



Town Manager's Report for January 19 – 23, 2015

Items to report from this week include the following:

Planning/ Building/ Engineering Update:

The City **Engineer's Report** is attached. Items in **red text** represent updates in project status.

At the January 20th Site Development hearing a landscape screening plan for a new residence under construction at **26560 Anacapa Drive** was approved. Several neighbors were in attendance. A condition was added to modify the species of trees to be planted along the road to ensure appropriate screening for neighbors living across the street. A second condition was added requiring the applicant to work with the adjacent neighbors on the screening along the common property line to ensure privacy in the neighbors' pool area.

Last Thursday, January 12th, **students** from Bullis Charter School helped transplant more than 1200 new native plants at **O'Keefe Preserve**. The planting is part of the **Purissima Creek restoration** project that is being overseen by biologists from Ecological Concerns, Inc. The January 21 edition of the Town Crier includes photos and a short story about the event.

10730 Mora Drive update: It has been determined that the pending applications for three new residences on nonconforming lots are incomplete. Planning and Engineering staff met with the applicant on January 22nd to review comments. The applicant will be submitting revised plans and information addressing the comments.

A copy of the notice that was sent by the Planning Department to property owners near **Foothill College** is attached. The notice advises the residents of the availability of the Mitigated Negative Declaration for the proposed Foothill-De Anza Community College District office building.

Public Safety Update:

The Sheriff's **weekly report** is attached.

On Tuesday, January 20th Town staff met in the council chambers with emergency coordinators and reps from different local agencies and institutions for a **Disaster Council Meeting** from 10:00-11:30am. Items discussed included a presentation of a new mapping program/ application that if properly inputted, can provide emergency responders with a [common operational picture](#) or in other words, a tool for assessing an overall disaster situation at a glance. Also in attendance were Mayor Courtenay Corrigan and Council member Gary Waldeck.

Administrative Services Update:

Attached is a report from **CalPERS** that looks at pension plan funding, sustainability and risk. Agency contribution rates are expected to remain high. Members face risk of benefit reductions if agencies terminate plans or otherwise [default](#) on obligations.

The City Manager attended a technical advisory committee meeting with other committee members and LAFCO staff as **LAFCO** undertakes its **Cities Service Review**. Attached is a flyer that provides further details on the project.

Parks and Recreation Update:

The **Los Altos Hills Dog Park** donated bench was installed by the Town crew this week. See attached photo. If you are interested in donating a bench please contact Parks and Recreation staff: 650-947-2518.

<https://www.facebook.com/TownofLosAltosHills/photos/pcb.10152264001442609/10152263996952609/?type=1&theater>

Over 40 people attended **Susanne Karlak photography talk** was held on Tuesday, January 22nd from 10:00-Noon in the Council Chambers. See photos below.

<https://www.facebook.com/media/set/?set=a.10152264077477609.1073741876.114351562608&type=1>

An announcement went out on Facebook, Twitter, Nextdoor and the Town website that Mayor, Courtenay C. Corrigan will hold **office hours** on Mondays from 10:00-Noon at Town Hall in the Heritage House.

http://www.losaltoshills.ca.gov/documents/announcements/mayor_corrigan_office_hours_2015.pdf

Staff met with **Victoria Dye Equestrian**. Attached please find the January Report and P&L for December.

The Youth Commission met this week and are gearing up to host a **Teen Movie Night** on Friday, February 6th from 7:00-9:00pm at the Town Hall Council Chambers. Flyer attached.

New contractor, Jensen began the turf renovation at **Purissima Park** including: clearing, seeding, top dressing and cutouts. Next week they will be installing sod.

If you have any questions or comments feel free to e-mail or call.

Carl

Last Updated on 1/23/2015

<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
1	I-280/Page Mill Interchange	<p>(10-3-14) Staff attended Palo Alto Planning & Transportation Commission meeting on 10-1-14. County staff presented update to Palo Alto commission on Expressway Plan 2040 with focus on Page Mill/Oregon Expressway and Foothill Expressway. (10-10-14) County presentation to Palo Alto has been put on the Town's website. Notice of community meeting on Oct. 21 for County Expressway Plan 2040 - Foothill Expressway has also been put on the Town's website. (10-17-14) County consultant working on three concepts for the interchange and collecting current traffic data for use in modeling. Public outreach process will be conducted by the County. (10-31-14) There will be a community meeting on December 2, 2014 in Los Altos Hills to discuss Page Mill/Oregon Expressway. (11-6-14) Staff met with technical working group 11/6/2014 to discuss three concepts are being developed. Concepts will be provided to the public for comments and input. Three public meetings have been set up by the County. Nov. 17 at SAP office in Palo Alto, Nov. 19 at Terman Middle School in Palo Alto, and Dec. 2 at Los Altos Hills Council Chambers. Flyers for public meetings are on the Town website. (11-21-14) The County of Santa Clara will be hosting a public meeting in Los Altos Hill on December 2, 2014. (12-5-14) Public meeting was conducted by the County on December 2 in the council chambers. Three overall concepts were modeled with the assumption that Page Mill Road from I-280 to Foothill is widened to 3 lanes in each direction. (12-12-14) Staff to attend another technical working group meeting week of 12/15. (12-19-14) County will be refining the roundabout concept to verify feasibility. Caltrans is also looking into the history of the Park n Ride to help determine what options may be available to address the capacity and bus problems. (1-9-15) County and Town staff to meet end of January to continue discussions. (1-16-15) County working on recommendations for Park n Ride, East side of I-280 and West side of I-280. (1-23-15) Staff met with County to discuss progress. County preparing to complete their proposal for the interchange and Page Mill/Oregon expressway. County staff to provide update to Council at the February meeting.</p>
2	El Monte Road Rehabilitation Project	<p>(8-29-14) Consultant working on design and CalTrans paperwork. Field review scheduled with CalTrans for September 19, 2014. (9-4-14) Staff and consultant working on environmental documents for CalTrans staff. (9-11-14) Field Review package sent to Caltrans for review. (9-19-14) Field review by CalTrans staff was conducted. Staff and consultant working on Caltrans paperwork. (11-6-14) E-76 package has been submitted to Caltrans. Documents being reviewed by Caltrans staff. (11-21-14) Caltrans has new requirement for a Quality Assurance Plan (QAP). Consultants working on revising the QAP. (12-5-14) Consultants working on additional technical memos required by Caltrans. (12-12-14) Caltrans reviewing documents. (12-19-14) Town received Caltrans NEPA-Categorical Exemption approval on 12-18-14. (1-9-15) Caltrans reviewing encroachment permit application. (1-16-15) Staff is clarifying some deadlines and escalating the encroachment permit issue to the Caltrans Encroachment Permit Office Chief. (1-23-15) Caltrans had comments on the E76 paperwork and Town consultants made revisions and resubmitted.</p>

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<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
3	Miranda Road Path	(12-19-14) Residents on Miranda Road are organizing to propose that a continuous path be built on the east side of Miranda. Staff met with residents to discuss options and to walk the road to layout possible path route. Staff reviewing estimate for budgeting purposes. (1-16-15) Staff provided feedback to the resident on Miranda. They will be presenting to Pathway Committee. (1-23-15) Staff provided information to Pathway Committee chair.
4	O'Keefe Lane and Vista Serena Drainage (Creek Clearing)	(5-17-13) Project awaiting funds. (11-21-14) Creek Clearing will required permits from Department of Fish and Game, Regional Water Quality Control Board, Army Corp. of Engineers, and perhaps other agencies. Staff continues to monitor and perform temporary mitigation.
5	Townwide Pathway and Roadway safety inspection program	(10-4-13) For the month of September 2013, staff performed corrective action on 20 potential liability issues identified by routine inspections. (11-15-13) For the month of October 2013, staff performed corrective action on 40 potential liability issues identified by routine inspections.(1-3-14) For the month of December 2013, staff performed corrective action on 18 potential liability issues identified by routine inspections. (2-28-14) For the month of January 2014, staff performed corrective action on 13 potential liability issues identified by routine inspections. (3-7-14) For the month of February 2014, staff performed corrective action on 5 potential liability issues identified by routine inspections. (6-6-14) For the months of April and May 2014 staff performed corrective action on 27 potential liability issues identified by routine inspections. (8-29-14) For the month of June staff performed corrective action on 11 potential liability issues identified by routine inspections. (9-19-14) For the month of July and August staff performed corrective action on 44 potential liability issues identified by routine inspections. (10-24-14) For the month of September staff performed corrective action on 8 potential liability issues identified by routine inspections. (1-9-15) For the months of October to December staff performed corrective action on 8 potential liability issues identified by routine inspections.
6	Robleda Road Pathway (Fremont to Beatrice) (Project #4)	(8-10-12) Permits have been received from various regulatory agencies. Waiting for funding. (11-21-14) Estimated project cost is over \$600,000. Staff had previously provided some additional signage and shifted the roadway slightly to increase the pathway width. Staff continues to look for possible grant funds. (1-23-15) Staff provided information to Pathway Committee chair.

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<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
7	Sewer Operations	<p>(7-25-14) Staff met with West Bay and provided Town system data. West Bay in the process of uploading the data to their system. Contract scheduled to begin August 1, 2014. (8-7-14) West Bay started work in Town. (9-11-14) Staff working on repair of pumps for dry-pit and emergency backup pumps. (10-17-14) Staff to meet with West Bay end of October to provide update on O&M. (11-21-14) West Bay performing cleaning and video work on problem areas based on historical data. Asset Management data from previous sewer contractor has been transferred to West Bay's asset management system. Draft report from consultant discussing sewer system being reviewed. (12-12-14) West Bay performing flushing and video work. They are concentrating on problem locations based on historical data and on lines that have not been cleaned for some time. West Bay has developed a hot spot list and will continue to adjust as more data is available. Staff still working out billing format, mapping, procedures, etc. with West Bay as is common with new contracts. Due to new permit requirement staff is working with a consultant through ABAG to update the Town's Overflow Emergency Response Plan (OERP) for the Sanitary Sewer Management Plan. Staff is reviewing the draft plan with West Bay and Regional Board staff to ensure compliance with new requirements. (12-19-14) West Bay provided minor comments on the draft OERP, staff working with consultant to finalize the document.</p>
8	Wet weather flow monitoring	<p>(12-19-14) Due to the amount of wet weather we had recently, there is an opportunity to obtain good wet season sewer flow data. Staff will propose to obtain approval for the City Manger to authorize flow meter installation prior to a storm event. (1-9-15) Staff will be requesting Council approval at the January meeting. (1-16-15) Council authorized City Manager to execute necessary agreements for flow meter installation.</p>

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Tasks	Project Name	Latest Status
9	Erosion on Page Mill Road near Baleri Ranch Rd	<p>Phase 1 of the project to stabilize the roadway has been completed. A second phase will be needed to widen the shoulder and prevent the creek erosion from impacting the existing culvert crossing. Staff met with SCVWD to discuss how the district may be able to help. Based on the location and scope of work, SCVWD is unable to provide assistance with the project. Staff will have the consultant complete their preliminary analysis of possible repair options. (3-8-13) Draft report submitted to Town. Staff to review and comment. (5-17-13) Project awaiting funds. (5-24-13) Staff provided comments to the consultant on the draft report. Consultant to incorporate comments. (6-13-13) Revised report submitted. Staff to review. (9-27-13) Staff completed review, report being finalized. (11-22-13) Report from consultant has been finalized. Staff to obtain design proposals. (12-20-13) Consultants working on proposals. Town to review in early February 2014. (1-10-14) Staff met with consultants to discuss scope of work. (1-24-14) Proposals from consultants due 1-24-14. (1-31-14) Staff received one proposal and is reviewing. (2-6-14) Staff working on obtaining another proposal. (3-7-14) Staff requested another firm to submit their proposal by 3-21-14. (3-21-14) Another proposal has been received. Staff to review. (3-28-14) Staff to present approval of contact at the April City Council meeting. (4-18-14) Item did not get discussed at the April City Council meeting. To be continued to the May City Council meeting. (5-9-14) Item to be discussed at the May CC meeting. (5-16-14) City council approved the award of contract. Staff to prepare agreement with consultant. (6-6-14) Consultant has some proposed changes to our standard agreement. Staff reviewing proposed changes. (6-12-14) Proposed changes not acceptable to ABAG. Consultant to discuss directly with ABAG representative. (7-3-14) Agreement language has been finalized. Agreement in process of being executed. (8-29-14) Agreement has been executed. Staff to set up kick off meeting with consultants. (9-4-14) Staff meeting with consultant week of Sep. 8th. (9-11-14) Staff getting additional information to consultant for review. Consultant working on proposed project schedule. (9-26-14) Requested information from phase one sent to consultant. (10-10-14) Staff reviewing consultant's schedule. (10-17-14) Consultants are working on preliminary environmental work and expect to be completed by the end of October. After that, consultants will start taking a look at the initial project description and preliminary engineering studies. (11-14-14) Consultants completed the preliminary environmental work and is working on the preliminary design. Should have preliminary design completed by early December. (12-12-14) Consultants are a little behind schedule. Will try to catch up in the next few weeks. (12-19-14) Consultant provided preliminary design proposal and project description. Staff reviewing. (1-9-15) Staff provided comments and will set up conference call to discuss. (1-16-15) Staff discussed comments with consultant. Consultant will do some analysis and get back to staff.</p>

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Tasks	Project Name	Latest Status
10	Sewer Agreement with LA	<p>(4-19-13) Draft amendment sent to Los Altos staff for review and comment. (5-17-13) Staff working to set up meeting with Los Altos to discuss proposed amendment. (5-24-13) Staff met with Los Altos Public Works director to discuss proposed amendment #1. Proposed revisions to follow. (7-5-13) Los Altos had a staff retire and they are not able to work on the proposed revision yet. (7-19-13) Los Altos in process of hiring consultant to help with their sewer system. (8-30-13) Los Altos finalizing agreement with consultant for staff augmentation. (9-13-13) Per discussion with Los Altos staff, the agreement has been approved. Staff is working on scheduling a meeting with Los Altos consultant. (9-27-13) Los Altos staff indicated that they will provide comments on the proposed amendment by October 4, 2013. (10-11-13) Item will be discussed at the joint city council meeting. Los Altos and Los Altos Hills staff discussing amount of repayment of funds paid by Los Altos Hills for flow meters. (10-25-13) Staff meeting with LA 10-29-13 to discuss flow meter repayment. (11-1-13) Staff met with Los Altos staff to discuss reimbursement of flow meter cost. Los Altos staff to contact their consultant and contractor to discuss possible credit back for the design and construction problems. LA City Manager to get back to LAH City Manager by the end of November with a proposal. (12-5-13) Los Altos has not come back with a proposal yet. Staff contacting Los Altos for status update. (1-10-14) With the holidays and some of LA staff being out sick, they have not been able to work on this. They have indicated that they will be getting back to the Town soon to set up another meeting with City Manager to discuss. (2-28-14) LA staff indicated that they will set this as their priority and get back to me next week. (4-4-14) Staff still waiting for response from LA staff. (9-11-14) Staff submitted letter to Los Altos in an attempt to get a response to complete the proposed amendment to the sewer agreement. (10-17-14) Los Altos staff is in discussion with Los Altos Hills staff. (11-14-14) Attorney reviewing proposed amendment language. (1-23-15) Revised proposed amendment sent to Los Altos Attorney for review.</p>
11	VTA Bicycle Expenditure Plan applications	<p>(12-14-12) Staff to work on application to add Nicholson Path Extension and Fremont Road Bike path phase 2 to the Bicycle Expenditure Plan. Applications due 1-31-13. (2-1-13) Applications have been submitted and received by VTA. (3-22-13) Staff provided supplemental information to VTA regarding Hale Creek Path in an effort to secure additional points to qualify to be in the BEP. (4-3-13) All submitted projects were approved to be added to the new BEP. (4-11-13) Hale Creek path and Fremont Road Safe Route to School phase 2 are now on the BEP.</p>

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<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
12	Annual Tree Inspection	<p>(5-24-13) Town consulting arborist in process of performing Townwide tree inspections. (6-28-13) Approximately 70% complete. Overall inspections look good so far. (7-5-13) Draft report has been submitted. Staff to review. (7-26-13) Consultant finalizing report. (8-16-13) Consultant submitted finalized report. Staff reviewing. (8-30-13) Staff met with consultant to discuss comments. Consultant to revise and resubmit. (9-13-13) Consultant resubmitted revised reports. Staff reviewing. (9-19-13) Staff verifying addresses to send maintenance letters out to residents. (10-11-13) Letters in process of being sent. (10-18-13) Letters to residents requesting that they perform recommended tree work have been sent. (11-22-13) All priority 1 trees have been addressed except for 1 that will be evaluated by the end of the month. (12-13-13) Priority 1 trees have been addressed. Another assessment will be conducted in 2014. (5-23-14) Consultant working on proposal for 2014 annual tree survey. (6-6-14) Agreement being executed. (6-20-14) Work in progress. (7-3-14) Draft reports for Town facilities under review. (7-11-14) Street tree work in progress. Staff requested additional information from consultant for Town facilities. (7-18-14) Draft tree list has been provided to staff for review. Consultant working on finalizing the reports. (9-4-14) Report has been finalized. Staff sending letters to property owner and getting proposals for work on Town properties. (9-26-14) Letters have been sent to property owners. Staff working with property owners to clarify requirements and locate trees. (10-31-14) Property owners have been cooperative in performing tree work. Many are getting assistance from the Fire District program. (11-14-14) Staff working on sending out a second round of notices to property owners with copy to fire district. (12-5-14) Staff met with fire district regarding dead pine trees and other at risk trees. Fire district requested Town staff to send letters out to property owners. Staff working on sending out additional letters. (12-12-14) Letters for dead pine trees have been sent with copies to the Fire District. (12-19-14) Tree removal letters have been received. Per discussion with residents, Fire district is providing assistance with the removals, however the district's contractor needs additional time to do the work. (1-9-15) Staff continuing to work with Fire District to verify which trees they can provide assistance.</p>
13	El Monte/I-280 interchange	<p>Traffic Safety Committee had some concerns about the stop sign and alignment of the northbound El Monte/I-280 off-ramp. Staff contact CalTrans to discuss. The Stop sign was requested by the Town in 2003, however, there is still a high number of accidents. Town staff worked with CalTrans to improve the safety concern. CalTrans requested funds under their SHOPP program and \$1.2 million was approved to realign the off-ramp so that it comes in more perpendicular to El Monte. TSC supports the proposed realignment. (3-1-13) Tentative schedule is to do the design in 2015 and construct in 2016/2017. (8-22-14) Project study report has been provided by CalTrans. Staff reviewing. (8-29-14) Staff to provide update at an upcoming City Council meeting. (9-19-14) Staff to provided an update to council. Any proposed construction would not likely begin until 2017. (9-26-14) Staff provided update to Traffic Safety Committee. (10-17-14) Staff provided an update to City Council at the 10-16-2014 meeting.</p>

