replacement Program (\$0.1 million) and for Scheduled Vehicle and Equipment Replacements (\$3.8 million). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available.

Funding is allocated for scheduled vehicle replacements in every year of the CIP.

Other Funds Overview

NEW PROJECTS

The new projects that are added to the Fiscal Year 2015-2019 five-year CIP plan in the Internal Service Funds include the following:

2015-2019 CIP List of New Projects INTERNAL SERVICE FUNDS	
CIP NO.	Project Title
Vehicle Replacement Fund	
VR-15001	Emergency Repair and Replacement Program
VR-15000	Scheduled Vehicle and Equipment Replacements (FY 2015)
VR-16000	Scheduled Vehicle and Equipment Replacements (FY 2016)
VR-17000	Scheduled Vehicle and Equipment Replacements (FY 2017)
VR-18000	Scheduled Vehicle and Equipment Replacements (FY 2018)
VR-19000	Scheduled Vehicle and Equipment Replacements (FY 2019)

Vehicle Replacement Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



EMERGENCY REPAIR AND REPLACEMENT PROGRAM (VR-15001)

Description: This project provides funding to replace or repair vehicles/equipment that sustain damage primarily due to accidents or incur unpreventable major equipment failure. During any given year there are a number of vehicles or large City equipment that are involved in traffic accidents and while the Public Works Department budgets for preventative maintenance, large unforeseen mechanical failures also occur.

Justification: Vehicles/equipment spend the majority of the day on the roads and are exposed to the normal risks of driving and equipment ownership. This project will ensure that funding is in place to repair or replace vehicles or pieces of equipment that are critical to operations in a timely manner. Vehicles/equipment that are in continual use such as: street sweepers, leaf trucks and police vehicles need to be replaced/ repaired quickly if an accident or major repair occurs to ensure uninterrupted service

Supplemental Information: Critical pieces of equipment such as leaf trucks, street sweepers, utility equipment and vehicles such as police sedans cannot experience lengthy down times without impacting services to residents. In some cases the City owns reserve vehicles/equipment, especially in public safety, however it is unrealistic to supply a back up for each piece of equipment or type of vehicle. Additionally, this project will assist Public Works to identify and track these events which will assist in both analyzing any patterns but also with collection from insurance companies from those responsible.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** There is no incremental cost increase associated with replacing/repairing vehicles that sustain damage primarily due to accidents or unpreventable equipment failure.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

EMERGENCY REPAIR AND REPLACEMENT PROGRAM (VR-15001) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000	\$100,000	\$500,000



SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-16000)

Description: This project will involve the scheduled replacement of existing City fleet vehicles and equipment for Fiscal Year 2016.

Justification: The ongoing replacement of City fleet vehicles and equipment is prescribed by City Policy and Procedures Section 4-01. The policy includes guidelines for these replacements based on age, mileage accumulation, and obsolescence. Timely replacement of vehicles lowers maintenance costs, helps to maintain or even increase the productivity of client departments, and allows the City to take advantage of new technology.

Supplemental Information: There is currently a backlog for vehicles and equipment that are due for replacement according to the replacement guidelines, and this funding will allow for the following replacements: 5 sedans; 11 pickup trucks; 6 vans; three police vehicles; one wildland pumper; two SUVs; one dump truck and three miscellaneous equipment units. Of the 32 vehicles and pieces of equipment scheduled for replacement in FY 2016, twenty-one support operations in the General Fund (\$1,384,000), and eleven support the operations in various Enterprise Funds (\$957,000). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available. All of the vehicles and equipment planned for replacement are currently beyond existing replacement guidelines for age and mileage accumulation, or are being replaced due to functional obsolescence.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2016-Spring 2016
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road, Palo Alto, CA
- **Potential Board/Commission Review:** none

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** There is no incremental cost increase associated with replacing vehicles according to the replacement schedule.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-16000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other		\$2,306,000				\$2,306,000
Total Budget Request		\$2,306,000				\$2,306,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund		\$2,306,000				\$2,306,000
Total Sources of Funds		\$2,306,000				\$2,306,000



SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-15000)

Description: This project will involve the scheduled replacement of existing City fleet vehicles and equipment for Fiscal Year 2015.

Justification: The ongoing replacement of City fleet vehicles and equipment is prescribed by City Policy and Procedures Section 4-01. The policy includes guidelines for these replacements based on age, mileage accumulation, and obsolescence. Timely replacement of vehicles lowers maintenance costs, helps to maintain or even increase the productivity of client departments, and allows the City to take advantage of new technology.

Supplemental Information: There is currently a backlog for vehicles and equipment that are due for replacement according to the replacement guidelines, and this funding will allow for the following replacements: 6 sedans; 12 pickup trucks; 17 vans; 3 fire apparatus; 6 police vehicles and 5 miscellaneous equipment units. Of the 49 vehicles and pieces of equipment scheduled for replacement in FY 2015, twenty-seven support General Fund operations (\$2,194,000), and twenty-two support the operations of various Enterprise Funds (\$1,642,000). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available. All of the vehicles and equipment approved for replacement are currently beyond existing replacement guidelines for age and mileage accumulation, or are being replaced due to functional obsolescence.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2015-Spring 2015
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road, Palo Alto, CA
- **Potential Board/Commission Review:** None

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** There is no incremental cost increase associated with replacing vehicles according to the replacement schedule.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-15000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	\$0

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$3,786,000					\$3,786,000
Other						
Total Budget Request	\$3,786,000					\$3,786,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund	\$3,786,000					\$3,786,000
Total Sources of Funds	\$3,786,000					\$3,786,000



SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-17000)

Description: This project will involve the scheduled replacement of existing City fleet vehicles and equipment for Fiscal Year 2017.

Justification: The ongoing replacement of City fleet vehicles and equipment is prescribed by City Policy and Procedures Section 4-01. The policy includes guidelines for these replacements based on age, mileage accumulation, and obsolescence. Timely replacement of vehicles lowers maintenance costs, helps to maintain or even increase the productivity of client departments, and allows the City to take advantage of new technology.