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<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
14	Townwide Traffic Signs	<p>(7-25-14) Staff working on obtaining proposals for consultant to drive all Town roads and evaluate warning signs for potential removal. (8-7-14) Proposals to be presented at the August City Council meeting. (8-22-14) Council directed staff to proceed with the sign study. Staff to work with consultant to execute agreement. (8-29-14) Revised proposal received from consultant. Agreement to be signed. (9-4-14) Consultant proposed changes to the Town agreement, staff reviewing changes. (9-19-14) Revised agreement sent to consultant for signature. (10-3-14) Agreement has been executed, consultant working on schedule. (10-10-14) Staff working on getting requested information to consultant. (10-17-14) Kick off phone conference scheduled for week of Oct. 20th. Consultants reviewing existing Town documents. (10-24-14) Consultants will be collecting data in early November. (10-31-14) Data collection scheduled to begin on November 6, 2014. (11-6-14) Consultants have begun driving around town to collect data on existing signs. (11-14-14) Consultants completed the data collection of the existing signs in Town. Consultants working on creating the signage inventory and developing recommendations. (11-21-14) Consultant scheduled to submit draft report in December. (12-12-14) Conference call with consultant scheduled for week of 12/15 to discuss inventory and report format. (12-19-14) Staff reviewed sign inventory with consultant and discussed report format. Consultant working on report. (1-9-15) Draft report has been received. Staff setting up conference call with consultant to discuss comments. (1-16-15) Staff provided comments to consultant. Consultant to redo draft report with more details and specific recommendations and resubmit to Town. (1-23-15) Revised draft report scheduled to be submitted on February 2.</p>

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Tasks	Project Name	Latest Status
15	Anacapa/La Cresta Utility Undergrounding	<p>(5-2-14) Per the neighbors, the focused group meeting was successful. Staff to meet with neighborhood group on May 20th to discuss next steps. (5-23-14) The next neighborhood meeting is scheduled for June 7, 2014. (6-12-14) Second neighborhood meeting was not as successful as the initial focused group meeting. There was low attendance at the meeting, Neighborhood representative will be sending letters and/or e-mail. (6-27-14) Neighborhood group scheduled a meeting for July 8th to discuss progress and next steps. (7-11-14) Staff met with neighbors on 7-8-14 to discuss possible reconfiguration of the district boundaries. Staff to obtain clarification from bond attorney. Neighbors conducting more outreach to residents that they have not been able to contact. (7-18-14) Staff obtained answers to questions raised and provided to neighborhood group. (8-22-14) Neighborhood group trying to set us another meeting week of August 25th to discuss next steps. (8-29-14) Neighborhood group revised the approximate district boundary for a smaller number of properties. Consultant to submit revised proposal for smaller district. (9-4-14) Consultant working on revised proposal. (9-11-14) Revised proposal sent to neighbors for review. (9-26-14) Neighborhood group working on setting up another meeting for October 1. (10-3-14) Neighbors will try to talk to a few more residents to see if they can make up the cost to begin phase 1 with the consultants. (10-24-14) Neighborhood group to provide remaining deposit to Town so that Phase one can be awarded. (11-6-14) Neighbors deposited some additional funds. Staff reviewing the available funds to confirm that there are enough funds to hire the consultant to do preliminary design. (11-14-14) Staff working on agreement for consultant to begin phase 1. (11-21-14) Proposed project is proposed to be done via an assessment district. Scope for phase 1 consist of preliminary design, cost estimate, assessment district formation documents, development of assessment formula, etc. Upon completion of phase 1, neighbors would request council to approve the formation of the assessment district. Staff is working with the residents at no charge. If the formation of the assessment district if successful, Council will decide if staff time needs to be charged against the project. (12-5-14) Agreement sent to consultant for signature. (12-12-14) Consultant has comments on the Town's agreement. Town attorney's office to review. (12-19-14) Agreement language has been worked out with consultant. Agreement being signed. (1-9-15) Approval of agreement to be presented to council at the January meeting. (1-16-15) Council approved agreement. Staff to execute agreement with consultant. (1-23-15) Agreement has been executed. Consultant working on a schedule.</p>
16	Engineering and Traffic Survey	<p>(7-25-14) Updated survey is required for continued use of radar enforcement on certain streets. Additional fund request to be presented to Council at the August 2014 meeting. (8-7-14) Staff working with consultant to clarify scope requirements. (8-22-14) Consultant working on completing the report. (8-29-14) Draft report being reviewed by Sheriff. (10-3-14) Sheriff provided comments on the draft report. Staff to work with consultant to address. (10-10-14) Consultant reviewing comments. (10-17-14) Staff working with consultants to finalize the report. (10-24-14) Consultant submitted revised draft final report. Staff to review draft final report. (11-14-14) New speed limits to be presented to Council for approval in January 2015. (1-16-15) Council approved traffic study setting speed limits. Staff to present to Traffic Safety Committee. (1-23-15) Staff to change speed limit signs and distribute approved report to Sheriff office.</p>
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<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
18	Emergency communication antenna	(7-19-13) Staff met with Jim Abraham to discuss requirements for emergency antenna. Height needs to be 100 feet above ground. Staff to research antenna poles/towers and cost for installation. (8-9-13) Staff meet with antenna tower contractor to obtain budgetary cost information. (8-16-13) Rough cost estimate provided to Jim Abraham.
19	Long Range Trash Management Plan	(1-31-14) Staff prepared and submitted the Town's Long Term Trash Management Plan for submittal to the water board. (2-6-14) Plan has been submitted and is on the Boards website.
20	Open Space Stewardship	(9-26-14) Second quarterly meeting went well. Acterra gearing up to begin revegetation of one area. (10-3-14) Staff provided vehicle access to Acterra for upcoming replanting work in Byrne Preserve. (10-10-14) Byrne Brigade volunteer workdays are starting up again in October. There is a free workshop on Sunday, October 19 on oak health and management of SOD (Sudden Oak Death). The workshop will take place at Foothills Park. Acterra is offering free educational field trips at Byrne Preserve for local school groups. (10-31-14) Staff meet with Acterra and Torie of Westwind Barn to discuss barn operations and preserve restoration. (11-6-14) Acterra will be holding a nature walk in Byrne Preserve on Sunday Nov. 16 from 9:30am to 11:30am. (11-14-14) Acterra will be holding a Fall Nature Hike - Sunday, November 16, 9:30-11:30 a.m. and Byrne Brigade - Thursday, November 13, 9:30 - noon. They will also be working on a small storage shed to be located in Byrne Preserve. (12-5-14) This month Acterra will be holding field trips with students from Gardner Bullis and Bullis Charter schools to Byrne Preserve and they will help with installing new native plants as well as doing some nature activities. (12-12-14) Next quarterly meeting with Acterra scheduled for week of January 5th. (12-19-14) Acterra working on revegetation area. (1-9-15) Quarterly meeting was held discussing progress made and upcoming work to be done. Acterra has completed approximately 75% of their scope of work. (1-23-15) Shed for hand tool storage has been installed for Acterra use.
21	Impact Fee Studies	(7-19-13) Staff working on amendment for consultant to perform impact fee study for Pathway, Park n Rec, and Storm Drain Fees. (9-6-13) Draft reports from consultant scheduled to be submitted mid September. (3-13-14) Staff working to schedule a meeting with the consultant. (3-21-14) Phone conference scheduled for March 25th. (3-28-14) Staff conducted phone conference with Wildan. Wildan to provide list of requested items for them to begin work in early April. (4-18-14) Staff to gather information for consultant.

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22	Edith Sidewalk in Los Altos	<p>(10-25-13) Staff to inspect sidewalk. (11-8-13) Staff obtained a proposal for about \$15,000 to remove and replace the asphalt sidewalk. Staff working on obtaining another proposal. (11-15-13) Staff received two proposals with the lower one at about \$15,000. LAH staff checking with LA staff to see if they are open to cost sharing. (11-22-13) Awaiting response from Los Altos staff. (12-5-13) LAH staff contacted LA staff and awaiting response. (12-13-13) LA staff indicated that they are open to cost sharing for this work. Staff working out details with LA staff. (1-10-14) Staff sent a request to Los Altos for a deposit to cover 50% of the cost to remove and replace new asphalt for the section of Edith between Cypress and Foothill Expressway. (2-28-14) LA staff indicated that they will process our deposit request. (4-4-14) Still waiting for LA staff to process payment.</p>
23	P-TAP Round 15 grant funds	<p>(1-17-14) Staff applied for and received approval for \$18,600 in grant funds to update the Town's Pavement Management Program. (3-13-14) MTC to assign consultant to work on LAH project. (4-11-14) Staff meeting with consultant on 4-11-14 to begin project. (4-18-14) Staff reviewing work plan from consultant. (4-25-14) Work Plan budget approved. (5-2-14) Consultant working on project schedule. (5-16-14) Waiting for MTC approval of work plan. (5-23-14) MTC has approved the project. Consultant to provide schedule. (6-6-14) Consultant to begin field work week of June 16, 2014. (6-20-14) Work underway. (8-22-14) Staff reviewed draft report and provided comments to consultant. Consultant working on finalizing the report. (10-10-14) Draft final report has been submitted to staff for review. (10-24-14) Project has been completed. Staff to post new report on Town's website. (10-31-14) Report has been posted on Town's website. (11-14-14) Town's pavement management certification has been renewed with MTC.</p>

Last Updated on 1/23/2015

Tasks	Project Name	<u>Latest Status</u>
24	Stanford Perimeter Trail Parking	<p>(1-24-14) As part of the Stanford Perimeter Trail project, they are proposing to provide some parking on Coyote Hill Road in unincorporated Santa Clara County. Item to be discussed at the 1-28-14 Traffic Safety Committee meeting. (1-31-14) The proposed parking issue was discussed at the Traffic Safety Committee and there was consensus that the committee does not support additional parking on Coyote Hill Road. The committee was concerned that the parking would add to the congestion on Page Mill Road. (2-6-14) Staff to contact Stanford to see if they have any traffic study for the parking on Coyote Hill. (3-13-14) Stanford did not provide a traffic study. (3-21-14) Coyote Hill parking is off the table for the time being. (4-18-14) Staff verifying with Stanford that Coyote Hill Parking is off the table at this time. (4-25-14) It appears that the Coyote Hill Parking will be in the plan proposed to the County in the next few weeks. Staff has inquired to see if Stanford is available to attend the May 6th meeting with the County and Caltrans. (5-9-14) Stanford is almost ready for an updated submittal to the County. (7-11-14) Stanford will propose parking spaces on Coyote Hill as part of their Perimeter Trail project. Item will be discussed at the July City Council meeting. (7-18-14) Staff researching appropriate County department to send letter to regarding new parking on Coyote Hill. (7-25-14) Staff contacted the County and determined that the letter should be sent to Supervisor Mike Wasserman with a cc to Michael Murdter, Director Roads & Airport. (8-7-14) Staff is reviewing drawings and traffic study obtained from County staff. (8-22-14) Staff to invite Stanford to attend September City Council meeting. (9-11-14) Stanford indicated that they will participate in multi agency discussions to review and consider a more comprehensive solution for the entire Page Mill Road corridor. (11-14-14) County of Santa Clara may be approving this project before the end of the year. (12-5-14) The Santa Clara Co. Architectural and Site Approval Committee (ASA) will be discussing the project on December 11th. (12-12-14) Santa Clara ASA approved the project at their 12/11 meeting.</p>
25	I-280 Repaving	<p>(12-13-13) Staff contacting CalTrans again to see if they have an update on when I-280 within Los Altos Hills will be scheduled to be repaved. (12-20-13) E-mail received from Jeremy Dennis discussing the CalTrans process. By fall of 2014 Caltrans will decide which projects will be included in the 2016 SHOP program for bidding in 2018-19. Not sure if a section of I-280 within LAH will be selected. (7-18-14) Mayor will be sending a letter to CalTrans to request expediting the paving schedule for I-280 within Los Altos Hills. (9-19-14) Letter was sent to Caltrans. (10-17-14) Caltrans staff indicated that per the program schedule, the soonest the paving work would occur is in 2018/2019 and the latest it would occur is in 2019/2020. Staff still trying to contact the District Director. (11-21-14) Senator Jerry Hill's office is getting involved. (1-9-15) Caltrans district director to meet with Town Mayor and councilmember to discuss project. Assemblyman Rich Gordon's office is involved. (1-16-15) On-line petition being developed.</p>
26	El Monte Segment 4	<p>El Monte will remain on the list for future BEP funds. (9-14-12) Based on the revised OBAG grant program the scope of work will need to be increased to qualify for the discretionary program. (2-21-13) Staff submitted a new application for the BEP list as all project will be re-evaluated. (4-3-13) Project was approved to be on the new BEP list.</p>

Last Updated on 1/23/2015

Tasks	Project Name	Latest Status
27	Barron Creek Drainage Channel Maintenance (26170 W. Fremont Road)	Town will need to do a project to restore the flow line of the channel. Funds will need to be allocated for design with construction funds to follow. (11-30-12) Staff met with SCVWD to discuss how the district may be able to help. Town and District staff to discuss further. (1-11-13) Staff meeting with SCVWD staff on 1-17-13 to discuss how the district may be able to help. (1-18-13) Staff met with SCVWD and there is no assistance they can provide for this project. (1-25-13) Project needs to be budgeted. (11-15-13) Staff will be working on flushing out the pipe segment upstream of the open channel. (11-22-13) Staff completed flushing of the upstream storm drain pipe. (5-9-14) Staff working on budget for this project. (6-12-14) Budget not approved. (11-21-14) Staff will consider in future budgets based on priority and staffing. (12/12/14) Staff inspected the channel during the rains on 12/11 and the channel has sufficient capacity to prevent overtopping.
28	VTA TAC Meetings	(9-27-13) Town will receive approximately \$47,000 in vehicle registration fee to be used for the Town's road rehabilitation projects. (10-11-13) Staff attended the 10-10-13 TAC meeting. No announcements of any grant opportunity. Committee will be working on selecting a new chair and vice chair.(5-9-14) Staff attended the 5-8-14 TAC meeting. Committee voted to recommend board approval for FY 2014-15 Countywide Transportation Development Act Article 3 program. (10-10-14) Selection of new chair and vice-chair is in process. No agency in Santa Clara County received the State ATP grant and only one in Santa Clara County got approval for the regional ATP grant. (1-16-15) MTC reported that the deadline for the housing element certification has been extended to 5/31/2015 and the deadline for circulation element adoption (to meet Complete Street Act of 2008) to 1/31/2016. VTA is also preparing to start the Light Rail Enhancement Program that will analyze a number of light rail projects that focus on increase the speed of the entire system. The rail lines to be studied are in downtown San Jose, connections to the future BART Milpitas Station, and Downtown Mountain View. Caltrans is preparing to launch a Caltrans Encroachment Permit Workshop to assist the local agencies to better understand the permitting process. The tentative date of this workshop is 3/19/2015.
29		
30	New electric meter for Purissima Park	(4-4-14) Staff to work with PG&E and electrician to in separate electric meter at Purissima Park for EV charging stations. (4-18-14) Staff filed an application for a new meter. (4-25-14) Staff reviewing the proposal from contractor. (5-2-14) Agreement being prepared. (5-9-14) Staff, contractor, and PG&E scheduled to meet at Purissima Park on 5-12-14 to discuss new meter. (5-16-14) Meeting with PG&E was held, PG&E reviewing information from contractor. (6-20-14) PG&E rejected proposed work. Contractor to propose alternative. PG&E to provide rough estimate to run new supply wires. (6-27-14) Awaiting for additional information from PG&E. (7-3-14) Contractor reviewing response from PG&E. (7-25-14) Contractor and PG&E clarifying requirements that would be acceptable to PG&E. (9-26-14) Contractor revising proposal based on PG&E requirements. (11-14-14) Electrician looking into the possibility of installed a submeter to monitor the EV charger use. (11-21-14) Meter would be used to verify the electricity usage of the EV charger separate from the building. Cost will likely be within the City Manager's authority for approval. (12-5-14) Submeter installation has been completed. (12-19-14) Staff to take readings to verify amount of usage.

Last Updated on 1/23/2015

<u>Tasks</u>	<u>Project Name</u>	<u>Latest Status</u>
31	Gardner Bullis Crosswalk study	(7-25-14) Staff working with school parents and traffic consultant to study the existing crosswalk on Fremont Road near the school. (8-7-14) Crosswalk study to be presented at the August City Council meeting. (8-22-14) Council approved the relocation of the crosswalk and the installation of push button operated lighted signs. Staff to obtain quotes to perform the work. (9-11-14) Staff preparing agreement for crosswalk relocation, still waiting for flashing sign proposals. (9-19-14) Curb ramp installation underway. (9-26-14) Curb ramps installation completed. Need custom application for lighted signs to be visible from Fremont Pines Lane. Funding authorization to be requested at the October council meeting. (10-17-14) Council approved the funding to install the lighted crosswalk signs. (11-6-14) Agreement being executed with contractor. (12-19-14) Work is scheduled to be completed by the end of February.
32	2014-2 Road Rehabilitation Project	(8-29-14) Staff working on second road rehabilitation project. Design being done in-house. (11-21-14) Staff reviewing Pavement Management report for roads to be included. Updated pavement manager report includes new public roads previously thought to be private. (12-19-14) Tentative schedule is to advertise the project in February 2015 with construction to begin in April/May. (1-9-15) Staff working on design of project and putting bid package together. (1-16-15) Project to be advertised end of January.
33	La Cresta Sewer Project	(10-31-14) The proposed project includes about 316 feet of 8" pipe and three manholes with depths ranging from 7 feet to 18 feet. (11-21-14) Permits have been issued. Construction to begin soon.
34	Ginny Lane	(10-31-14) The City Council approved this project and approved the future users that would be subject to a reimbursement agreement on 11/5/2013. The proposed project is between 26432 Ginny Lane and 26481 Purissima Road. The proposed sewer sleeve is a 631 linear feet of 12" PVC pipe with nine 1.5-inch pressure lines to be installed. This project was on hold for some time as applicant was not ready to start. (11-6-14) Applicant to pull permit and pay fees. (1-16-15) Staff issued an encroachment permit on 1-15-2015. Construction is tentatively to start in two weeks. (1-23-15) Pre-construction meeting held, project to begin week of January 26th.



Town of Los Altos Hills

26379 Fremont Road, Los Altos Hills, CA 94022

Phone: (650) 941-7222

Fax: (650) 941-3160

Notice of Availability of Environmental Document

PROJECT INFORMATION

Date of Notice: January 15, 2015

Project Sponsor: Foothill-De Anza Community College District

Address of Project: Foothill Community College, 12345 El Monte Road, Los Altos Hills

Project Description: Proposed 23,500 square foot building for Foothill-De Anza Community College District Offices. One wing of the building would be two-stories with a height of 30 feet and one wing would be one-story with a height of 20 feet. The two wings would be connected with an enclosed entryway. The building would be constructed on a portion of parking lot 7, near the fire station.

Deadline for submission of written comments: February 4, 2015

Dear Los Altos Hills Property Owner,

This notice is being sent to advise you of a proposed project on the Foothill College campus. An Initial Study and Mitigate Negative Declaration have been prepared for the project and are available for review on the Foothill-De Anza Community College District web-site: www.fhda.edu and on the Town's web-site: www.losaltoshills.ca.gov.

Construction would take about 15 months starting in December 2015. Proposed construction hours would be 7:30 a.m. to 6:00 p.m. Monday through Saturday.

The public may submit written comments on the Mitigated Negative Declaration up until February 4, 2015 at 5:00 p.m. Comments may either be emailed to Art Heinrich at heinrichart@fhda.edu or mailed to:

Art Heinrich, Director
Bond Project Management,
Foothill College
12345 El Monte Road
Los Altos Hills, CA 94022



Santa Clara County Office of the Sheriff
Weekly Activity Summary
1/12/2015 – 1/18/2015
LOS ALTOS HILLS



PATROL ACTIVITY SUMMARY			
DATE	BEAT	ACTIVITY	COMMENTS
1/13	L1	Identity Theft	On 1/13, unknown suspect(s) used the victim's personal information to obtain credit card accounts and make purchases on the internet and at various unknown locations for a total loss of about \$1,989. The victim lives in Los Altos Hills.
1/16	L6	Theft by False Pretenses	Between 1/3 and 1/16, the suspect posted an advertisement to rent a townhouse where she was the current tenant, but did so without authority from the owner of the townhouse. The suspect set up an unauthorized lease agreement and took \$12,500 from the victim. When the lease agreement was deemed unauthorized by the actual homeowner, the suspect failed to return the money to the victim. The suspect is known and at large. The victim lives in Los Altos Hills.

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
MALICIOUS MISCHIEF					
15-016-0221	L5	1/16/2015 13:32	594	MAGDALENA RD @ HOOPER LN	COMPLETE
PHONE THE OFFICE					
15-013-0331	L1	1/13/2015 17:01	1021	81L1	COMPLETE
15-014-0196	L5	1/14/2015 12:17	1021	MAGDALENA RD @ JABIL LN	COMPLETE
15-014-0318	L1	1/14/2015 16:50	1021	81L1/TROGLIA	COMPLETE
15-014-0345	L1	1/14/2015 17:26	1021	81L1	COMPLETE
15-015-0075	L1	1/15/2015 8:19	1021	71L1	COMPLETE
15-015-0295	L1	1/15/2015 16:20	1021	81L1	COMPLETE
15-015-0340	L1	1/15/2015 17:47	1021	MARINER DR @ NEPTUNE CT	COMPLETE
15-017-0365	L1	1/17/2015 22:41	1021	BERRY HILL CT @ BERRY HILL LN	COMPLETE

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
15-018-0326	L3	1/18/2015 22:01	1021	81L1	COMPLETE
ALARM CALLS					
15-015-0383	L3	1/15/2015 19:55	1033	ELENA RD @ JOSEFA LN	FALSE ALARM
15-012-0108	L5	1/12/2015 8:58	1033A	FRAMPTON CT @ MAGDALENA RD	FALSE ALARM
15-012-0470	L2	1/12/2015 21:32	1033A	HILLTOP DR @ HILLVIEW RD	FALSE ALARM
15-013-0165	L3	1/13/2015 11:45	1033A	ELENA RD @ JOSEFA LN	FALSE ALARM
15-013-0223	L4	1/13/2015 13:29	1033A	SHERLOCK RD @ MOODY CT	FALSE ALARM
15-014-0104	L3	1/14/2015 9:21	1033A	ELENA RD @ JOSEFA LN	FALSE ALARM
15-014-0168	L4	1/14/2015 11:32	1033A	TANGLEWOOD LN @ MOODY RD	FALSE ALARM
15-014-0331	L5	1/14/2015 17:09	1033A	FINN LN @ PROSPECT AV	FALSE ALARM
15-016-0462	L5	1/16/2015 21:59	1033A	OAK KNOLL CL @ STONEBROOK DR	FALSE ALARM
15-018-0035	L3	1/18/2015 3:42	1033A	HARVARD CT @ LIDDICOAT CL	FALSE ALARM
15-017-0342	L2	1/17/2015 21:59	1033C	EL MONTE RD @ O KEEFE LN	FALSE ALARM
CORONER'S CASE					
15-016-0025	L1	1/16/2015 3:41	1055	PARK BL @ SHERIDAN AV	ATTENDED DEATH
MEET WITH CITIZEN					
15-018-0126	L1	1/18/2015 12:07	1062	ALTO VERDE LN @ CONCEPCION RD	COMPLETE
SUSPICIOUS PERSONS					
15-013-0373	L3	1/13/2015 18:47	1066	MIR MIROU DR @ PASEO DEL ROBLE	FIELD INTERVIEW
15-015-0077	L3	1/15/2015 8:24	1066	NATOMA RD @ BYRD LN	INFORMATION ONLY
ANIMAL COMPLAINT					
15-014-0211	L1	1/14/2015 12:52	1091	EL MONTE RD @ HY 280	UNABLE TO LOCATE
PEDESTRIAN STOP					
15-014-0200	L3	1/14/2015 12:37	1095	PAGE MILL RD @ ALEXIS DR	NO REPORT

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
ABANDONED VEHICLES					
15-014-0134	L3	1/14/2015 10:22	1124	SADDLE MOUNTAIN DR @ STIRRUP WY	MARKED FOR TOW
15-016-0316	L2	1/16/2015 16:34	1124	CLAUSEN CT @ VOORHEES DR	NO REPORT
TRAFFIC HAZARDS					
15-012-0190	L2	1/12/2015 11:04	1125	MAGDALENA RD @ FY 280	COMPLETE
15-018-0079	L2	1/18/2015 9:52	1125	FY 280 @ MAGDALENA RD	INFO TO CHP
SUSPICIOUS VEHICLES					
15-012-0133	L5	1/12/2015 9:43	1154	CAMINO HERMOSO @ MAGDALENA RD	NO REPORT
15-013-0365	L4	1/13/2015 18:21	1154	TANGLEWOOD LN @ MOODY RD	NO REPORT
15-018-0078	L4	1/18/2015 9:52	1154	MOODY RD @ ALTAMONT RD	NO REPORT
15-018-0311	L3	1/18/2015 20:53	1154	AVILA CT @ ELENA RD	NO REPORT
15-018-0318	L1	1/18/2015 21:32	1154	ELENA RD @ PURISSIMA RD	NO REPORT
15-018-0321	L1	1/18/2015 21:37	1154	ELENA RD @ PURISSIMA RD	NO REPORT
VEHICLE ACCIDENT					
15-016-0326	L3	1/16/2015 16:51	1182	PAGE MILL RD @ MATADERO CREEK LN	INFO EXCHANGE
TRAFFIC CONTROL					
15-015-0235	L1	1/15/2015 14:21	1184	W FREMONT RD @ FREMONT PINES LN	COMPLETE
VEHICLE STOPS					
15-012-0116	L1	1/12/2015 9:12	1195	DEER CREEK RD @ PAGE MILL RD	WARNING ISSUED
15-012-0224	L1	1/12/2015 12:07	1195	LA CRESTA DR @ ARASTRADERO RD	CITATION ISSUED
15-012-0333	L1	1/12/2015 15:36	1195	LA CRESTA DR @ ARASTRADERO RD	WARNING ISSUED
15-012-0438	L3	1/12/2015 20:06	1195	ARASTRADERO RD @ STIRRUP WY	CITATION ISSUED
15-012-0446	L3	1/12/2015 20:23	1195	ARASTRADERO RD @ TWIN OAKS CT	WARNING ISSUED
15-012-0454	L1	1/12/2015 20:41	1195	ARASTRADERO RD @ PURISSIMA RD	CITATION ISSUED
15-012-0484	L2	1/12/2015 22:14	1195	FY 280 @ MAGDALENA RD	WARNING ISSUED

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
15-013-0245	L3	1/13/2015 14:20	1195	ARASTRADERO RD @ STIRRUP WY	CITATION ISSUED
15-014-0133	L1	1/14/2015 10:20	1195	W FREMONT RD @ BURKE RD	CITATION ISSUED
15-014-0237	L1	1/14/2015 13:57	1195	FY 280 @ EL MONTE RD	CITATION ISSUED
15-015-0012	L2	1/15/2015 0:54	1195	FY 280 @ MAGDALENA RD	WARNING ISSUED
15-015-0146	L2	1/15/2015 11:45	1195	MAGDALENA AV @ SUMMERHILL AV	CITATION ISSUED
15-015-0225	L1	1/15/2015 14:03	1195	BURKE RD @ UNIVERSITY AV	CITATION ISSUED
15-015-0264	L1	1/15/2015 15:23	1195	CAMPO VISTA LN @ W FREMONT RD	CITATION ISSUED
15-016-0029	L1	1/16/2015 3:52	1195	HILLVIEW AV @ COYOTE HILL RD	WARNING ISSUED
15-016-0082	L2	1/16/2015 8:42	1195	FY 280 @ MAGDALENA RD	CITATION ISSUED
15-016-0213	L3	1/16/2015 13:11	1195	ARASTRADERO RD @ STIRRUP WY	CITATION ISSUED
15-017-0214	L1	1/17/2015 15:19	1195	ARASTRADERO RD @ OLD ADOBE RD	CITATION ISSUED
15-017-0246	L1	1/17/2015 16:30	1195	EL MONTE RD @ O KEEFE LN	WARNING ISSUED
15-017-0326	L5	1/17/2015 21:16	1195	EASTBROOK AV @ MAGDALENA AV	WARNING ISSUED
15-017-0364	L5	1/17/2015 22:39	1195	STONEBROOK DR @ PRISCILLA LN	WARNING ISSUED
15-018-0038	L2	1/18/2015 4:14	1195	FY 280 @ MAGDALENA RD	WARNING ISSUED
15-018-0122	L3	1/18/2015 11:57	1195	LIDDICOAT DR @ ARASTRADERO RD	WARNING ISSUED
15-018-0289	L5	1/18/2015 19:48	1195	STONEBROOK DR @ EL MONTE RD	CITATION ISSUED
PARKING VIOLATIONS					
15-012-0164	L2	1/12/2015 10:28	22500	HILLTOP DR @ HILLVIEW RD	WARNING ISSUED
15-017-0216	L4	1/17/2015 15:28	22500	FRANCEMONT AV @ MOODY RD	WARNING ISSUED
DISTURBANCE					
15-016-0093	L3	1/16/2015 9:00	415	CHRISTOPHERS LN @ PAGE MILL RD	NO REPORT
WARRANT SERVICE					
15-014-0351	L4	1/14/2015 17:36	6F	MOODY RD @ CANYON RD	NO REPORT
9-1-1 ABANDONED					
15-014-0135	L1	1/14/2015 10:23	911ABN	WILDCREST DR @ WILDFLOWER LN	NO REPORT

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
15-013-0294	L4	1/13/2015 15:52	911ABN	ALTAMONT RD @ CORBETTA LN	NO REPORT
15-012-0227	L3	1/12/2015 12:11	911CEL	EL MONTE RD @ STONEBROOK DR	NO REPORT
15-015-0233	L1	1/15/2015 14:19	911CEL	W FREMONT RD @ WESTON DR	NO REPORT
15-015-0250	L1	1/15/2015 15:04	911CEL	W FREMONT RD @ WESTON DR	NO REPORT
15-015-0296	L1	1/15/2015 16:21	911CEL	W FREMONT RD @ CONCEPCION RD	NO REPORT
15-016-0076	L3	1/16/2015 8:34	911CEL	DUVAL WY @ ROBLEDA RD	NO REPORT
15-016-0079	L4	1/16/2015 8:38	911CEL	ADOBE LN @ TEPA WY	NO REPORT
15-016-0127	L4	1/16/2015 9:57	911CEL	ELENA RD @ MOODY RD	NO REPORT
15-018-0248	L2	1/18/2015 17:40	911ABN	HILLTOP DR @ SUMMERHILL AV	NO REPORT

PUBLIC SAFETY ASSISTANCE

15-014-0414	L1	1/14/2015 20:27	AID	SHOLES CT @ ALEXANDER PL	AID TO FIRE
15-015-0007	L3	1/15/2015 0:29	AID	PAGE MILL RD @ ARASTRADERO RD	AID CALL

FIRE ALARM

15-014-0216	L3	1/14/2015 13:14	ALARM	EL MONTE RD @ STONEBROOK DR	NO REPORT
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FOLLOW-UP

15-012-0120	L1	1/12/2015 9:21	FU	CALIFORNIA AV @ ASH ST	COMPLETE
15-012-0416	L3	1/12/2015 18:56	FU	BERRY HILL LN @ PAGE MILL RD	COMPLETE

INFORMATION ONLY

15-012-0092	L3	1/12/2015 8:34	INFO	FY 280 @ PAGE MILL RD	INFO TO CHP
15-012-0318	L3	1/12/2015 14:59	INFO	BRIONES WY @ ALTAMONT RD	INFORMATION GIVEN
15-012-0448	L1	1/12/2015 20:24	INFO	DE BELL RD @ MANUELLA RD	INFORMATION GIVEN
15-013-0435	L4	1/13/2015 22:41	INFO	PADRE CT @ ALTAMONT RD	INFORMATION GIVEN
15-014-0046	L4	1/14/2015 5:20	INFO	DEER SPRINGS WY @ BYRNE PARK LN	INFORMATION GIVEN
15-014-0048	L1	1/14/2015 5:35	INFO	ALEJANDRO DR @ ST FRANCIS DR	INFORMATION GIVEN
15-014-0392	L3	1/14/2015 19:28	INFO	ROBLE BLANCO @ PASEO DEL ROBLE	INFORMATION GIVEN
15-015-0304	L1	1/15/2015 16:34	INFO	W FREMONT RD @ BURKE RD	INFORMATION GIVEN

EVENT NUMBER	BEAT	DATE/TIME	TYPE	LOCATION	DETAILS
15-016-0055	L3	1/16/2015 7:30	INFO	STIRRUP WY @ SADDLE MOUNTAIN DR	INFORMATION GIVEN
15-016-0090	L3	1/16/2015 8:56	INFO	FY 280 @ PAGE MILL RD	INFORMATION GIVEN
15-017-0003	L1	1/17/2015 0:05	INFO	BEAVER LN @ LA CRESTA DR	INFORMATION GIVEN
15-017-0375	L3	1/17/2015 23:52	INFO	DEZAHARA WY @ TAAFFE RD	INFORMATION GIVEN
PATROL CHECK					
15-016-0132	L4	1/16/2015 10:10	PATCK	ALTAMONT CT @ ALTAMONT RD	COMPLETE
ATTEMPTED SCAM					
15-012-0128	L1	1/12/2015 9:34	SCAM	VISCAINO PL @ VISCAINO RD	INFORMATION GIVEN
STRANDED MOTORISTS					
15-015-0382	L1	1/15/2015 19:55	STRAND	HY 280 @ EL MONTE RD	COMPLETE
15-016-0299	L1	1/16/2015 16:05	STRAND	FOOTHILL EX @ S EL MONTE AV	COMPLETE
15-016-0447	L1	1/16/2015 21:13	STRAND	EL MONTE RD @ FY 280	COMPLETE
SUSPICIOUS CIRCUMSTANCES					
15-016-0430	L4	1/16/2015 20:40	SUSCIR	HIDDEN SPRINGS CT @ ALTAMONT RD	NO REPORT
15-018-0114	L3	1/18/2015 11:25	SUSCIR	ALTAMONT CL @ PAGE MILL RD	NO REPORT
15-013-0103	L4	1/13/2015 9:27	SUSCIR	MOODY RD @ SHERLOCK RD	NO REPORT
15-018-0210	L1	1/18/2015 15:56	SUSCIR	MINORCA CT @ PURISSIMA RD	NO REPORT
WELFARE CHECK					
15-016-0214	L1	1/16/2015 13:14	WELCK	CANARIO WY @ VISCAINO RD	COMPLETE



Annual Review of Funding Levels and Risks

November 18, 2014

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Executive Summary

This report is intended to assist the CalPERS Board of Administration in assessing the funded status of the Public Employees Retirement System and its overall soundness and sustainability. It focusses on the funding levels and risks associated with the funding of the system.

Overall, the report highlights that employers are exposed to a considerable amount of contribution rate volatility and a risk of further changes in funded status. Contribution rates are expected to remain high for an extended period unless there is a period of exceptional returns in the markets.

Current contribution levels are high relative to historical levels and, for almost all employers, scheduled to increase further as our amortization policies phase in previous asset losses. For many plans, the contribution rates have never been as high as they are now. Current contribution levels already exceed 30% of payroll for over 100 miscellaneous plans. Safety plans generally have higher contribution levels with over 150 plans having contribution levels of more than 40% of payroll. Employers are reporting that these contribution levels are putting significant strain on their budgets and limiting their ability to provide services to the people in their jurisdictions.

Current funding levels are generally between 65 and 85 percent funded as of June 30, 2014, significantly below the ideal level of 100%. Our current amortization policies are expected to fully fund the plans over the next 30 years but to do so require the high contribution levels shown in this report. On a hypothetical termination basis, funded levels are even lower. This means that members will be exposed to significant or even devastating benefit reductions should employers elect to terminate their plans unless employers are able to make up the shortfall.

Recent actions by the Board, combined with good investment markets in the last two years, have resulted in a significant improvement in one of the most important risk measures shown in this report. The probability of reaching any of the three low funded status thresholds shown has been reduced. However, the probability of this occurring is still higher than staff is comfortable with. Currently the probability of falling below 50% funded at some point in the next 30 years ranges from 23% (for the Schools pool) to 35% (for the California Highway Patrol Plan). It is likely that this probability is even higher for some select public agency plans.

The report shows that there is a significant amount of risk being taken in the funding of the system. The probability that the system will face a period of severe stress is still at a level that may be unacceptable. Staff urges the Board to review these results carefully and determine whether they feel that changes are necessary to ensure the soundness and sustainability of the system.