Supplemental Information: There is currently a backlog for vehicles and equipment that are due for replacement according to the replacement guidelines, and this funding will allow for the following replacements: two sedans; 16 pickup trucks; 15 vans; two dump trucks; one SUV; eleven miscellaneous equipment units and five trailers. Of the 52 vehicles and pieces of equipment scheduled for replacement in Fiscal Year 2017, 36 support the operations of the General Fund (\$1,551,000), and sixteen support the operations of various Enterprise Funds (\$996,000). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available. All of the vehicles planned for replacement are currently beyond existing replacement guidelines for age and mileage accumulation or are being replaced due to functional obsolescence.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2017-Spring 2017
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road, Palo Alto, CA

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** This project will generate ongoing maintenance and replacement costs.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-17000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other			\$2,547,000			\$2,547,000
Total Budget Request			\$2,547,000			\$2,547,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund			\$2,547,000			\$2,547,000
Total Sources of Funds			\$2,547,000			\$2,547,000



SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-19000)

Description: This project will involve the scheduled replacement of existing City fleet vehicles and equipment for Fiscal Year 2019.

Justification: The ongoing replacement of City fleet vehicles and equipment is prescribed by City Policy and Procedures Section 4-01. The policy includes guidelines for these replacements based on age, mileage accumulation, and obsolescence. Timely replacement of vehicles lowers maintenance costs, helps to maintain or even increase the productivity of client departments, and allows the City to take advantage of new technology.

Supplemental Information: There is currently a backlog for vehicles and equipment that are due for replacement according to the replacement guidelines, and this funding will allow for the following replacements: seven CNG pickup trucks; five trailers; and two ambulances. Of the 16 vehicles and pieces of equipment scheduled for replacement in Fiscal Year 2019, seven support General Fund operations (\$616,000), and nine support the operations of various Enterprise Funds (\$433,000). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available. All of vehicles and equipment planned for replacement are currently beyond existing replacement guidelines for age and mileage accumulation, or are being replaced due to functional obsolescence.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2018-Spring 2019
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road, Palo Alto, CA

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** There is no incremental cost increase associated with replacing vehicles according to the replacement schedule.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-19000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other					\$1,049,000	\$1,049,000
Total Budget Request					\$1,049,000	\$1,049,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund					\$1,049,000	\$1,049,000
Total Sources of Funds					\$1,049,000	\$1,049,000



SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-18000)

Description: This project will involve the scheduled replacement of existing City fleet vehicles and equipment for Fiscal Year 2018.

Justification: The ongoing replacement of City fleet vehicles and equipment is prescribed by City Policy and Procedures Section 4-01. The policy includes guidelines for these replacements based on age, mileage accumulation, and obsolescence. Timely replacement of vehicles lowers maintenance costs, helps to maintain or even increase the productivity of client departments, and allows the City to take advantage of new technology.

Supplemental Information: There is currently a backlog for vehicles and equipment that are due for replacement according to the replacement guidelines, and this funding will allow for the following replacements: 6 pickup trucks; two patrol vehicles; three SUVs; one aerial truck; and 6 miscellaneous equipment units. Of the 24 vehicles and pieces of equipment scheduled for replacement in FY 2018, 11 support the operations in the General Fund (\$645,000), and 13 support the operations of various Enterprise Funds (\$1,382,000). A charge is assessed from the Vehicle Fund to the applicable funds each year for the eventual replacement of vehicles and equipment, so that when the time comes for replacement, funds have been accumulated and are available. All of the vehicles planned for replacement are currently beyond existing replacement guidelines for age and mileage accumulation, or are being replaced due to functional obsolescence. As these vehicles continue to age, their reliability will decrease dramatically.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2017-Spring 2018
- **Managing Department:** Public Works
- **Location:** 3201 East Bayshore Road, Palo Alto, CA

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under section 15301.
- **Design Elements:** None
- **Operating:** There is no incremental cost increase associated with replacing vehicles according to the replacement schedule.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Natural Environment
- **Section:** Air Quality
- **Goal:** N-5
- **Policy:** N-26
- **Program:** N-41

SCHEDULED VEHICLE AND EQUIPMENT REPLACEMENTS (VR-18000) *CONTINUED*



Prior Years

Expended and Encumbered	\$0
Continuing Appropriations	

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other				\$2,027,000		\$2,027,000
Total Budget Request				\$2,027,000		\$2,027,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Vehicle Replacement Fund				\$2,027,000		\$2,027,000
Total Sources of Funds				\$2,027,000		\$2,027,000

Technology Fund

THIS PAGE IS INTENTIONALLY LEFT BLANK.



LIBRARY VIRTUAL BRANCH (TE-14002)

Description: This project funds the creation of a library virtual branch that will allow all library activities that take place in physical buildings to be accessible in an online environment. It will provide collections, customer service, programs, and community engagement using current web and mobile technology.

Justification: The Library Service Model Analysis and Recommendations (LSMAR), published in 2006, stated the library should "boldly address community needs through the provision of collection and services that meet leading edge standards for content, access and connectivity" to "efficiently and effectively serve all ages and support life-long learning." The Library Technology Plan 2009-2013 added the idea for a "full-service online library branch," noting that "mobile-friendly services" will be common by 2015.

Supplemental Information: In 2011 the Library Advisory Commission proposed building a virtual branch, integrating the library catalog with online resources and delivery that is web-based and mobile.



CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Other
- **Est. Timeline:** Summer 2013-Summer 2015
- **Managing Department:** Library
- **Potential Board/Commission Review:** LAC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA.
- **Operating:** Upon completion of this project, on-going costs for hosting and maintenance are expected; but amounts are unknown at this point.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Governance
- **Section:** Public Participation
- **Goal:** G-1
- **Policy:** G-3
- **Program:** G-6

LIBRARY VIRTUAL BRANCH (TE-14002) *CONTINUED*



Prior Years

Expended and Encumbered	\$13,100
Continuing Appropriations	\$86,900

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$95,000					\$95,000
Other						
Total Budget Request	\$95,000					\$95,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
General Fund	\$95,000					\$95,000
Total Sources of Funds	\$95,000					\$95,000



RADIO INFRASTRUCTURE REPLACEMENT (TE-05000)

Description: This project funds the annual replacement of various items in the City's telecommunications infrastructure inventory in accordance with a life-cycle replacement schedule. Having reliable and effective telecommunications (radio) infrastructure is vital to public safety. The City operates two radio systems; one in the UHF frequency band and one in the VHF frequency band. There are five radio sites for each system and the equipment at each site is on a replacement cycle.

Justification: The Information Technology Department continues to replace infrastructure equipment that makes up the Police, Fire, Public Works, Utilities, and Animal Services radio systems in accordance with the ongoing replacement schedule that began in Fiscal Year 2005. The Department carefully evaluates each piece of equipment and has created a multi-year, ongoing replacement schedule.

Supplemental Information: Several major replacements are planned:

- * Radio tower at MSC with a monopole (\$150,000)
- * Relocation of the Eagan school radio site (\$60,000)
- * Police mobile radios with multiband radios (\$200,000)
- * Police portable radios with multiband radios (\$200,000)
- * PW and other portables and mobiles (\$100,000)
- * Infrastructure equipment (\$200,000)
- * Radio consoles in Communications (\$450,000)
- * Voter Receivers (\$100,000)

Santa Clara County cities have formed the Silicon Valley Regional Interoperability Joint Powers Authority to develop regional radio and data sharing networks. A 700MHz radio system is in phase one of deployment in the cities of Sunnyvale and Santa Clara. Much of the system's infrastructure is grant funded. If Palo Alto joins the regional network, there will be costs to replace all mobile radios, legacy portable radios, and additional portable mobile radios for Fire.

CIP FACTS:

- **Project Type:** Nonrecurring
- **Project Stage:** Construction
- **Est. Timeline:** 2008- 2018
- **Managing Department:** Police
- **Overall Project Completion:** 40%
- **Potential Board/Commission Review:** Possibly ARB review

IMPACT ANALYSIS:

- **Environmental:** Possible exemption.
- **Design Elements:** None
- **Operating:** This project will incur operating expense, and the budget is included in the Police Department.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Customer Service
- **Goal:** C-2
- **Policy:** C-9

RADIO INFRASTRUCTURE REPLACEMENT (TE-05000)

CONTINUED



Prior Years

Expended and Encumbered	\$1,375,394
Continuing Appropriations	\$1,290,586

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs	\$100,000	\$100,000	\$100,000	\$100,000		\$400,000
Other						
Total Budget Request	\$100,000	\$100,000	\$100,000	\$100,000		\$400,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$5,000	\$5,000	\$5,000	\$5,000		\$20,000
Gas Fund	\$5,000	\$5,000	\$5,000	\$5,000		\$20,000
General Fund	\$64,000	\$64,000	\$64,000	\$64,000		\$256,000
Stanford	\$16,000	\$16,000	\$16,000	\$16,000		\$64,000
Wastewater Collection Fund	\$5,000	\$5,000	\$5,000	\$5,000		\$20,000
Water Fund	\$5,000	\$5,000	\$5,000	\$5,000		\$20,000
Total Sources of Funds	\$100,000	\$100,000	\$100,000	\$100,000		\$400,000



UTILITIES CUSTOMER BILLING SYSTEM CONTINUOUS IMPROVEMENTS (TE-10001)

Description: This project will enhance the Utilities billing modules in SAP. The primary purpose is to enhance the system to include new legislation and legal requirements. Funding will also be utilized to improve existing system business processes where efficiencies or changes are required. Recent plans include further securing customer sensitive data, improvements to the most commonly used SAP screens, and to begin a Utilities Technology Strategic Plan.

Justification: After the Utilities billing software implementation in May 2009, staff identified ongoing changes required to add necessary legislative and regulatory requirements. This project also includes enhancement to online e-services, bill presentation, quality controls, process integration, new functionality, enhanced reporting capabilities, and data accessibility. These may require business process re-engineering, utilities bill updates, and/or rate adjustments.

Supplemental Information: This project is necessary in order to provide software system updates to meet customer, regulatory, and governing requirements. This project is in response to Council requests regarding enhancements to the Utilities billing system. The Enterprise Funds share proportionately in the costs of this project.



CIP FACTS:

- **Project Type:** Annual Recurring
- **Project Stage:** Other
- **Managing Department:** Utilities
- **Potential Board/Commission Review:** PTC

IMPACT ANALYSIS:

- **Environmental:** This project is categorically exempt from CEQA under Section 15301.
- **Design Elements:** None
- **Operating:** Annual maintenance is funded in the SAP ERP maintenance budget in the Technology Fund.

Relationship to Comprehensive Plan

Primary Connection

- **Element:** Community Services & Facilities
- **Section:** Customer Service
- **Goal:** C-2
- **Policy:** C-10
- **Program:** C-12

UTILITIES CUSTOMER BILLING SYSTEM CONTINUOUS IMPROVEMENTS (TE-10001) *CONTINUED*



Prior Years

Expended and Encumbered	Ongoing
Continuing Appropriations	\$468,588

Expenditures

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Salaries and Benefits						
Design Costs						
Construction Costs						
Other	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000
Total Budget Request	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Revenues

	FY 2015	FY 2016	FY 2017	FY 2018	FY 2019	Total Funding
Electric Fund	\$122,855	\$122,855	\$122,855	\$122,855	\$122,855	\$614,275
Fiber Optics Fund	\$941	\$941	\$941	\$941	\$941	\$4,705
Gas Fund	\$47,317	\$47,317	\$47,317	\$47,317	\$47,317	\$236,585
Refuse Fund	\$28,719	\$28,719	\$28,719	\$28,719	\$28,719	\$143,595
Storm Drainage Fund	\$6,142	\$6,142	\$6,142	\$6,142	\$6,142	\$30,710
Wastewater Collection Fund	\$15,856	\$15,856	\$15,856	\$15,856	\$15,856	\$79,280
Water Fund	\$28,170	\$28,170	\$28,170	\$28,170	\$28,170	\$140,850
Total Sources of Funds	\$250,000	\$250,000	\$250,000	\$250,000	\$250,000	\$1,250,000

Supplemental Information

THIS PAGE IS INTENTIONALLY LEFT BLANK.