Introduction

This report is intended to assist the CalPERS Board of Administration in assessing the funded status of the Public Employees Retirement System and its overall soundness and sustainability.

This is the third report on funding levels and risk measures. The last report was as of June 30, 2012 and was presented to the Board in early 2013. To make the report timelier, we are presenting it right after the completion of the annual valuation reports for the public agencies. This has allowed staff to update the results by two years (to June 30, 2014) rather than by a single year (to June 30, 2013).

In addition, much of the key information on the results of the public agency annual valuation has been incorporated into this report rather than being reported separately.

In this report, we focus on:

- Current and near-term contribution levels,
- Current funding levels on a going concern basis
- Current funding levels on a hypothetical termination basis,
- The volatility index (a measure of plan maturity)
- Three key funding risk considerations that are used in the Asset Liability Management process.

Any attempt to present an overview of funding levels and risks for a system such as CalPERS has an inherent difficulty; the system is composed of many plans, and several risk sharing pools that are funded separately. As a result, it is not sufficient to look at the funded status or various risk measures for the system as a whole. Instead, we need to look at the breakdown of the various measures for each of the non-pooled public agency plans, the two public agency risk pools and the state and schools plans. Given the number of non-pooled public agency plans, we will focus on presenting the distribution of results with additional analysis of the outliers.

Shared Risk

As fiduciaries of the system, we are concerned about the risks to the members and their benefits, and also the risks to the employers and their financial needs.

We are looking at the risk that a member's benefits will not be paid – in full and when due – as a result of the way the plan has been funded. It is also important, though, to consider the risks to the employer that is required to make contributions to fund the pensions. Investment and actuarial policies adopted by the CalPERS Board are always adopted with the purpose of maintaining benefit security for members while also

considering the employers' ability to pay the contributions needed to fund the benefits. For example, the CalPERS Board recently decided to phase in over several years the impact of changes to the actuarial policies and assumptions to help employers better prepare and budget for the contribution increases. Helping employers plan for their contribution requirement reduces risks to both the employer and the members' benefits.

So long as the employer makes all of the contributions needed to fund the plan, along with the contributions from the members and the investment returns provided by CalPERS, the members' benefits will be paid. While there is a legal requirement for the employer to make the full contribution needed to fund the system, in extreme circumstances the employer may be unable to do so. In these situations, the employer's financial hardship can become a direct risk to the members and their benefits. By focusing on the risks to the Soundness and Sustainability to the overall system, CalPERS can better reduce the risks to both members and employers.

In the end, some of the greatest risks to the sound and sustainable funding of members' benefits are those things that put stress on the financial strength of their employer.

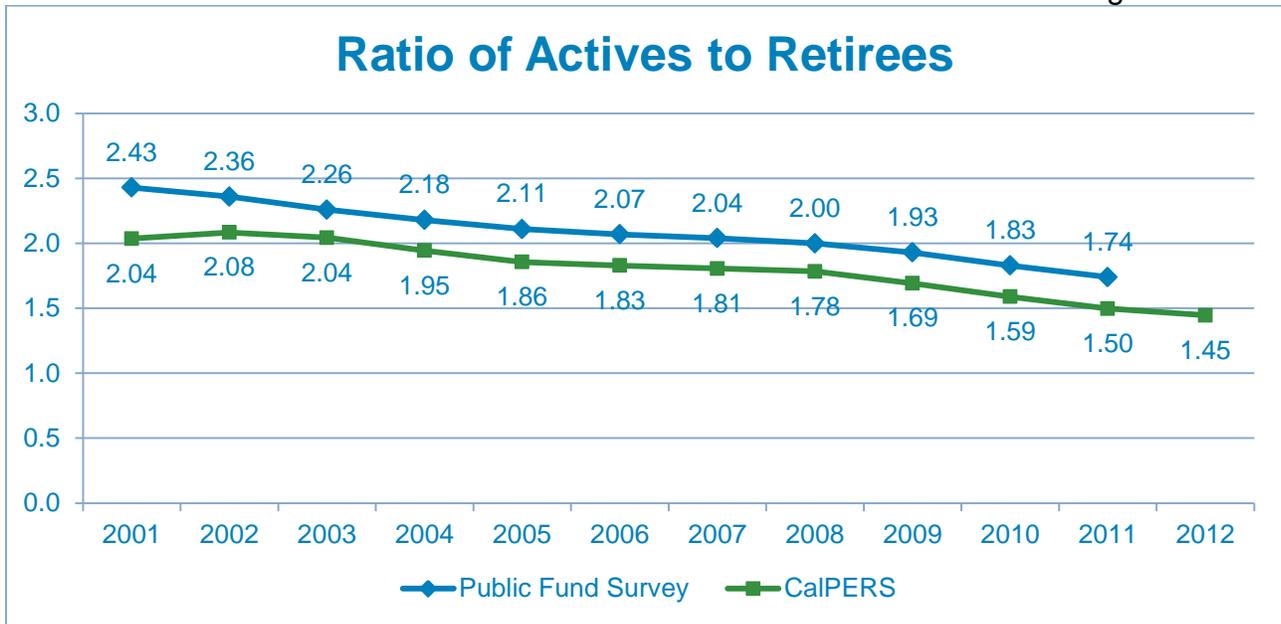
Ultimately, members and employers are in this together.

Changing Pension Environment

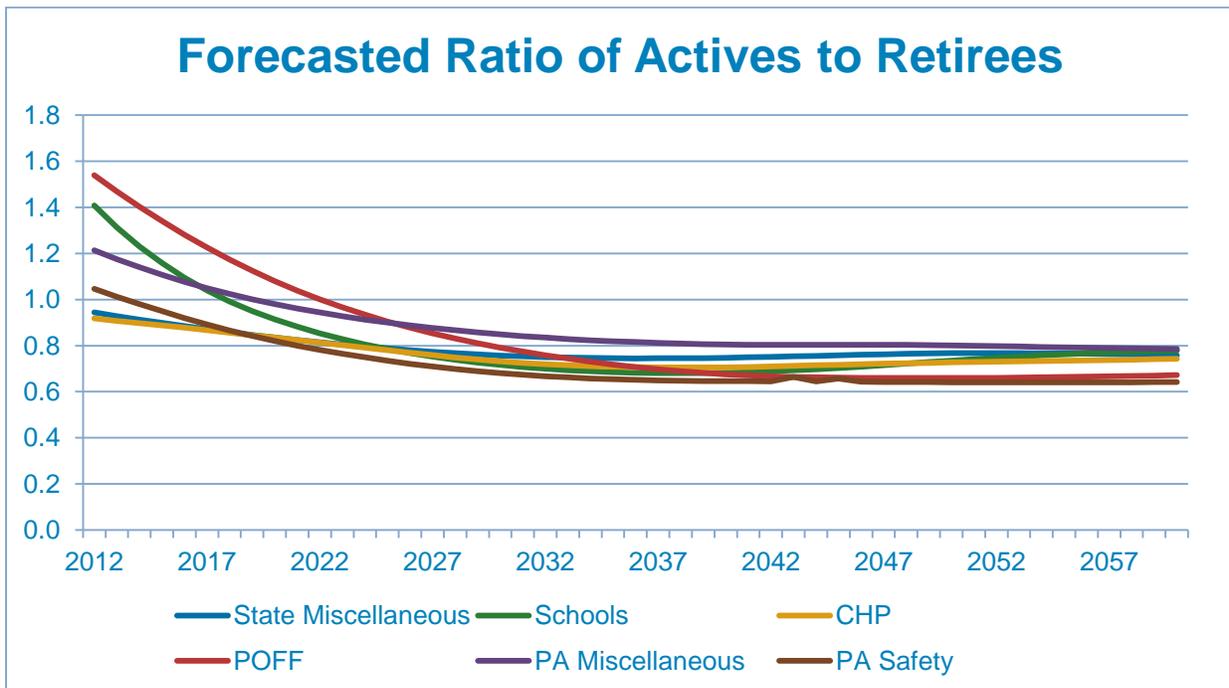
The aging of the population and the retirement of the baby boomer generation is well known to everyone. Demographic shifts have long been predicted and taken into account in the funding of the system. The higher number of retirements we have seen the last few years was projected all along and this trend is expected to continue as the baby boomer generation leaves the workforce to enter into its retirement years. Even though anticipated, this demographic shift is impacting risk measures identified in this report and has to be part of any discussion on funding levels and risks.

One way to look at the maturity level of CalPERS and its plans is to look at the ratio of actives to retirees. A pension plan in its infancy will have a very high ratio of active to retired members. As the plan matures, the ratio starts declining. A mature plan will often have a ratio near or below one. For both CalPERS and other retirement systems in the US, these ratios have been steadily declining in recent years. Below is a chart comparing the ratio of active to retired members for CalPERS to other public retirement systems in the US.

The trend for CalPERS plans is that they are becoming more mature. The ratio of retired members to active members is increasing for the most part. There may be some cities or agencies that are in a growth cycle however it appears that most are in a static growth period. This in conjunction with the benefit levels has resulted in an increase in the asset to payroll ratio. This will mean that volatility from this source will have a greater impact on employers than it had in the past.



As can be seen, the ratio for CalPERS has dropped from just above 2 to just below 1.5 over a 10-year period. So now we only have about one and a half active members' payrolls to spread the risk associated with each retiree's benefits instead of the two to one ratio of a decade ago. An additional concern is that these ratios are also expected to continue dropping over the next decades until they reach a floor somewhere between 0.6 and 0.8 depending on the plan. Below is a chart showing a projection of the ratio over the next 50 years for a sample of plans at CalPERS.



As plan matures, risk measures such as probabilities of high contribution rates or large changes in contribution rates on a year to year will increase and remain high unless

actions are taken to significantly reduce the risk imbedded in the current asset allocation. This means that when financial markets fail to deliver a strong return or even collapse like they did in 2008-2009, it can lead to very high contribution levels that could lead to employer insolvency or even bankruptcy that ultimately could impact the security of benefits for members.

Over the last few years, four CalPERS participating employers have declared bankruptcy. They are the cities of Stockton, San Bernardino and Vallejo and the town of Mammoth Lakes. These bankruptcies pose a substantial risk to the system. Unsecured creditors of the cities of Stockton and San Bernardino have argued that the cities' state law obligations to CalPERS and to the members are pre-empted by federal bankruptcy law. CalPERS is taking appropriate steps to protect the integrity of the system and the retirement security of its members; however, significant legal risk remains. Should the bankruptcy court rule that a city's pension plan need not be funded consistent with state law, other struggling CalPERS public agencies could be tempted to alter their actuarially required contributions through bankruptcy proceedings.

It is important to realize that other than the City of San Bernardino, none of these cities failed to pay CalPERS the amount that was determined was necessary to properly fund the benefits. The City of San Bernardino did not remit its full contributions for the Fiscal Year 2012-13. The principal amount of payments required to be made to CalPERS by the City during Fiscal Year 2012-13 and which were not made by the City during that time was approximately \$13.5 million for all of the City's plans (Miscellaneous and Safety) combined, excluding interest, penalties, late fees, costs of collection and the like. During Fiscal Year 2013-14, as part of a confidential court-ordered mediation process, the City and CalPERS reached an agreement regarding various items. While the terms of this agreement remain confidential, since reaching the agreement, the City has made certain partial payments with respect to the deferred amounts owing.

Even though municipal bankruptcy has been at the forefront of both local and national news lately, employers continue to fulfill their pension promises to their members.

Contribution Levels

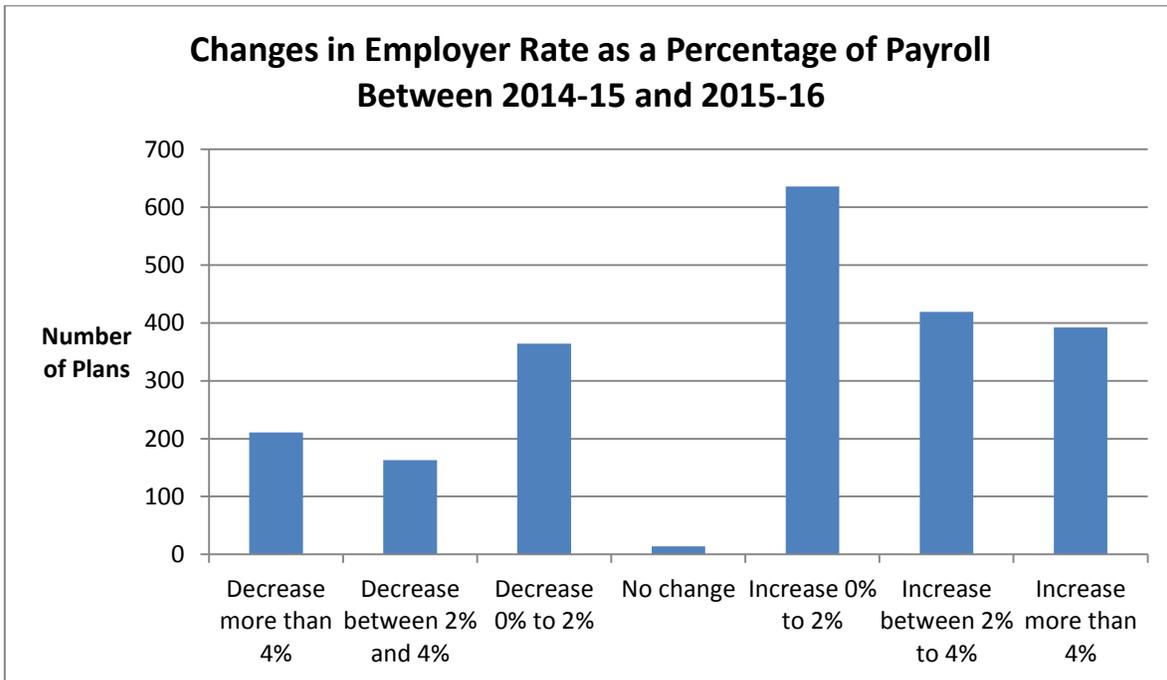
Contribution levels have continued to increase over the prior year. While most employers saw relatively modest increases in their required contributions, some employers in risk pools with high retiree to active member ratios are seeing significant increases in their required contributions. This is a result of the combining of risk pools in response to the Public Employee Pension Reform Act (PEPRA) and the new accounting standards.

In addition, many employers have been reducing their payrolls. Since the required contribution to pay off the unfunded liability is not related to their payroll, this is having the effect of increasing the UAL contribution rate as a percent of the (reduced) payroll.

Most employers who saw significant increases in their contribution rates were affected by one of these two factors.

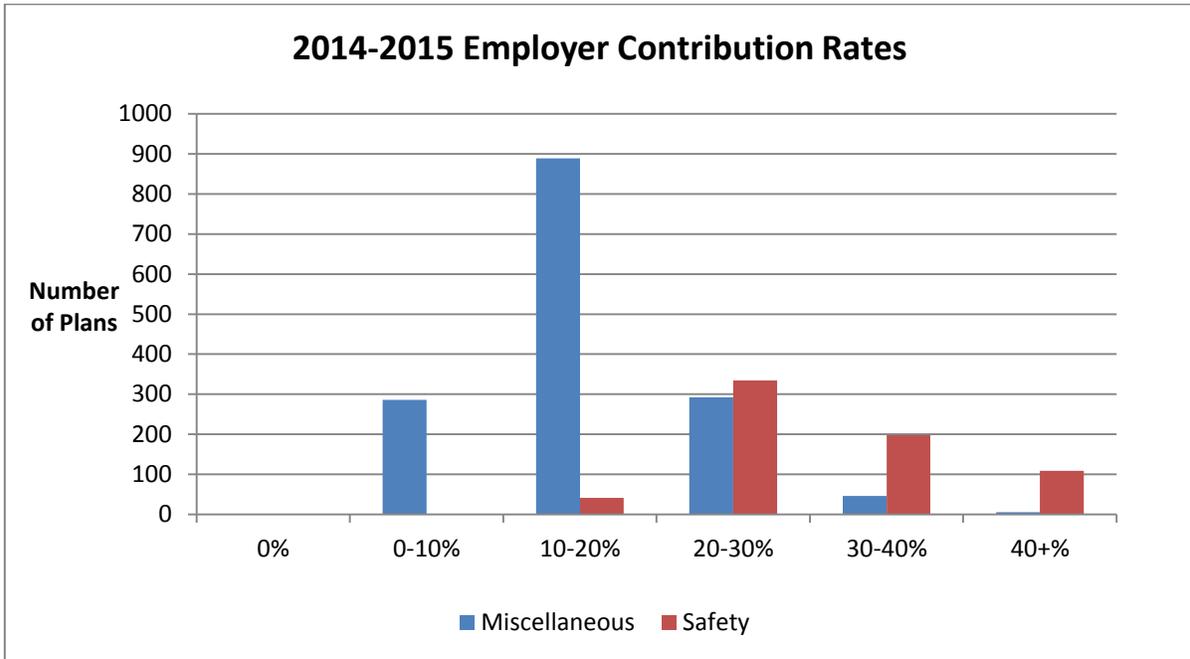
The distribution of the changes in employer rates is shown in the following table.

Distribution of Changes in Employer Rates between 2014-15 & 2015-16

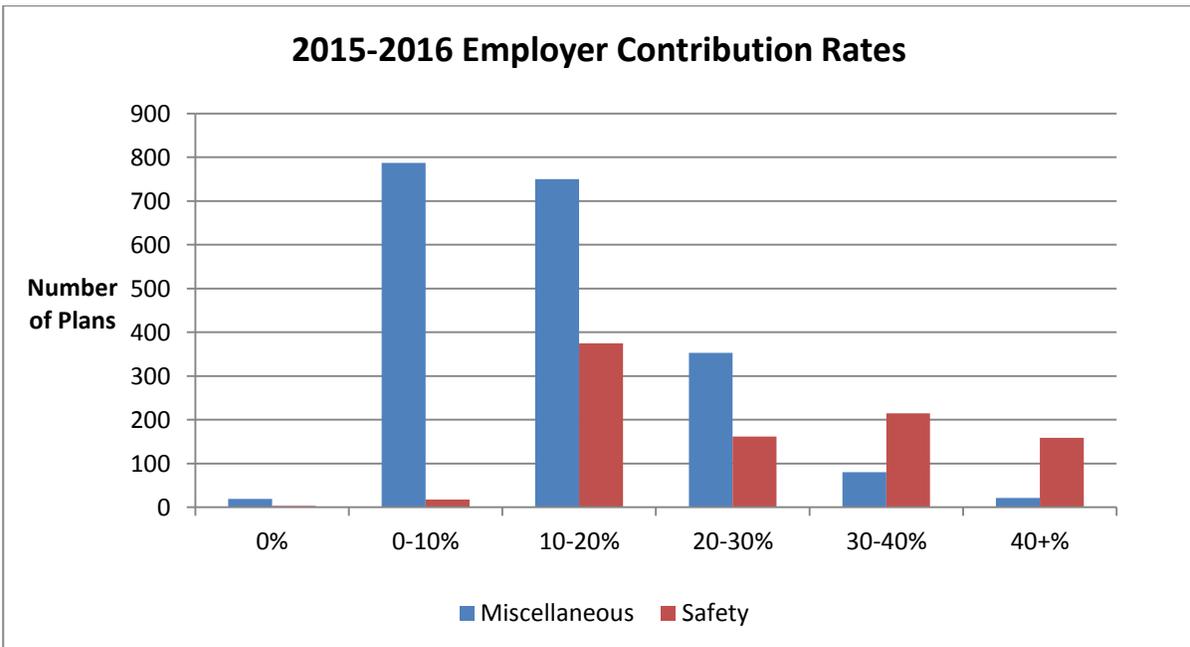


With the implementation of the Public Employees’ Pension Reform Act, there has been an explosion of new benefit tiers and, for pooled plans this has meant new rate plans. Most of these new rate plans have no unfunded liabilities and hence have modest required contribution rates. This is resulting in many more plans with contribution rates between 0% to 10% of pay for Miscellaneous plans and 10% to 20% of pay for Safety plans. However, it should not be seen as an overall reduction in the contribution levels for employers. This is shown by comparing the graphs of contribution levels that follow.

2014-15 Public Agency Employer Rates



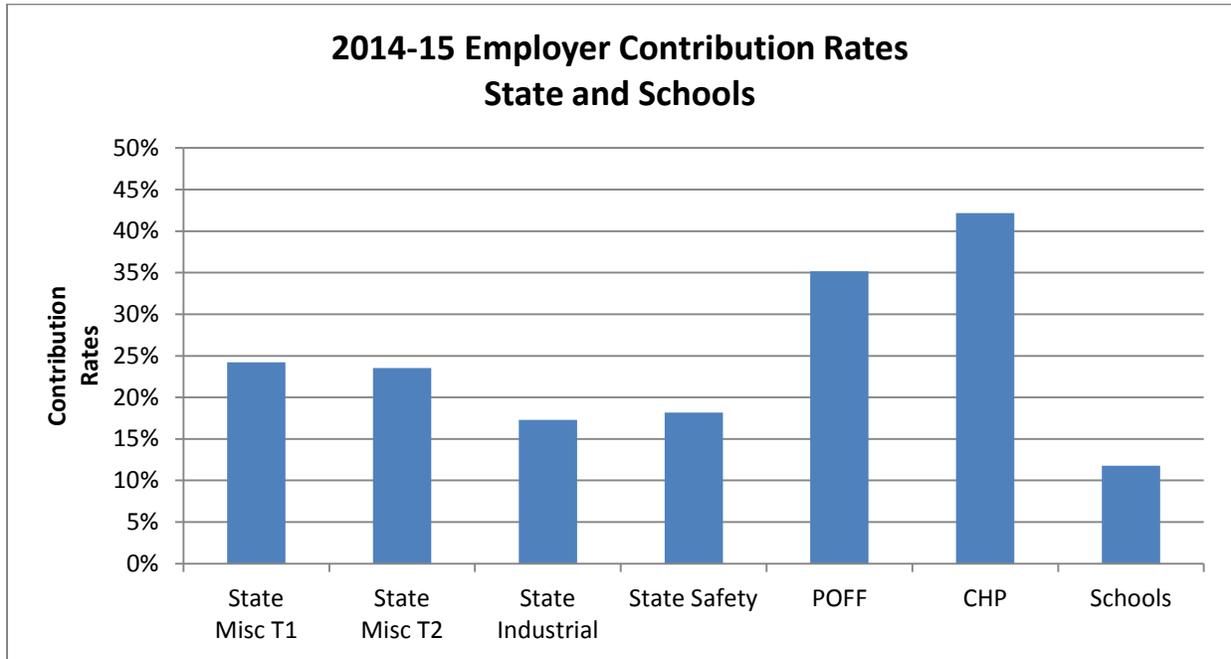
2015-16 Public Agency Employer Rates¹



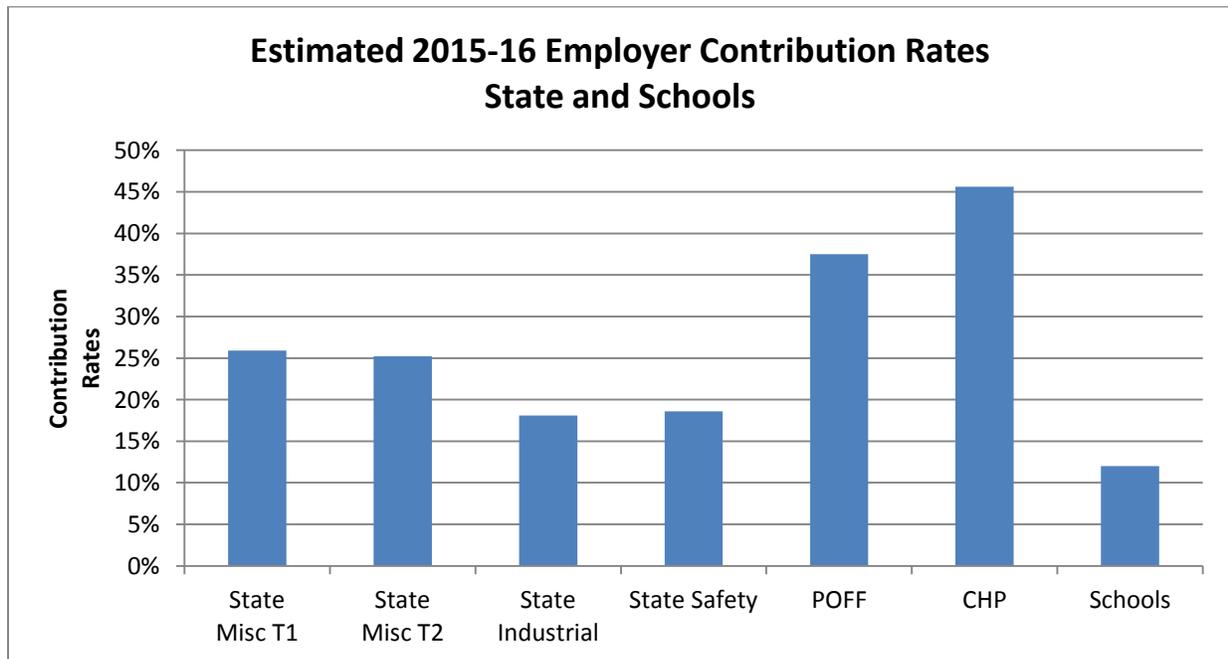
¹ Includes PEPRA plans, which have a small membership base and have been recently created. Including this data skews the chart toward lower contribution rates.

We are expecting to see continuing increases in the contribution requirement for the State and School plans. The following charts show the distribution of the 2014-15 and the estimated 2015-16 contribution rates for State and Schools plans.

2014-15 State and Schools Employer Rates



Estimated 2015-16 State and Schools Employer Rates



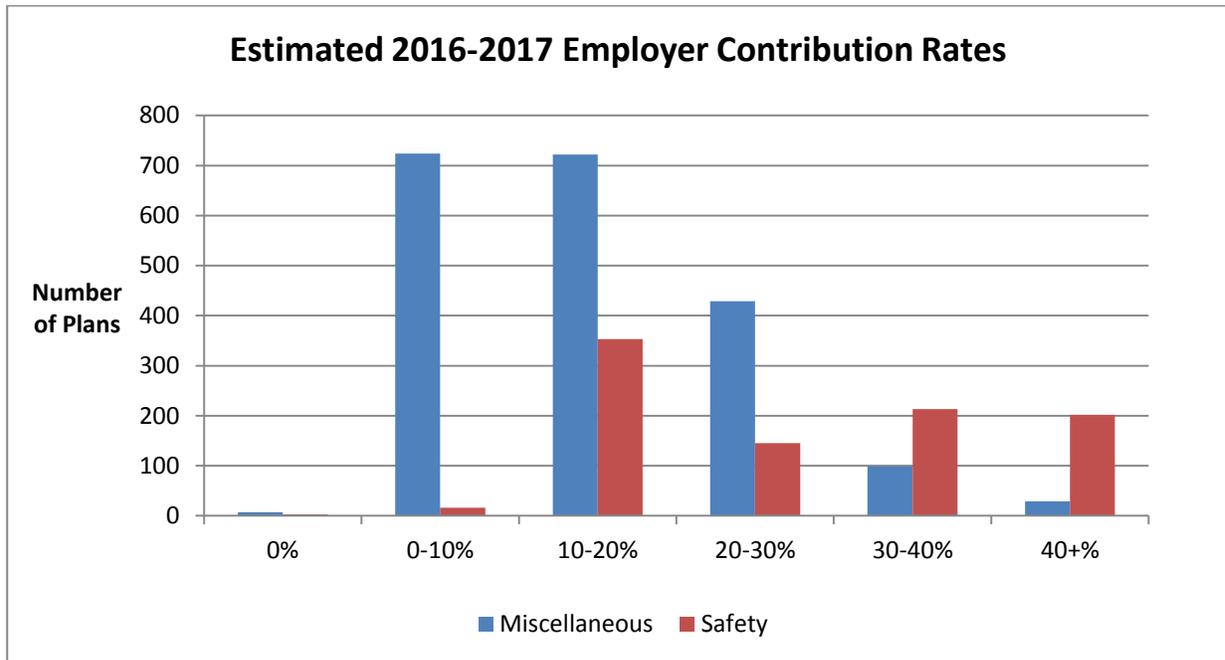
Estimate of 2016-17 Employer Contribution Rates

As in prior years, the actuarial valuation reports include an estimate of the employer contribution rates for the next fiscal year, in this case 2016-17. The rates were

calculated based on an estimated 18 percent investment return for Fiscal Year 2013-14¹ and the new actuarial assumptions that will be implemented as of June 30, 2014.

The following chart shows the distribution of the estimated 2016-17 contribution rates for Miscellaneous and Safety plans based on the new amortization and smoothing policy.

Estimated 2016-17 Public Agency Employer Rates¹



¹ Includes PEPRA plans, which have a small membership base and have been recently created. Including this data skews the chart toward lower contribution rates.

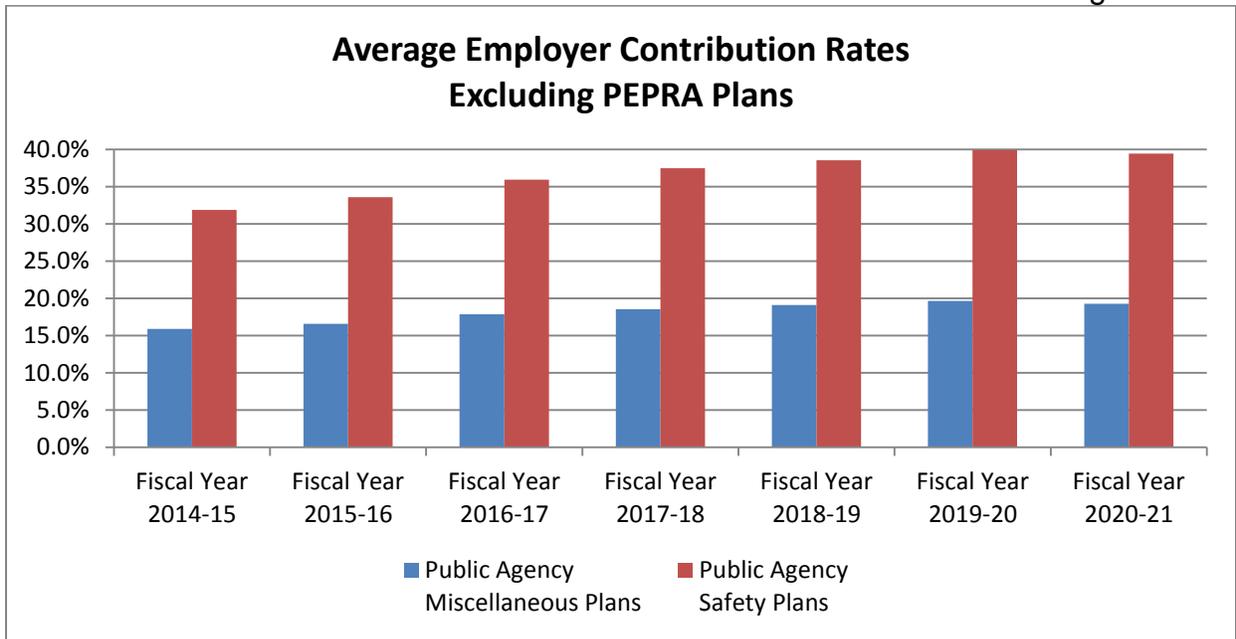
This graph shows that the number of employers with contributions above 30 or 40% of pay continues to increase. Currently, there are 70 plans that have rates above 50%, 8 Miscellaneous and 62 Safety plans. It seems likely that these employers are seeing significant budget strain as a result.

As always, member contributions (whether paid by the employer or the employee) are in addition to the above rates.

Another way to look at the gradual increase in employer contribution rates is by looking at the expected average contribution rate. Below is a table showing the average employer contribution rates for Miscellaneous plans and Safety plans for Fiscal Years 2014-15 to 2020-21.

Average Employer Contribution Rates

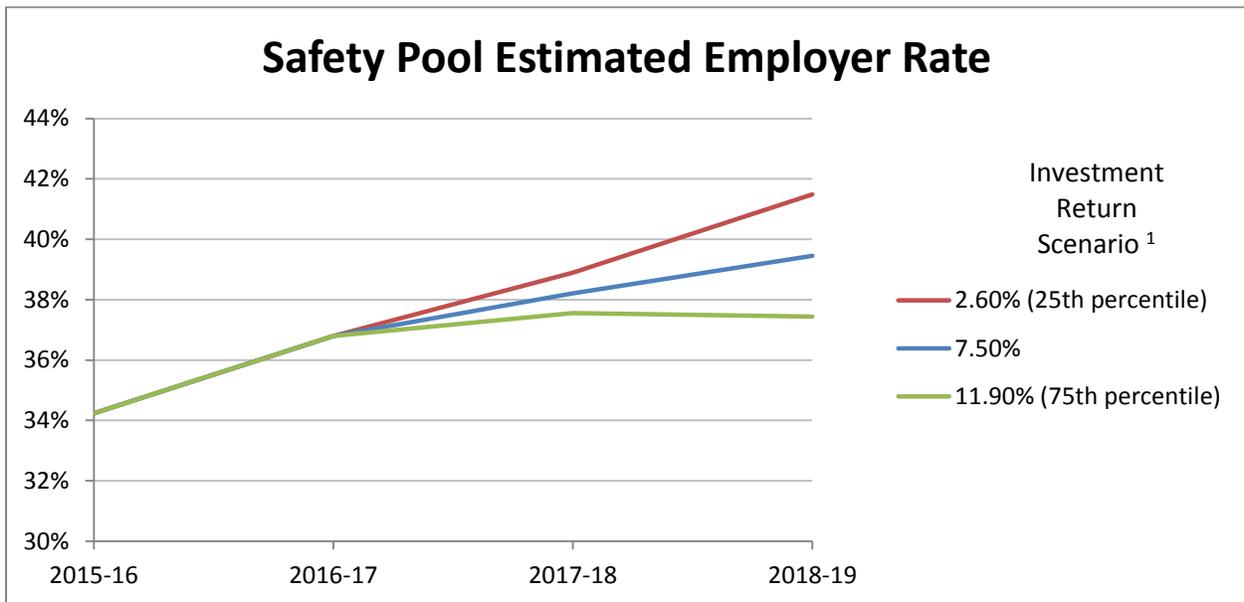
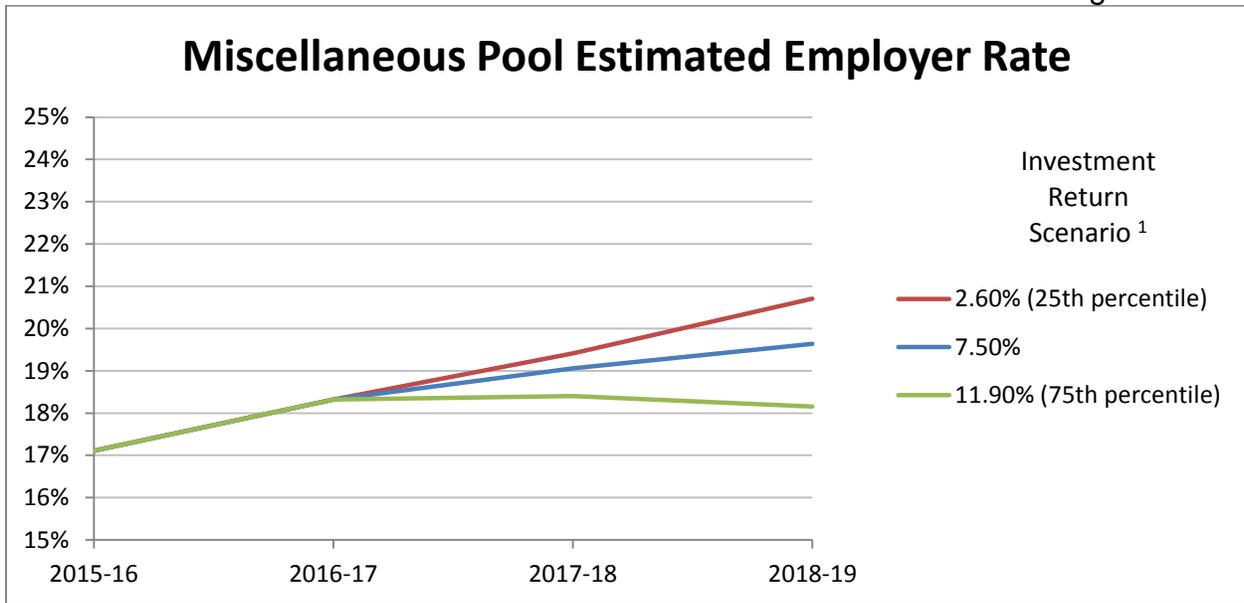
¹ The money weighted rate of return net of investment expenses was 18.3%. However, this was reduced to include an allowance for administrative expenses.



While employers are expected to see a small reduction in their required contributions in 2020-21, the rates in that year are still expected to be above current levels.

The impact of smoothing and providing projected contribution rates should be of assistance to employers in their budgeting process. Nonetheless, the overall level of contributions is still of concern, especially for safety plans.