CIP Projects Budgeted in Prior Years

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	Current Budget	FY 2014 YTD		Available Budget
			Actual Costs	Encumbrances	
General Fund CIP Projects					
AC-09002	New Sound System for Lucie Stern Community Theatre	193,156	8,256	164,240	20,660
AC-12001	Junior Museum & Zoo Perimeter Fence	18,899	0	0	18,899
FD-12000	ALS EKG Monitor Replacement	99,936	92,966	0	6,969
FD-13000	Lng Rng CCTV Cameras	65,000	0	0	65,000
FD-14002	Fire Ringdown System Replacement	157,500	0	0	157,500
LB-11000	Furniture & Technology for Library Projects	1,636,645	402,822	438,950	794,872
OS-00002	Open Space Lakes and Pond Maintenance	49,920	35,000	0	14,920
OS-07000	Foothills Park Road Improvements	125,000	0	0	125,000
OS-09002	Baylands Emergency Access Levee Repair	120,902	0	0	120,902
PD-14000	Internal Alarm System Replacement	78,000	0	0	78,000
PE-00104	San Antonio Road Medians	126,716	58,823	0	67,893
PE-06005	University Ave. Gateway Landscaping Improvements	4,128	0	0	4,128
PE-06007	Park Restroom Installation	625,652	118,157	33,985	473,510
PE-08004	Lytton Plaza Renovation	20,516	3,542	0	16,974
PE-09002	Greer Park Irrigation System Replacement and Phase IV	2,669	0	0	2,669
PE-09005	Downtown Library Improvements	46,245	0	45,631	614
PE-09006	Mitchell Park Library and Community Center New Construction	12,594,893	6,025,530	6,237,690	331,673
PE-09010	Library & Community Center - Temporary Facilities	135,261	0	23,861	111,400
PE-10002	Ventura Community Center and Park	174,684	140,475	0	34,209
PE-11000	Rinconada Library New Construction and Improvements	22,460,230	8,456,099	12,767,609	1,236,522
PE-12002	Tree Wells - University Ave. Irrigation Alternatives	46,386	32,551	0	13,835
PE-12004	Municipal Services Center Facilities Study	249,780	0	0	249,780
PE-12009	Alma Street/University Avenue Bridge Guardrail Repair	82,512	232	0	82,280
PE-12012	Eleanor Pardee Park Improvements	673,040	471,521	156,426	45,094
PE-12013	Magical Bridge Playground	1,205,467	22,247	52,892	1,130,329
PE-12017	City Hall First Floor Renovations	2,246,682	251,805	1,593,916	400,960
PE-13003	Parks, Trails, Open Space, and Recreation Master Plan	505,677	37,427	376,665	91,585
PE-13005	City Hall/King Plaza Landscape	174,041	44,663	31,777	97,601
PE-13007	El Camino Dog Park	260,000	670	0	259,330
PE-13008	Bowden Park Improvements	356,041	7,936	33,000	315,105

CIP Projects Budgeted in Prior Years

Cont'd.

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	FY 2014 YTD			Available Budget
		Current Budget	Actual Costs	Encumbrances	
PE-13010	Greer Park Renovations	300,000	51,521	59	248,420
PE-13012	Structural Assessment of City Bridges	185,394	0	0	185,394
PE-13014	Streetlights Condition Assessment	220,078	0	0	220,078
PE-13016	El Camino Park Expanded Parking Lot and New Restroom	960,000	16,148	0	943,852
PE-13020	Byxbee Park Trails	339,233	2,703	64,471	272,059
PE-13022	University Ave Pedestrian/Bicycle Underpass Rehabilitation	33,968	0	0	33,968
PE-14010	LATP Site Development Preparation and Security Improvements	1,668,782	7,471	172,141	1,489,171
PE-14015	Lucie Stern Buildings Mechanical/Electrical Upgrades	2,791,964	180,251	97,558	2,514,154
PE-98020	Public Safety Building Project	94,919	9,070	0	85,849
PF-04000	Security System Improvements	59,768	0	0	59,768
PF-05003	Foothills Park Interpretive Center Improvements	84,708	18,965	7,350	58,393
PF-06004	Cubberley Restroom Upgrades	297,729	50	0	297,678
PF-07003	Children's Theatre Fire/Life Safety Upgrades	231,580	0	0	231,580
PF-07011	Roth Building Maintenance	258,576	0	0	258,576
PF-09000	Children's Theater Improvements	340,000	52,172	0	287,828
PF-10002	Lot J Structure Repair	168,580	0	0	168,580
PF-11001	Council Chamber Carpet Replacement	80,000	0	71,500	8,500
PF-12004	City Wide Backflow Preventer Installation	154,357	0	0	154,357
PF-13001	Lucie Stern Mechanical System Upgrade	100,000	0	0	100,000
PF-14000	Cubberley Roof Replacements	453,931	0	0	453,931
PF-14002	Fire Station 1 Improvements	280,377	0	0	280,377
PF-93009	Americans with Disabilities Act Compliance	429,713	11,598	0	418,115
PG-09003	Park Maintenance Shop Remodel	94,419	0	0	94,419
PG-11000	Hopkins Park Improvements (formerly PE-07001)	90,900	7,900	500	82,500
PG-11001	Cogswell Plaza Improvements (formerly PE-07004)	11,231	0	0	11,231
PG-11002	Monroe Park Improvements (formerly PE-11003)	246,800	794	9,300	236,706
PG-11003	Scott Park Improvements (formerly PE-11004)	100,000	618	0	99,383
PG-12001	Stanford/Palo Alto Playing Fields Netting	50,000	0	0	50,000
PG-12002	Golf Course Tree Maintenance	122,779	3,597	0	119,182
PG-12004	Sarah Wallis Park Improvements	65,000	0	0	65,000

CIP Projects Budgeted in Prior Years

Cont'd.