Plans at CalPERS are still at risk of higher expected contributions if investment markets do not perform well. A return 10 percent below the funding assumption will see contributions continue to rise. In contrast, a return 10 percent above the funding assumption would result in rates remaining essentially stable to slightly lower. The Actuarial Office began in the June 30, 2010 actuarial valuation reports to disclose this potential risk in the form of an investment return sensitivity analysis. This sensitivity analysis includes the impact on rates over the next 5 years under various investment return scenarios. These projections show that rates are more likely to increase in the event of a poor investment performance. Below we show how contribution rates would be affected under different investment return scenarios. Copies of all valuation reports can be found on the CalPERS website.



¹ The investment return scenario reflects an 18% return in 2013-14 and assumes the stated return in each of the next two fiscal years.

Funding Levels

In February 2014, the CalPERS Board made important decisions regarding the funding of pension benefits at CalPERS, these decisions also had an impact on funding levels. Specifically, the Board adopted relatively modest changes to the current asset allocation that will reduce the expected volatility of investment returns while holding the fund's long-term assumed rate of return at 7.5 percent. The Board also adopted more significant changes to the actuarial assumptions, most importantly, the inclusion of future mortality improvements in the actuarial assumptions. Finally, the Board approved

a financing method which determines when and how quickly these changes will impact employer contributions. The actuarial assumptions adopted by the CalPERS Board of Administration are designed to ensure greater sustainability and soundness of the pension fund, and will be better at predicting future experience resulting in more secure retirement benefits in the decades to come. The current experience study was based on demographic CalPERS data for years 1997 to 2011. The study focused on recent patterns of termination, death, disability, retirement and salary increases. These new assumptions will apply for funding purposes beginning with the June 30, 2015 valuation for the Schools Pool, setting employer contribution rates for the 2016-17 Fiscal Year. For Public Agencies, the new assumptions will apply for funding purposes in the June 30, 2014 valuations, setting rates for the 2016-17 Fiscal Year. The charts below, and for our discussion here we have computed the funded statuses with the new assumptions applied as of June 30th, 2013.

The discussion below looks at funding levels in two different contexts. First, we examine the funding levels on an on-going plan basis. That is, we look at the funded status using our regular funding assumptions assuming that the plan is on-going with service being accrued by members, salary increases occurring normally and so on. The second context is that of a hypothetical termination basis where we look at what the funded status would have been had the employer sponsoring the plan elected to terminate their contract with CalPERS.

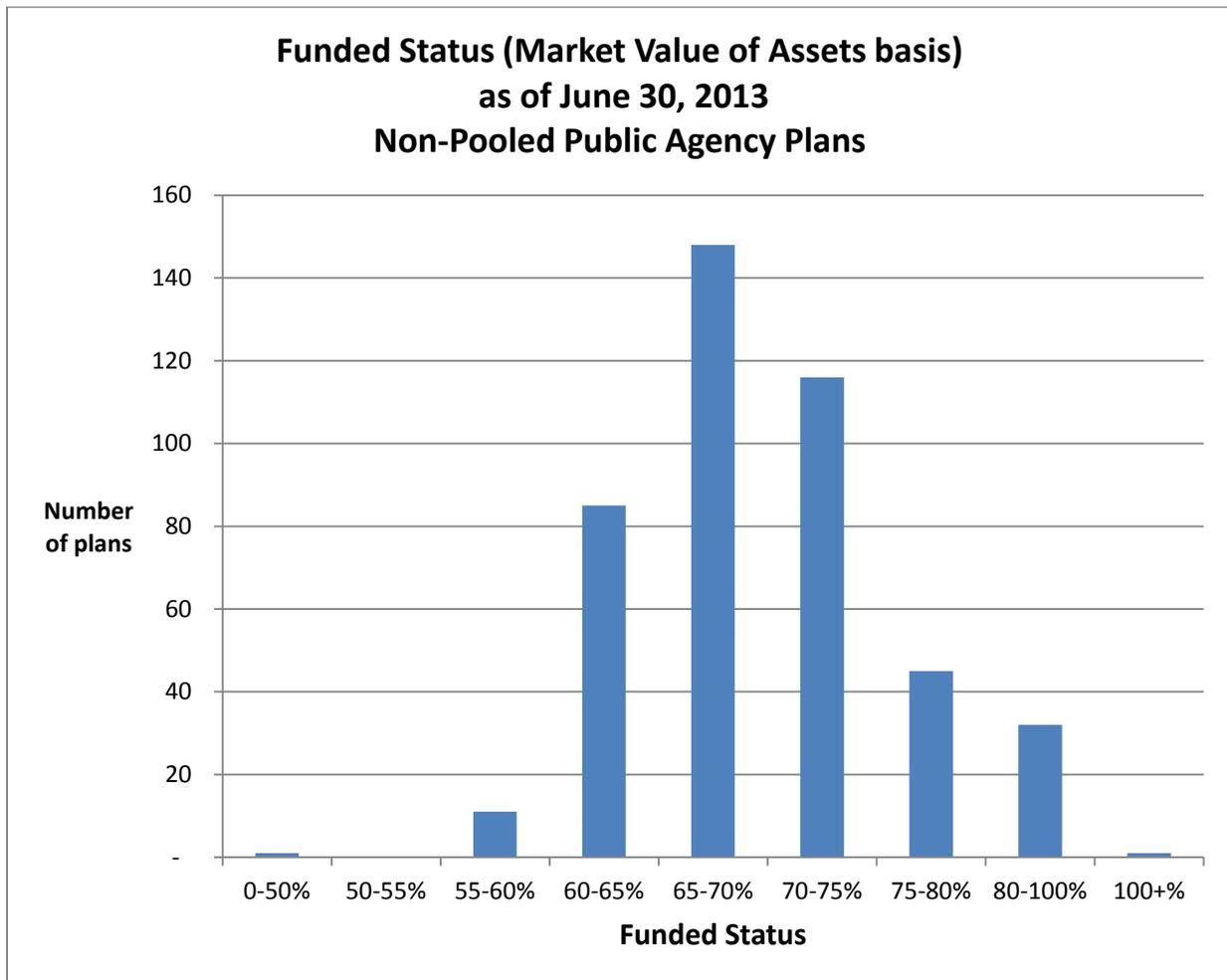
Going Concern Basis

It is not required, nor necessarily desirable; to have accumulated assets sufficient to cover the total present value of benefits until every member has left employment. Instead, the actuarial funding process calculates a regular contribution schedule of employee contributions and employer contributions (called normal costs) that are designed to accumulate with interest to equal the total present value of benefits by the time every member has left employment. As of each June 30, the actuary calculates the “desirable” level of plan assets as of that point in time by subtracting the present value of scheduled future employee contributions and future employer normal costs from the total present value of benefits. The resulting “desirable” level of assets is called the accrued liability.

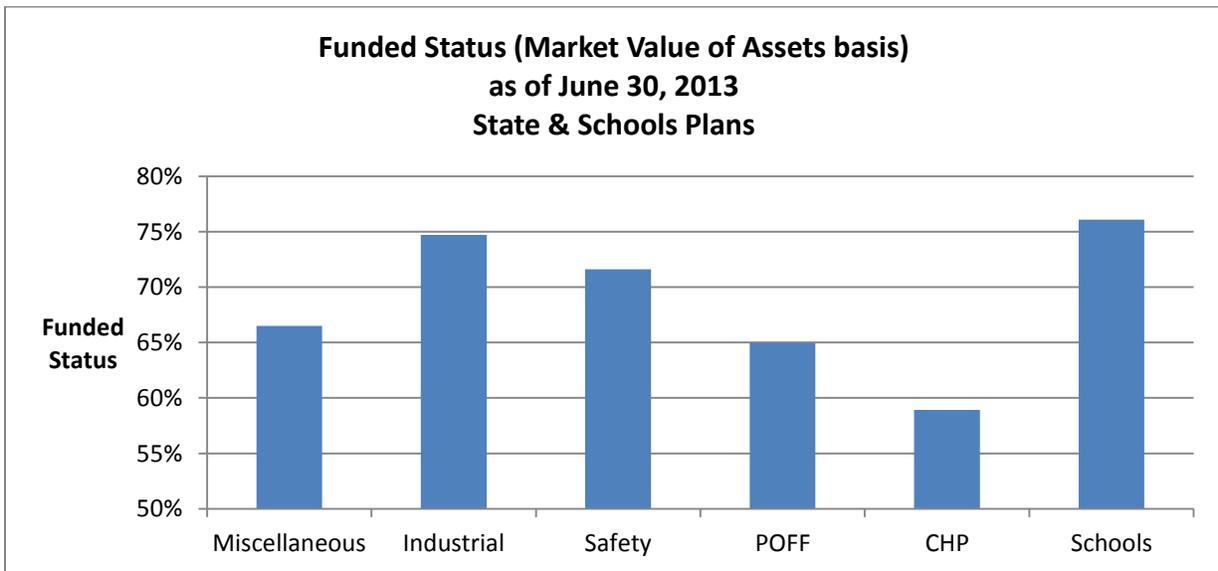
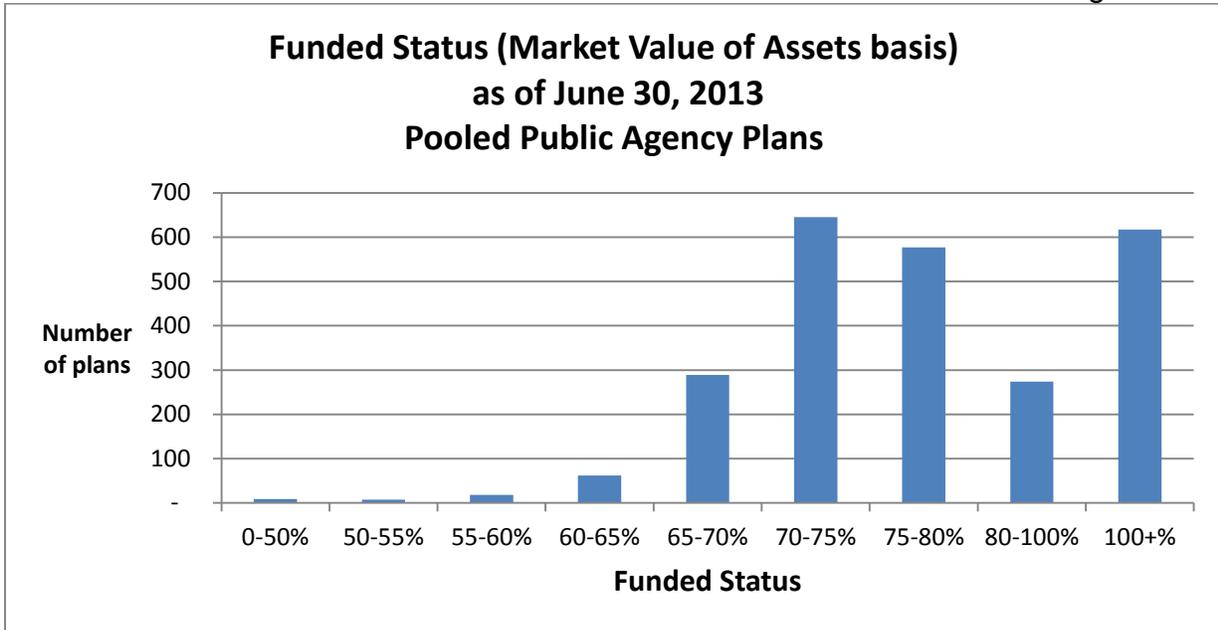
A plan with assets exactly equal to the plan’s accrued liability is simply “on schedule” in funding that plan, and only future employee contributions and future employer normal costs are needed. A plan with assets below the accrued liability is “behind schedule”, or is said to have an unfunded liability, and must temporarily increase contributions to get back on schedule. A plan with assets in excess of the plan’s accrued liability is “ahead of schedule”, or is said to have excess assets, and can temporarily reduce future contributions. Of course, events such as plan amendments and investment or demographic gains or losses can change a plan’s condition from year to year.

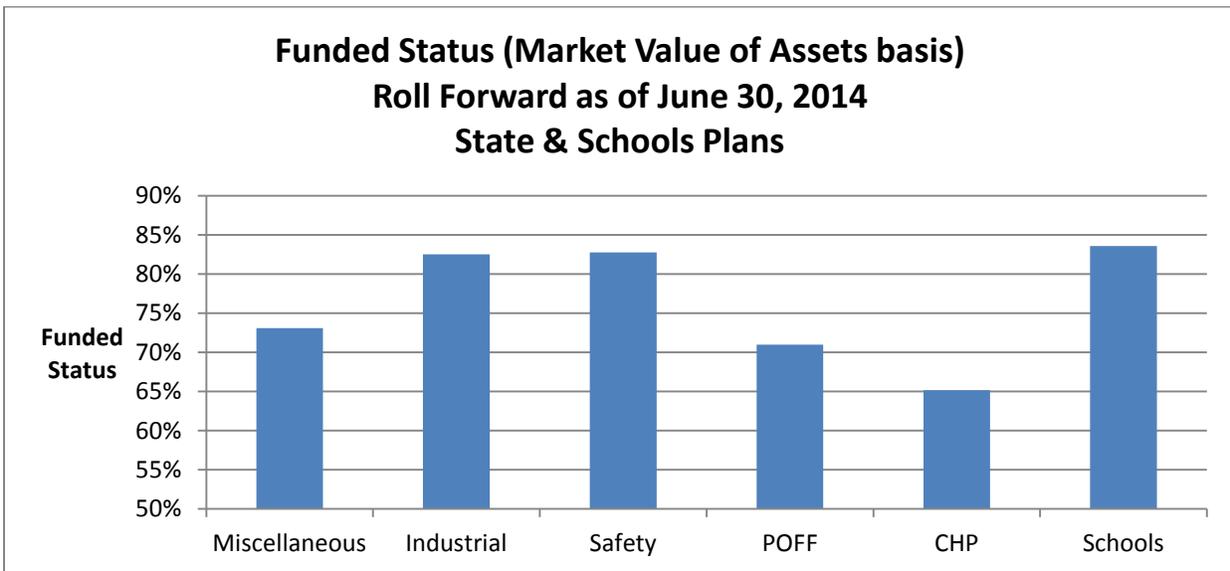
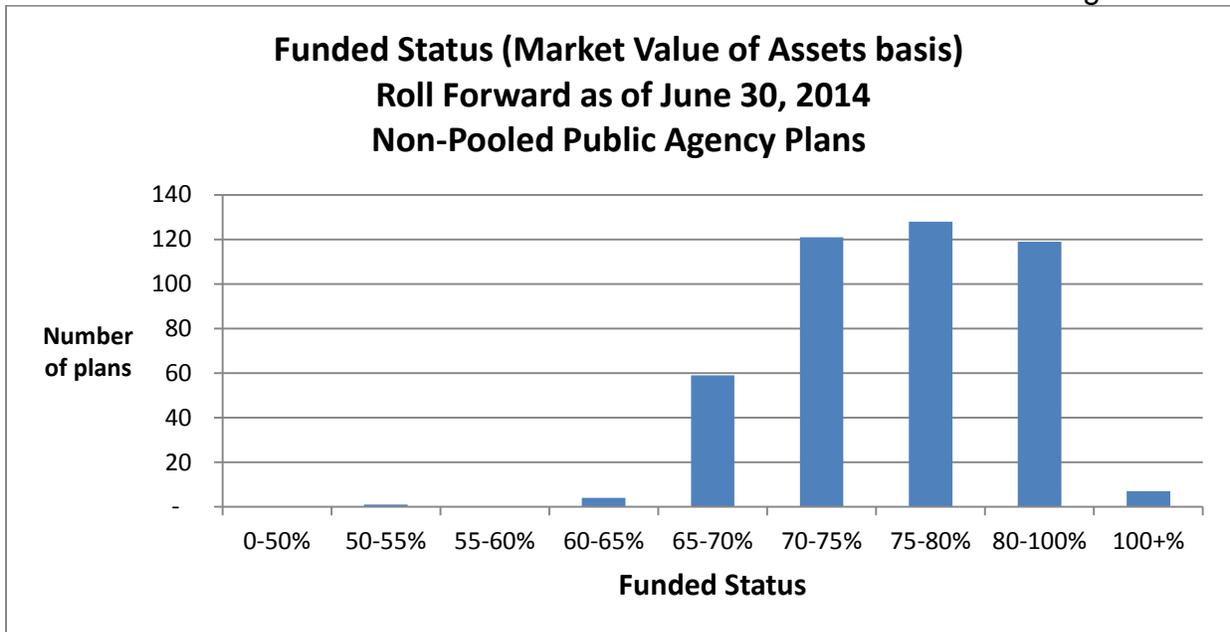
The funded status of a pension plan is defined as the ratio of assets to a plan’s accrued liabilities. The funded status shown in the following summary and charts is based on the market value of assets. As of June 30, 2013, after reflecting the new assumptions

adopted by the CalPERS Board the PERF was 70 percent funded on a market value basis. This number is an average of all plans that participate with CalPERS. June 30, 2013 is the most recent figure available since the June 30, 2014 actuarial valuations for all plans will not be completed until the summer of 2015. As a result of the 18% percent investment return in 2013-14, we estimate the funded status on a market value basis for the PERF to be about 77 percent as of June 30, 2014². When looking at the funding risk, one needs to look at all plans individually and not only the PERF as a whole. Below are charts of the funded status of the PERF system broken down by various groups as of June 30, 2013 based on the new assumptions adopted by the Board in February 2014 as well as charts showing the estimated funded status as of June 30, 2014.



² The estimated funded status as of June 30, 2014 is estimated after changes to actuarial assumptions and the known investment gain in 2013-2014 of approximately 18%.





As shown in the charts above, most plans in the system are between 60 percent and 80 percent funded as of June 30, 2013. The vast majority of plans (other than new PEPRA plans) were between 65 percent and 85 percent funded as of June 30, 2014. Many of the new PEPRA plans, but only a tiny fraction of other plans were more than 100 percent funded on this date. Being less than 100 percent funded means that employer contributions need to be higher than the employer normal cost.

There is one non-pooled plan that has a funded status below 50 percent. The plan has just recently contracted with CalPERS with 100 percent past service so a low funded status is to be expected.

There is one non-pooled plan that has a funded status over 100 percent, this plan has recently joined CalPERS and has contributed more than their liabilities (0 percent past service) since inception. There are 32 non-pooled plans that are between 80 percent and 100 percent funded, these plans have had either good experience or have been making contributions above those that are required but none indicated that Pension Obligation Bonds were the source of the extra contributions.

The funded status risk measure does not appear to indicate an immediate risk, but will continue to be monitored closely. As stated earlier, being less than 100 percent funded means that employer contributions need to be higher than the employer normal cost. While this does not necessarily mean that contributions need to be higher than the current contribution level, results presented earlier show that contributions are expected to increase over the next five years.

Hypothetical Termination Basis

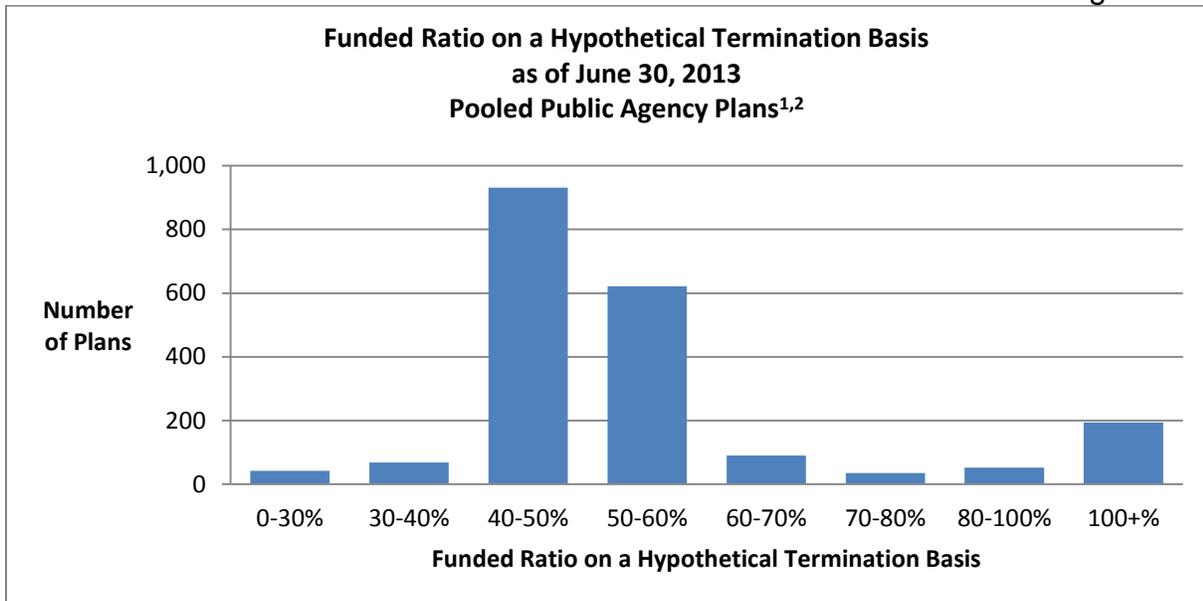
In August 2011, the CalPERS Board adopted an investment policy and asset allocation strategy for the Terminated Agency Pool that more closely reflects expected benefit payments from that pool. With this change, CalPERS increased benefit security for members while limiting its funding risk.

It is important to keep in mind that tracking the funded status on a hypothetical termination basis is key because if a plan were to terminate and the employer is unable to make up the shortfall, benefits could be reduced by the amount that the plan is underfunded.

The assumptions used, including the discount rate, take into account the yields available in the US Treasury market on the valuation date and the mortality load for contingencies. The discount rate is duration weighted and is not necessarily the rate that would be used for a given plan if it were to terminate. The discount rate for each plan's termination liability would depend on the duration of the liabilities of the plan. For purposes of this estimate, the discount rate used, 3.72 percent, is the June 30, 2013 30-year US Treasury Stripped Coupon Rate. Please note, as of June 30, 2014 the 30-year US Treasury Stripped Coupon Rate was 3.55 percent. On this basis the hypothetical termination funded statuses for most plans is in the 40 percent to 60 percent range and are based on the old actuarial assumption set, the only available at the writing of this report.

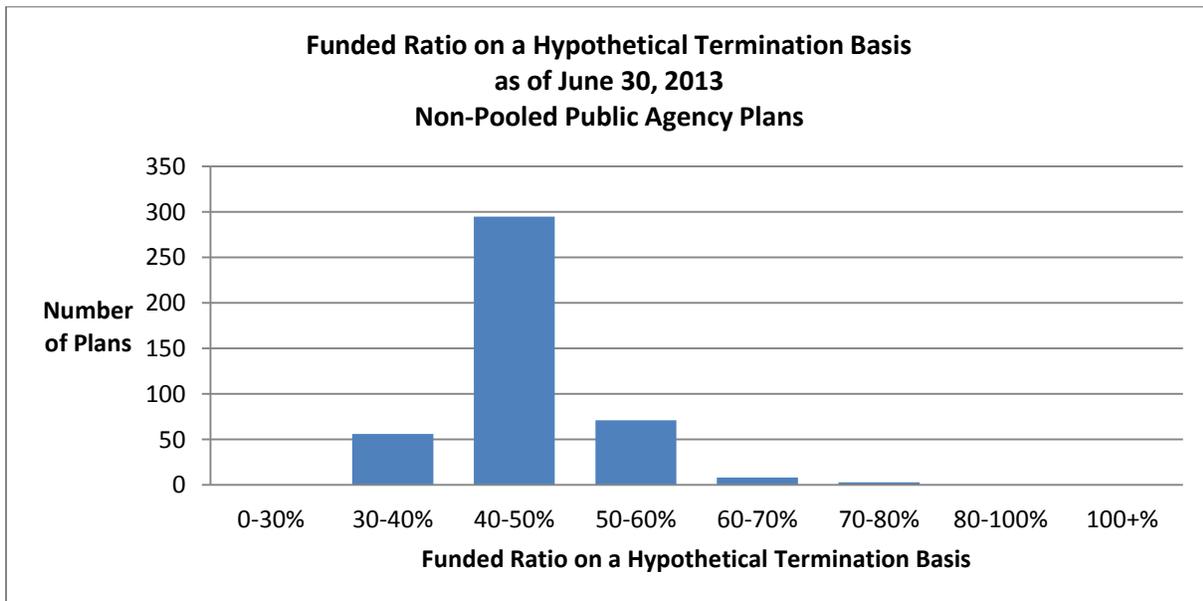
Below are charts of the hypothetical termination funded status of the public agency plans³. For the non-pooled plans the bulk of plans are currently in the 40% to 60% funded range and for those below 40%, nearly all are near 40% funded. For the pooled plans the same pattern exists with the exception of several new rate plans that are just beginning to develop and show much higher liabilities relative to assets.

³ Legislation does not permit State & Schools Plans to be terminated.



¹ Excludes PEPRA plans, as they have a low membership base and have been recently created. Due to this, they have a hypothetical funded status greater than 100% which would skew the chart.

² Most plans with a funded status greater than 100% are recently created 2nd Tier plans that have low assets and liabilities. These plans correspond to 1st Tier plans that are between 40-60% funded.



Even though actuarial valuations now show hypothetical information on the amount that would be owed at termination, a plan termination is a rare occurrence at CalPERS and usually occurs as a result of an employer ceasing to exist. The current terminated agency pool at CalPERS has 90 employers that have terminated for which we have liabilities. In the last fiscal year, four very small employers terminated their contract with CalPERS. Three of the terminations were initiated by CalPERS once staff discovered the agencies were no longer in existence. The other employer initiated the process due

to its inability to continue to fund the pension plan. In all cases, these employers were very small in size.

Risk Measures

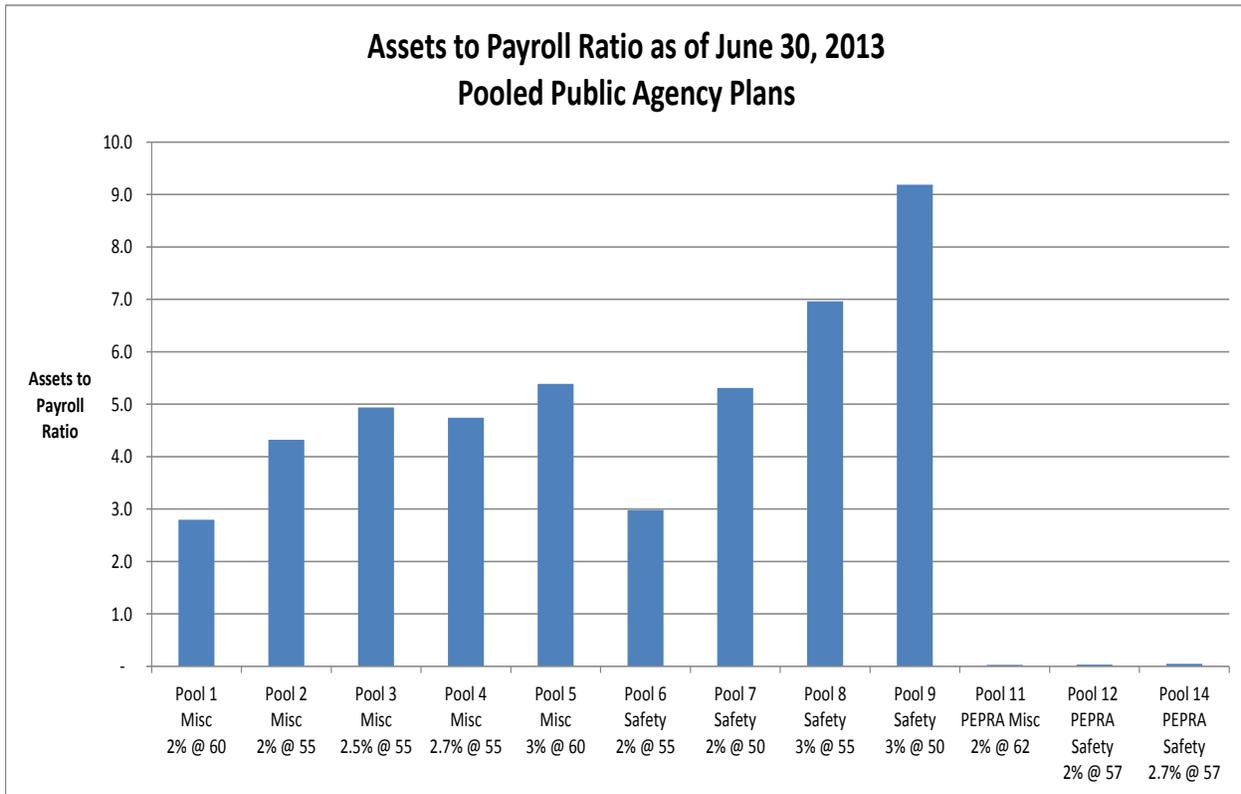
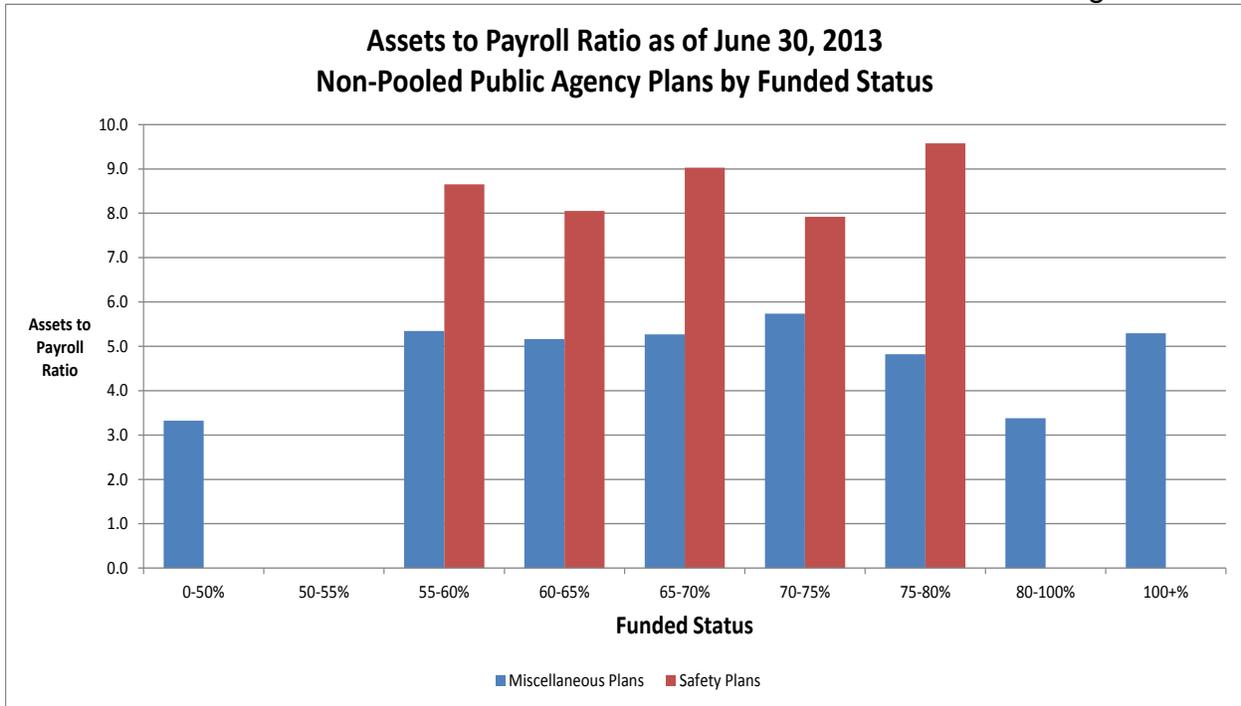
Volatility

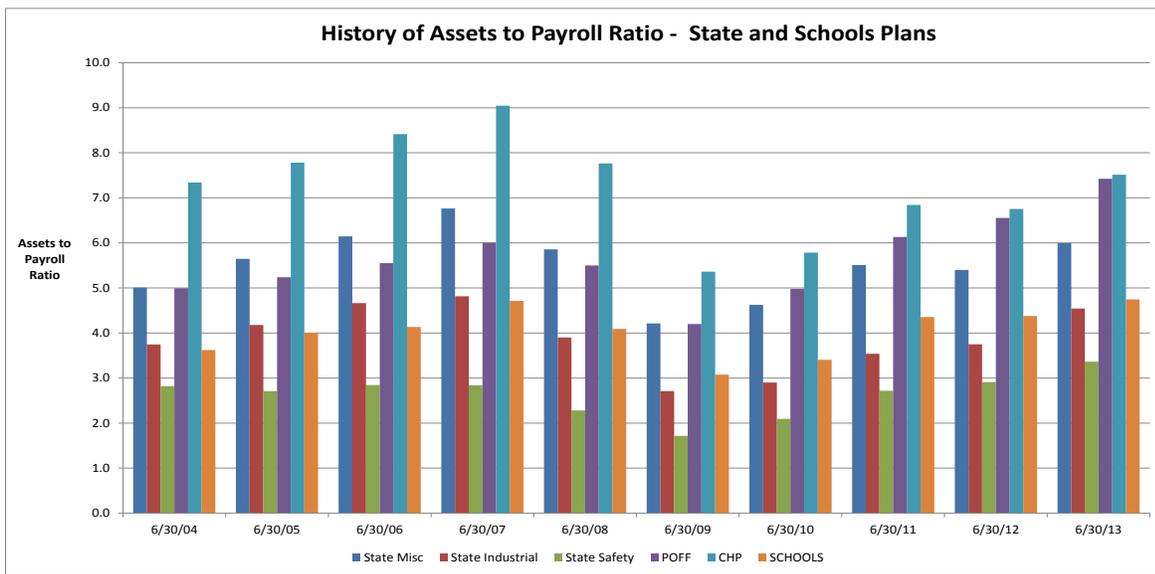
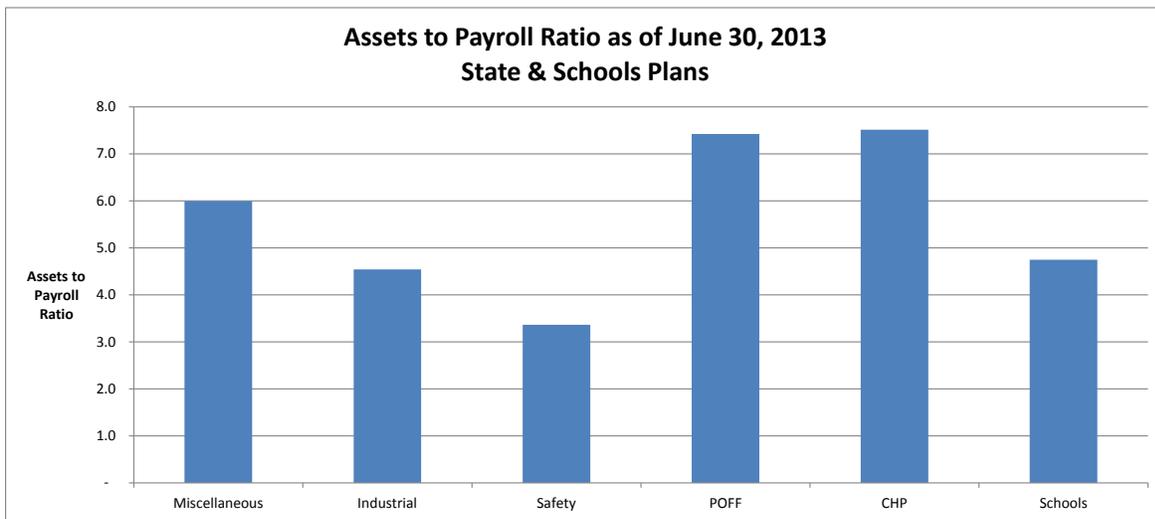
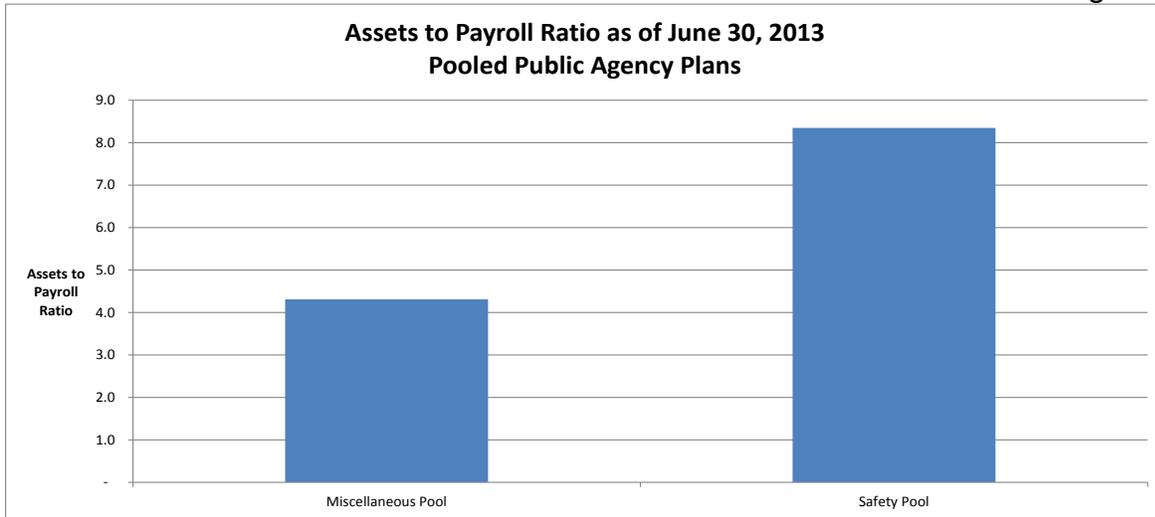
Rate volatility is heavily influenced by the ratio of plan assets to active member payroll. Higher asset to payroll ratios produce more volatile employer rates. To understand this, consider two plans, one with assets that are 4 times active member payroll, and the other with assets that are 8 times active member payroll. In a given year, let's see what happens when assets rise or fall 10 percent above or below the actuarial assumption. For the plan with a ratio of 4, this 10 percent gain or loss in assets is the same in dollars as 40 percent of payroll. For the plan with a ratio of 8, this is equivalent to 80 percent of payroll. If this gain or loss is spread over 20 years (and we oversimplify by ignoring interest on the gain or loss), then the first plan's rate changes by 2 percent of payroll while the second plan's rate changes by 4 percent of payroll.