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	FY 2014 YTD			Available Budget
		Current Budget	Actual Costs	Encumbrances	
PG-12005	Relocate Power Poles for Soccer Field	100,000	0	0	100,000
PG-13002	El Camino Park Playing Fields and Amenities	3,435,286	57,875	0	3,377,411
PG-13003	Golf Reconfiguration & Baylands Athletic Center Improvements	8,273,397	270,024	65,116	7,938,258
PL-11001	Dinah SummerHill Pedestrian/Bicycle Path	116,053	3,864	0	112,189
PL-11002	California Avenue- Transit Hub Corridor Project	1,629,346	267,813	687,566	673,967
PL-11003	Palo Alto - Traffic Signal Central System Upgrade	364,472	0	0	364,472
PO-10002	Downtown Tree Grates	261,985	0	0	261,985
PO-12000	Wilkie Way Bridge Tile Deck Replacement	50,000	37,316	3,775	8,908
PO-12002	LATP Site Development Preparation and Security Improvements	233,697	59,118	0	174,578
PO-12003	Foothills Wildland Fire Mitigation Program	180,116	63,723	26,498	89,895
SD-06102	San Francisquito Creek Storm Water Pump Station	36,246	1,088	0	35,158
SD-10101	Southgate Neighborhood Storm Drain Improvements	1,085,839	164,827	904,207	16,805
SD-11101	Channing Ave/Lincoln Avenue Storm Drain Improvements	3,695,465	366,754	192,754	3,135,957
<u>Electric Fund</u>					
EL-04010	Foothills System Rebuild	110,587	28,458	0	82,129
EL-05000	El Camino Underground Rebuild	396,287	99,354	0	16,964
EL-06002	UG District 45 - Downtown V	144,856	9,142	2,961	132,753
EL-09003	Rebuild UG District 17 (Downtown)	484,429	1,844	0	482,586
EL-09004	W.Charleston/Wilkie Way to South City Limit 4/12kV Conversion	635,000	0	0	635,000
EL-10008	Advanced Metering Infrastructure (AMI) System	204,597	17,780	22,500	164,316
EL-10009	Street Light System Conversion Project	2,658,383	403,515	498,187	1,756,354
EL-11001	Torreya Court Rebuild	15,224	8,029	0	7,195
EL-11003	Rebuild UG District 15	469,210	6,434	0	458,666
EL-11004	Hewlett Subdivision Rebuild Los Trancos Road	193,406	12,772	0	180,634
EL-11007	Rebuild Greenhouse Condo Area	347,384	5,925	222,000	119,460
EL-11008	Rebuild UG District 19	104,880	0	0	102,918
EL-11015	Reconductor 60kV Overhead Transmission System	1,448,300	1,031,210	62,257	354,833
EL-12000	Rebuild UG District 12	461,185	720	300,000	160,464
EL-12002	Hanover 22 - Transformer Replacement	94,009	87,329	0	6,679

CIP Projects Budgeted in Prior Years

Cont'd.

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	FY 2014 YTD			Available Budget
		Current Budget	Actual Costs	Encumbrances	
EL-13004	Hansen Way / Hanover 12kV Ties	275,000	0	0	275,000
EL-13006	Sand Hill / Quarry 12kV Tie	249,891	11,347	0	130,730
EL-13008	Upgrade Electric Estimating System	150,000	0	0	150,000
EL-14004	Maybell 1&2 4/12kV Conversion	450,000	0	0	450,000
Gas Fund					
GS-01019	GPS Global Positioning	82,448	0	2,810	79,638
GS-02013	Directional Boring Machine	520,764	221,228	0	299,536
GS-03007	Directional Boring Equipment	199,252	43,950	0	155,303
GS-03008	Polyethylene Fusion Equipment	55,886	26,697	22	29,168
GS-08000	Gas Station 2 Rebuild	10,023	0	0	10,023
GS-09000	Gas Station 1 Rebuild	6,631	0	0	6,631
GS-09002	GMR - Project 19	4,519,005	1,783,374	2,051,126	684,505
GS-10000	Gas Station 3 Rebuild	8,489	0	0	8,489
GS-10001	GMR - Project 20	6,519,841	634,166	5,382,045	503,630
GS-11000	GMR - Project 21	5,878,721	3,511,143	2,189,310	178,268
GS-11001	Gas Station 4 Rebuild	16,897	0	0	16,897
GS-13003	Cooperatively-owned Back-up Generators	315,000	0	0	315,000
GS-14004	Gas Distribution System Model	150,000	1,392	75,000	73,608
Water Fund					
WS-07000	Water Regulation Station Improvements	326,936	30,112	24	296,799
WS-07001	Water Recycling Facilities	394,519	4,442	192,338	197,739
WS-09001	WMR - Project 23	124,688	12,667	2,918	109,104
WS-10001	WMR-Project 24	462,132	253,827	0	208,305
WS-11000	WMR-Project 25	3,433,284	117,945	0	3,315,339
WS-13003	GPS Equipment Upgrade	200,000	0	0	200,000
WS-13004	Asset Management Mobile Deployment	100,000	0	0	100,000
WS-13006	Water Meter Shop Renovations	287,148	126,607	106,686	53,855

CIP Projects Budgeted in Prior Years

Cont'd.

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	Current Budget	FY 2014 YTD Actual Costs	Encumbrances	Available Budget
<u>Wastewater Collection Fund</u>					
WC-07004	WW Collection Sys. Rehab/Aug. Project 21	96,044	56,589	4,373	35,082
WC-08012	WW Collection Sys. Rehab/Aug. Project 22	188,809	0	0	188,809
WC-10002	WW Collection Sys. Rehab/Aug. Project 23	2,457,547	890,531	1,312,964	254,052
WC-11000	WW Collection Sys. Rehab/Aug. Project 24	2,967,027	380,004	19,492	2,567,530
WC-12001	WW Collection Sys. Rehab/Aug. Project 25	3,158,502	235,450	16,851	2,906,201
<u>Refuse Fund</u>					
RF-09004	LATP Site Development Preparation	21,349	0	0	21,349
RF-10002	Flare Relocation Project	740,997	697,843	39,309	3,845
RF-10003	Drying Beds, Material Storage, and Transfer Area	53,031	0	0	53,031
RF-11001	Landfill Closure	5,768,586	519,523	2,275,122	2,973,941
<u>Wastewater Treatment Fund</u>					
WQ-80022	System Flow Meter	172,453	9,770	1,010	161,673
<u>Technology Fund</u>					
TE-00010	Telephone System Replacement	849,452	137,301	251,675	460,476
TE-01012	IT Disaster Recovery Plan	524,794	41,846	271,116	211,832
TE-02013	Instntl Network (I-N)	575,887	0	0	575,887
TE-06001	Library RFID Implementation	564,828	75,379	140,823	348,625
TE-07006	SAP Continuous Improvement Project	95,694	65,428	1,949	28,317
TE-08004	Fire Mobile Data Computer	61,083	0	55,001	6,082
TE-09000	Public Safety Computer-Aided Dispatch Replacement	1,064,626	247,786	36,801	780,038
TE-11001	Library Computer System Software	499,925	51,200	378,150	70,575
TE-12001	Dev Center Blueprint Tech Enhancements	1,623,005	291,014	109,192	1,222,800
TE-13001	Interactive Voice Response (IVR)	200,000	0	0	200,000
TE-13002	Employee Self Service/Manager Self Service Enhancements	150,000	0	0	150,000
TE-13003	SAP Refuse Billing Improvements	250,000	0	0	250,000
TE-95016	Permit Information Tracking System	176,648	0	0	176,648
TE-99010	Acquisition of New Computers	188,074	0	0	188,074

CIP Projects Budgeted in Prior Years

Cont'd.

List of CIP Projects Budgeted in Prior Years and Continuing in FY 2015, and not Budgeted in FY 2015-19 CIP Plan

CIP Number	Project Title	Current Budget	FY 2014 YTD		Available Budget
			Actual Costs	Encumbrances	
<u>Vehicle Replacement and Maintenance Fund</u>					
VR-01001	MSC Fuel Storage Tank/Svc Island Replacement	67,603	3,161	1	64,441
VR-04010	Vehicle Maintenance Facility Upgrades	262,860	0	24,292	238,568
VR-06801	Replace Citywide Fuel Transaction and Inventory Management System	109,838	883	22,968	85,987
VR-07001	Automated Motor Pool Reservation and Vehicle Key Management System	10,979	0	0	10,979
VR-07002	Diesel Truck Engine Emissions Retrofits	25,344	0	0	25,344
VR-11000	Vehicle Replacement	325,177	0	0	325,177
VR-12001	In-Ground Vehicle Lift	83,525	0	0	83,525
VR-13000	Scheduled Vehicle and Equipment Replacement	2,887,981	1,380,313	46,896	1,460,772
VR-14000	Scheduled Vehicle and Equipment Replacement	3,000,000	22,003	1,594,416	1,383,581
VR-14002	MSC Fuel Station Demolition	240,000	16,950	33,000	190,050
VR-92006	Fuel Storage Tanks Upgrade	9,664	465	0	9,199

Index by Project Number

CAPITAL PROJECT FUND

AC-14000	Art Center Auditorium Audio, Visual, and Furnishings.	75
AC-14001	Baylands Nature Interpretive Center Exhibit Improvements.	76
AC-86017	Art in Public Places	121
AS-10000	Salaries and Benefits - General Fund CIP Projects	171
OS-00001	Open Space Trails and Amenities.	135
OS-09001	Off-Road Pathway Resurfacing and Repair	133
PE-08001	Rinconada Park Improvements	142
PE-09003	City Facility Parking Lot Maintenance	81
PE-11011	Highway 101 Pedestrian/Bicycle Overpass Project (formerly PL-11000)	159
PE-12011	Newell Road/San Francisquito Creek Bridge Replacement	108
PE-13011	Charleston/Arastradero Corridor Project	155
PE-13017	El Camino Median Landscape Improvements.	104
PE-14012	Junior Museum & Zoo Improvements	88
PE-15011	Ventura Buildings Improvements.	98
PE-15020	Civic Center Waterproofing Study and Repairs.	84
PE-15022	Palo Alto Community Gardens Irrigation System	137
PE-15028	Baylands Levee Improvements Feasibility Study	124
PE-15029	Baylands Interpretive Center Improvements	123
PE-17005	Boulware Park Improvements	127
PE-18010	Mitchell Park Improvements	132
PE-18012	Hoover Park Improvements	130
PE-18015	Robles Park Improvements.	144
PE-18016	Civic Center Fire Life Safety and Electrical Upgrades	83
PE-86070	Street Maintenance.	115
PF-00006	Roofing Replacement	94
PF-01003	Building Systems Improvements	77
PF-02022	Facility Interior Finishes Replacement.	86
PF-14003	University Avenue Parking District Parking Improvements	96
PF-14004	California Avenue Parking District Parking Improvements	79
PF-15000	Rinconada Pool Locker Room	92
PF-17000	Municipal Services Center Building A, B, & C Roofing Rehabilitation	90
PF-93009	Americans with Disabilities Act Compliance	73
PG-06001	Tennis and Basketball Court Resurfacing	148
PG-06003	Benches, Signage, Fencing, Walkways, and Perimeter Landscaping.	126
PG-09002	Park and Open Space Emergency Repairs	139
PG-13001	Stanford/Palo Alto Soccer Turf Replacement	146
PG-14000	Ramos Park Improvements.	141
PG-14001	Peers Park Improvements.	140
PG-14002	Cameron Park Improvements.	128
PG-14003	Seale Park Improvements.	145
PG-18000	Golf Course Driving Range Net and Artificial Turf Replacement	129
PL-00026	Safe Routes to School	163
PL-04010	Bicycle & Pedestrian Transportation Plan Projects.	153
PL-05030	Traffic Signal and Intelligent Transportation System (ITS) Upgrades	165
PL-12000	Transportation and Parking Improvements	167
PL-14000	El Camino Real & Churchill Avenue Intersection Improvements.	157
PL-14001	Matadero Creek Trail.	161

Index by Project Number

PL-15001	Embarcadero Road Corridor Improvements	106
PO-05054	Street Lights Improvements	114
PO-11000	Sign Reflectivity Upgrade	112
PO-11001	Thermoplastic Lane Marking and Striping	117
PO-12001	Curb and Gutter Repairs	103
PO-89003	Sidewalk Repairs	110

ELECTRIC FUND

EL-02010	SCADA System Upgrades	216
EL-02011	Electric Utility GIS	199
EL-04012	Utility Site Security Improvements	234
EL-06001	230 KV Electric Intertie	185
EL-06003	Utility Control Center Upgrades	232
EL-08001	UG District 42 - Embarcadero Rd. (Between Emerson & Middlefield)	222
EL-09000	Middlefield Underground Rebuild	201
EL-10006	Rebuild UG District 24	209
EL-11006	Rebuild UG District 18	205
EL-11009	UG District 43 - Alma/Embarcadero	224
EL-11010	UG District 47 - Middlefield, Homer Avenue, Webster Street and Addison Avenue	228
EL-11014	Smart Grid Technology Installation	217
EL-12001	UG District 46 - Charleston/El Camino Real	226
EL-13000	Edgewood/Wildwood 4 kV Tie	192
EL-13002	Relocate Quarry Road/Hopkins Substations 60 kV Line (Lane A & B)	214
EL-13003	Rebuild UG District 16	203
EL-13007	Underground Distribution System Security	230
EL-14000	Coleridge/Cowper/Tennyson 4/12 kV Conversion	187
EL-14002	Rebuild UG District 20	204
EL-14005	Reconfigure Quarry Feeders	212
EL-15000	Colorado/Hopkins System Improvement	189
EL-15001	Electric Substation Battery Replacement	195
EL-16000	Rebuild UG District 26	211
EL-89028	Electric Customer Connections	193
EL-89031	Communications System Improvements	190
EL-89038	Substation Protection Improvements	220
EL-89044	Substation Facility Improvements	219
EL-98003	Electric System Improvements	197

FIBER OPTICS FUND

FO-10000	Fiber Optics Customer Connections	239
FO-10001	Fiber Optics Network System Improvements	241

GAS FUND

GS-03009	System Extensions - Unreimbursed	265
GS-11002	Gas System Improvements	260
GS-12001	Gas Main Replacement - Project 22	249

Index by Project Number

GS-13001	Gas Main Replacement - Project 23.....	251
GS-13002	Gas Equipment and Tools.....	247
GS-14003	Gas Main Replacement - Project 24.....	253
GS-15000	Gas Main Replacement - Project 25.....	255
GS-15001	Security at City Gas Receiving Stations.....	264
GS-16000	Gas Main Replacement - Project 26.....	257
GS-80017	Gas System, Customer Connections.....	262
GS-80019	Gas Meters and Regulators.....	259

STORM DRAINAGE FUND

SD-06101	Storm Drain System Replacement and Rehabilitation.....	343
SD-13002	Matadero Creek Storm Water Pump Station and Trunk Lines Improvements.....	339
SD-15008	Storm Drain Master Plan Update.....	341

TECHNOLOGY FUND

TE-05000	Radio Infrastructure Replacement.....	371
TE-10001	Utilities Customer Billing System Continuous Improvements.....	373
TE-14002	Library Virtual Branch.....	369

VEHICLE REPLACEMENT FUND

VR-15000	Scheduled Vehicle and Equipment Replacements.....	359
VR-15001	Emergency Repair and Replacement Program.....	355
VR-16000	Scheduled Vehicle and Equipment Replacements.....	357
VR-17000	Scheduled Vehicle and Equipment Replacements.....	361
VR-18000	Scheduled Vehicle and Equipment Replacements.....	365
VR-19000	Scheduled Vehicle and Equipment Replacements.....	363

WASTEWATER COLLECTION FUND

WC-13001	Wastewater Collection System Rehabilitation/Augmentation Project 26.....	317
WC-13002	Wastewater Fusion and General Equipment/Tools.....	319
WC-14001	Wastewater Collection System Rehabilitation/Augmentation Project 27.....	307
WC-15001	Wastewater Collection System Rehabilitation/Augmentation Project 28.....	309
WC-15002	Wastewater System Improvements.....	321
WC-16001	Wastewater Collection System Rehabilitation/Augmentation Project 29.....	311
WC-17001	Wastewater Collection System Rehabilitation/Augmentation Project 30.....	313
WC-19001	Wastewater Collection System Rehabilitation/Augmentation Project 31.....	315
WC-80020	Sewer System, Customer Connections.....	305
WC-99013	Sewer Lateral/Manhole Rehab/Replacement.....	303

WASTEWATER TREATMENT FUND

WQ-04011	Facility Condition Assessment & Retrofit.....	327
WQ-14001	Biosolids Facility.....	325
WQ-14002	Laboratory and Environmental Services Building.....	330

Index by Project Number

WQ-14003	Primary Sedimentation Tank Rehabilitation	332
WQ-14004	Fixed Film Reactor Rehabilitation	328
WQ-80021	Plant Equipment Replacement	331

WATER FUND

WS-02014	Water, Gas, Wastewater Utility GIS Data	296
WS-08001	Water Reservoir Coating Improvements	287
WS-09000	Seismic Water System Upgrades.	271
WS-11003	Water Distribution System Improvements.	272
WS-11004	Water System Supply Improvements	292
WS-12001	Water Main Replacement - Project 26	275
WS-13001	Water Main Replacement - Project 27	277
WS-13002	Water Fusion and General Equipment/Tools.	273
WS-14001	Water Main Replacement - Project 28	279
WS-15002	Water Main Replacement - Project 29	281
WS-15004	Water System Master Plan	290
WS-16001	Water Main Replacement - Project 30	283
WS-80013	Water System, Customer Connections	294
WS-80014	Water Service Hydrant Replacement	289
WS-80015	Water Meters	285

AIRPORT FUND

AP-15001	Temporary Airport Terminal	347
----------	--------------------------------------	-----

Americans with Disabilities Act



IN COMPLIANCE WITH
AMERICANS WITH DISABILITIES ACT (ADA) OF 1990,
THIS DOCUMENT MAY BE PROVIDED
IN OTHER ACCESSIBLE FORMATS.

For information contact:

ADA Coordinator
City of Palo Alto
285 Hamilton Ave
(650) 329-2496

Key Budget Terms

Adopted Budget: The adopted budget is the annual City budget approved by the City Council on or before June 30.

Appropriation: The allocation of an expense budget for a particular project or program usually for a specific period of time.

Budget Stabilization Reserve: The portion of the fund balance to be used as a supplement to the regular budget when unexpected events that reduce revenue or create obligations that significantly impact the current-year budget occur. Examples include events such as state government action, a downturn in the economy or natural disaster that.

Capital Budget: A plan of Adopted capital outlays and the means of financing them for the current fiscal period. In a two-year budget, the second year of the Capital Improvement Program is adopted-in-concept.

Capital Improvement Program (CIP): The Capital Improvement Program accounts for projects related to the acquisition, expansion, or rehabilitation of the City's buildings, equipment, parks, streets, and other public infrastructure.

Capital Improvement Fund: A fund created to account for all resources to be used for the construction or acquisition of designated fixed assets by a governmental unit except those financed by proprietary or fiduciary funds.

Comprehensive Plan: The Palo Alto Comprehensive Plan contains the City's official policies on land use and community design, transportation, housing, natural environment, business and economics, and community services. Its policies apply to both public and private properties. Its focus is on the physical form of the City. The Adopted Budget integrates the 1998-2010 Comprehensive Plan into the budget process.

Cost Accounting: The branch of accounting that provides for the assembling and recording of all the elements of cost incurred to accomplish a purpose, to carry on an activity or operation, or to complete a unit of work or a specific job.

Enterprise Funds: Enterprise funds account for City operations that are financed and operated in a manner similar to private enterprise. Costs of providing service to the public are covered by user charges, grant funds, and impact fees. The City of Palo Alto owns and operates its own utilities with the exception of refuse hauling and collection, which is contracted with an outside firm.

Fiscal Agent: A bank or other corporate fiduciary that performs the function of paying, on behalf of the governmental unit, or other debtor, interest on debt or principal of debt when due.

Fiscal Year: A 12-month period of time to which the annual budget applies and at the end of which a governmental unit determines its financial position and the results of operations.

Fixed Assets: Assets of a long-term character that are intended to continue to be held or used, such as land, buildings, machinery, furniture, and other equipment.

Funds: Local government budgets are made up of funds, which help to organize and account for restricted resources. Each fund is considered a separate accounting entity.

Governmental Funds: A generic classification used to refer to all funds other than proprietary and fiduciary funds. The capital projects fund is one example of the type of funds referred to as "Governmental Funds."

Infrastructure Assets: Roads, bridges, curbs and gutters, streets, sidewalks, drainage systems, and lighting systems installed for the common good.

Infrastructure Management Plan (IMP): A portion of the General Fund capital improvement program which focuses on rehabilitating the City's infrastructure. In 1998-99, an outside consultant on the City's infrastructure prepared a report known as the Adamson report. Within this report the City's infrastructure was catalogued and ranked based on when the infrastructure needed to be upgraded or replaced and the cost for each item. At that time, the City Council decided to establish a plan using the Adamson report as a guide for both timeline and cost.

Internal Service Funds: These funds provide services to City departments and recover their costs through user charges. For example Vehicle Replacement Fund is an Internal Service Fund managing the replacement and maintenance of the City fleet.

Method of Accounting: The City's General Fund budget is developed using a modified accrual basis of accounting, with revenues being recorded when measurable and available, and expenditures recorded when the liability is incurred. Enterprise Funds and Internal Service Funds are budgeted on a generally accepted accounting principles (GAAP) basis, which for Proprietary Funds is on a full accrual accounting basis.

Operating Transfer: Amounts transferred between funds, not considered a revenue or expense. For example, legally authorized transfers from a fund receiving revenue to the fund through which the resources are to be expended.

Pay-As-You-Go-Basis: A term used to describe the financial policy of a governmental unit that finances all of its capital outlays from current revenues rather than by borrowing.

Adopted Budget: The Adopted budget is the budget that is sent to the Finance Committee by the City Manager. The Adopted budget, including changes made by the Finance Committee during their review, is approved by the Council and then becomes the adopted budget.

Reimbursements: Interfund transactions that constitute reimbursements to a fund for expenditures or expenses initially made from it but that properly apply to another fund. For example, the Enterprise Funds reimburse the Technology Fund for CIP projects from which the Enterprise Funds benefit.

Reserve: Represents the portion of fund balance set aside for financing future capital improvements or the outlay of capital projects in any given year, and addressing one-time emergency needs.

Revenues: Revenues include compensation received by the project for specific services to the public (external revenues), as well as revenues received from other funds (internal revenues).

Special Revenue Funds: These funds account for the proceeds derived from specific revenue sources that are legally restricted to expenditures for specified purposes. The Street Improvement Fund (SIF) is a Special Revenue Fund that derives its funding from state gas tax revenues. Capital appropriations from the SIF must be spent on the construction and maintenance of the road network system of the City.