Plans with relatively larger benefits and earlier retirement ages need to accumulate assets at a faster rate than their counterparts. Such plans tend to have a higher ratio and are more susceptible to larger asset gains or losses. Thus larger ratios combined with large asset gains or losses translate into larger contribution changes relative to payroll.

This ratio is significantly affected by plan maturity. Plans start their lives with no assets and so the asset to payroll ratio is zero. As time goes by, the ratio rises and then tends to stabilize at some level as the plan matures. As discussed in the section on "Changing Pension Environment" plans at CalPERS have been and continue to mature. This means that the asset to payroll ratio is expected to continue to increase for some time. Ultimately, the ratio is expected to decline from the peak as a result of the lower benefit levels included in PEPRRA but that will take many years.

The following charts of the asset to payroll ratios of the PERF system broken down by various groups:





This risk measure is descriptive in nature. That is, there is nothing to “fix” if the Volatility Index is high. A high Volatility Index simply indicates that there is a lot of money invested for the plan--a good thing in the overall scheme of a pension plan. It should, however, serve as a reminder that the more money invested, the more impact investment gains and losses have. It should also be noted that this Volatility Index only considers volatility related to investment returns and, to a lesser extent, payroll. Other gains and losses affect the liability and are therefore not taken into account in the determination of the index.

As shown in the charts above, the average asset to payroll ratio is between 4 and 5 but there are a significant number of plans with ratios above this level. Given the expected level of investment volatility, plans with an asset to payroll ratio of 4 are expected to experience a gain or loss in excess of 50 percent of the sponsoring employer’s payroll in about one third of future years. Plans with higher asset to payroll ratios are expected to experience even greater levels of investment volatility.

Asset Liability Management

Over the last year few years, CalPERS Actuarial Office, Investment Office, and Financial Office have worked together to develop the Asset Liability Management (ALM) model to help understand the issue of funding risk. It uses an integrated view of assets and liabilities to assist in the evaluation of actuarial and investment decisions. This tool has proved very useful in bringing risk issues into the foreground.

The ALM model focusses on three measures of risk over an extended period of time. The measures are:

1. The probability of low funded status which is an indication of risk to the members in the event that the employer does not continue funding.
2. The probability of high levels of employer contribution rates which is an indication of financial strain on the employers and could lead to employers being unable to continue funding the benefits.
3. The probability of a large increase in employer rates in a single year, which is another indication of financial strain on the employers.

At the present time, the ALM model is only able to provide information on a limited set of plans. Currently these plans are:

- State Miscellaneous Plan
- State Peace Officer/Firefighter Plan (State POFF)
- California Highway Patrol Plan
- The Schools Pool
- A sample (very large) public agency Miscellaneous plan
- A sample (very large) public agency Safety plan

The probabilities of the funded status of these plans falling below various levels at any point in the next 30 years are shown below.

Plan Name	Probability of Falling Below Given Funding Level (at any point in next 30 years)		
	40%	50%	60%
State Misc.	14%	32%	55%
Schools	10%	23%	43%
PA Misc.	11%	26%	47%
CHP	13%	35%	100%
State POFF	11%	30%	55%
PA Safety	12%	29%	51%

The table above still shows an uncomfortably high probability that plans will fall below 50%, even though it has improved in comparison with the prior year as is shown by the table below.

Plan Name	Probability of Falling Below Given Funding Level (at any point in next 30 years)		
	30%	40%	50%
State Misc.	14%	34%	59%
Schools	11%	27%	51%
PA Misc.	10%	26%	50%
CHP	7%	27%	59%
State POFF	9%	26%	54%
PA Safety	9%	27%	54%

Because of the demands of safety jobs, safety plans are designed to accommodate earlier retirement. As such, they generally have higher required contribution levels. For this reason, we show the high contribution levels and large single year increases for safety and miscellaneous plans at different levels. The table below shows the probability of plans exceeding a specified contribution level at some point in the next 30 years.

Plan Name	Probability of Employer Contribution Rates Exceeding Given Level (at any point in next 30 years)		
	30% of Payroll	35% of Payroll	40% of Payroll
State Misc.	67%	49%	33%
Schools	27%	13%	5%
PA Misc.	39%	22%	10%
	50% of Payroll	55% of Payroll	60% of Payroll
CHP	76%	62%	50%
State POFF	52%	40%	29%
PA Safety	54%	44%	34%

These probabilities have increased in comparison with the prior report for some of the same reasons that the probability of low funded status has fallen, i.e. new asset and amortization policy. Below is the same chart from the last risk report based on the old asset smoothing and amortization methods and the previous actuarial assumptions.

Plan Name	Probability of Employer Contribution Rates Exceeding Given Level (at any point in next 30 years)		
	30% of Payroll	35% of Payroll	40% of Payroll
State Misc.	57%	33%	13%
Schools	11%	1%	0%
PA Misc.	24%	6%	1%
	50% of Payroll	55% of Payroll	60% of Payroll
CHP	47%	31%	17%
State POFF	18%	8%	2%
PA Safety	30%	16%	7%

Finally, the table below shows the probability of an increase in the employer contribution level above a specified level at some point in the next 30 years.

Plan Name	Probability of Employer Contribution Rates Increasing by More Than a Given Level (at any point in next 30 years)		
	3% of Payroll	5% of Payroll	7% of Payroll
State Misc.	59%	15%	2%
Schools	43%	6%	0%
PA Misc.	48%	10%	1%
	5% of Payroll	7% of Payroll	9% of Payroll
CHP	61%	28%	11%
State POFF	49%	20%	7%
PA Safety	55%	27%	10%

In comparison, below is the same chart from the last risk report based on the old asset smoothing and amortization methods and the previous actuarial assumptions.

Plan Name	Probability of Employer Contribution Rates Increasing by More Than a Given Level (at any point in next 30 years)		
	3% of Payroll	5% of Payroll	7% of Payroll
State Misc.	82%	59%	29%
Schools	78%	43%	15%
PA Misc.	78%	47%	19%
	5% of Payroll	7% of Payroll	9% of Payroll
CHP	80%	62%	41%
State POFF	73%	52%	31%
PA Safety	79%	62%	41%

The tables above show that there is considerable risk in the funding of the system.

Unless changes are made, it is likely that there will be a point over the next 30 years where the funded status of many plans will fall below 60% at some point. There is about a 30% chance that we will see funded statuses below 40%.

These probabilities are lower than they were the last time this report was prepared. This is due to two main factors – good investment returns in the last two years and changes to our smoothing and amortization methods. Unfortunately, the changes to the smoothing and amortization methods have also increased the probability of high contribution rates.

Finally, the new methods have made it less likely that employers will see sharp increases in their rates in a single year. Hopefully this will give employers time to plan for and, as best as they can, mitigate the impact of higher contributions if we experience a difficult financial period.

The combined message of the ALM measures shown above is that risk to funded status and large single year increases in contributions have been reduced since the prior report but that they remain high. The risk of high contributions has increased, mostly as a result of actions that the Board has taken to reduce risk in other areas.

Conclusion

The various measures that were analyzed give different perspectives on the risk associated with the funding of the system. When looked at together, these risk measures show that there is still considerable risk in the funding of the system. The risk of low funded status has been reduced considerably over the last few years by the adoption of a new asset allocation and new assumptions and by changes to the smoothing policies. However, this improvement has come at the expense of increasing employer contributions and this has put additional strain on contributing employers.

In the short term, contribution rate levels are expected to increase unless the System experiences a period of exceptional investment returns. The rates will probably remain high for an extended period to eliminate the unfunded liabilities.

Pension plans at CalPERS are becoming more mature. That is, the ratio of retired members to active members is increasing. Along with the benefit levels, this has resulted in an increase in the asset to payroll levels. This means that volatility is having a greater impact on employers than it had in the past.

Changes to accounting standards (GASB Statement 68) may affect employers' willingness to accept the current level of risks associated with the sponsoring of a defined benefit pension plan as the magnitude of unfunded liabilities and pension expenses are now reported on the basic financial statements. This may result in pressure to change their risk profile by making changes to actuarial or investment policies and/or benefit levels.

Pension reforms implemented effective January 1, 2013 will afford employers some relief in the longer term both as to level and volatility of contributions but this will be minimal in the short term.

The work on Asset Liability Management has shown that there remains considerable risk in the funding of the system. There is a substantial risk that, at some point over the foreseeable future, there will be periods of low funded status and high employer contribution rates. Should this coincide with a period of financial weakness for employers or if such a period occurs before we recover from the current funding shortfall, the consequences could be very difficult to bear.

Combined, the measures discussed above indicate that employers will be under continuing financial stress for many years unless there is a period of exceptional returns in the markets.

Should this stress result in employers electing to terminate their contracts with CalPERS, there could be significant or even devastating consequences to our members. Most plans are between 40 and 60 percent funded on a hypothetical termination basis. While staff will make every effort to collect any shortfall if a plan were to terminate their contract, any uncollectable shortfall will raise the specter of benefit reductions to the level that the benefits are funded.

The report shows that there is a significant amount of risk being taken in the funding of the system. The probability that the system will face a period of severe stress is still at a level that may be unacceptable. Staff urges the Board to review these results carefully and determine whether or not they feel that changes are necessary to improve the soundness and sustainability of the system.

LAFCO of Santa Clara County Begins its Cities Service Review

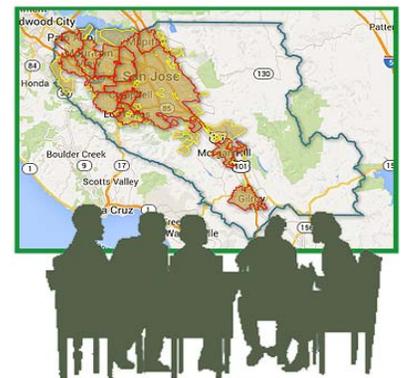


January 2015

The Local Agency Formation Commission (LAFCO) of Santa Clara County's "Cities Service Review" will involve a comprehensive review of the 15 incorporated cities in Santa Clara County, as well as certain unincorporated areas (i.e. Moffet Field, San Martin, and Stanford). The review will cover a range of services provided by the cities, including waste water, solid waste, parks and recreation, streets, storm water, law enforcement, library services, lighting, animal control, gas & electricity, broadband and planning / building. Fire and water services were covered in previous service review reports.

Partnerships to Achieve Common Goals

In addition to the required written statement of service review determinations, and any recommendations for changes to city spheres of influence, the report will review current practices and potential opportunities for collaboration amongst cities and other local agencies or organizations to achieve common goals and efficient delivery of services. The review will focus on joint efforts and /or opportunities related to shared services, sprawl prevention/infill development, and preservation of agricultural lands.



Technical Advisory Committee (TAC)

The TAC will serve as a liaison between LAFCO and the affected agencies, help select a consultant for the project and provide technical expertise / advice throughout the process.

TAC Members	Appointed by
Linda J. LeZotte LAFCO Commissioner	LAFCO of Santa Clara County
Yoriko Kishimoto Alternate LAFCO Commissioner	LAFCO of Santa Clara County
Carl Cahill , Town Manager Town of Los Altos Hills	County / Cities Managers' Association
Andrew Crabtree , Comm. Development Director, City of Morgan Hill	County Association of Planning Officials
David Kornfield , Planning Services Manager, City of Los Altos	County Association of Planning Officials
Kent Steffens , Assistant City Manager City of Sunnyvale	County Municipal Public Works Officials Association

Agencies & Areas of Study
Cities
<ul style="list-style-type: none"> • Campbell • Cupertino • Gilroy • Los Altos • Los Altos Hills • Los Gatos • Milpitas • Monte Sereno • Morgan Hill • Mountain View • Palo Alto • San Jose • Santa Clara • Saratoga • Sunnyvale
Unincorporated Areas
<ul style="list-style-type: none"> • Moffet Field • San Martin • Stanford

Service Review Consultant

Management Partners, selected through a RFP process, has been retained by LAFCO to conduct the Cities Service Review. They will be contacting the cities and pertinent organizations shortly to begin data collection.

LAFCO Service Review Responsibilities

State law mandates that once every 5 years, each LAFCO review and update as necessary, the spheres of influence for cities and districts. A Service Review must be conducted prior to or in conjunction with the sphere of influence review /update and must include an analysis and written statement of determination regarding each of the following categories:

- Growth and population projections for the affected area
- Location and characteristics of any disadvantaged unincorporated communities within or contiguous to the sphere of influence
- Present and planned capacity of public facilities, adequacy of public services, and infrastructure needs or deficiencies including infrastructure needs or deficiencies related to sewers, municipal and industrial water, and structural fire protection in any disadvantaged, unincorporated communities within or contiguous to the sphere of influence
- Financial ability of agencies to provide services
- Status of, and opportunities for, shared facilities
- Accountability for community service needs, including governmental structure and operational efficiencies
- Any other matter related to effective or efficient service delivery, as required by commission policy.

LAFCO completed a Countywide Fire Service Review in 2010, a Countywide Water Service Review in 2011, an Audit and Service Review of the El Camino Hospital District in 2012, and a Special Districts Service Review in 2013. The Cities Service Review is the only outstanding review left in LAFCO's second round of service reviews.

Intended Use of the Service Review Report

The Service Review Report will serve as an information resource on cities in Santa Clara County for LAFCO, local agencies and the public. Service providers may use the Report to pursue service delivery changes or to further assess the options identified in the Report for providing more efficient services. LAFCO may use the information in the Report, when reviewing future proposals for jurisdictional boundary changes. LAFCO, local agencies or the public may use the Report, together with additional analysis where necessary, to pursue changes in governance, and/or changes in jurisdictional boundaries or spheres of influence.

Opportunities for Input

In addition to direct communication with the cities and other affected organizations, the service review process will include periodic updates to the County/Cities Managers' Association, County Association of Planning Officials, County Municipal Public Works Officers' Association, and to LAFCO. Members of the public, interested groups or affected agencies are encouraged to contact LAFCO staff to provide input, to discuss/request that a specific issue be addressed in the report or to obtain more information on the project. Further information on service reviews and on LAFCO is available on the LAFCO website at: www.santaclaralafco.org.

Project Timeline	
Dec 2014	Start project, establish TAC, select consultant
Jan-Mar 2015	Data collection and verification of data by agencies
Mar-July	Data analysis, develop preliminary findings, prepare Draft Report
Aug	Release Draft Report for public review and comment
Oct	LAFCO public hearing on Draft Report (October 7)
Nov	Release Revised Draft Report for public review and comment
Dec	LAFCO public hearing on Revised Draft Report (December 2)



COMMISSIONERS

Cindy Chavez
Sequoia Hall
Johnny Khamis
Linda J. LeZotte
Cat Tucker
Mike Wasserman
Susan Vicklund Wilson

ALTERNATE COMMISSIONERS

Ash Kalra
Yoriko Kishimoto
Tara Martin-Milius
Terry Trumbull
Ken Yeager

STAFF

Neelima Palacheria, Executive Officer
Tel: 408/299-5127
neelima.palacheria@ceo.sccgov.org

Dunia Noel, Analyst
Tel: 408/299-5148
dunia.noel@ceo.sccgov.org





Dog Park Bench

Westwind Community Barn Monthly Report January 2015

Horse Summary

Occupancy	Barn	Paddock	Pasture	Total Boarding	Total inc 4-H and School horses
February	11	2	10	23	23+7+10=40
March	10-Dec	3	11	24	24+7+10=41
April	11	5	13	29	29+6+10=45
May	11	6	14	31	31+7+11=49
June	13	6	15	34	34+7+11=52
July	12	6	15	33	33+6+11=51
August	12	6	16	34	34+7+12=53
September	16	6	16	38	38+6+12=56
October	17(14)	6	16	39(36)	39+6+14=59 36+6+14=55
November	15	4 (2 in shared) 6	14	35	35+6+14=55
December	16(14)	3 (2 in shared) 5	15	36 (34)	36 + 7 + 14 = 57
Jan-15	16	6	14	36	36+13+7 =56

New/ lost Boarders

Lost/Leaving

Jill Harding took trailer

Stall

New

Stall

Forte – training horse for Torie – will pay full board

Paddock

Pasture

Current Trainers

Heather Franco

Sharon Wormhoudt

Kristin Zurek

Hillary Martin

Jenny Whitworth

Kelly Pugh

Leaving Trainers –

Activities –this month

ABOL rodent control

Activities planned for next month

Ad-Hoc Committee meeting

Improve rain preparation plans

List of procedures for meetings with town and open and close of month procedures

Buy more mats and improve paddocks with DG and mats

Hire a worker to fill in for guys when they are on vacation

Better feeding plans for wet weather so as not to waste hay

Feeders or mats in pasture? Research other barns and how they feed in pasture

Issues-

Disputes-

Injuries-

Repairs made –

Capital Repairs –

Camera system updated

Victoria Dye Equestrian, LLC
Profit & Loss-By Class

December 2014

	<u>Boarding</u>	<u>School</u>	<u>TOTAL</u>
Ordinary Income/Expense			
Income			
Promotional Products		1,710.00	1,710.00
Reimbursements			
Bedding Reimbursement	36.00		36.00
Feed Reimbursements	1,055.00		1,055.00
Reimbursed Expenses		279.00	279.00
Town Water Reimbursements	556.36		556.36
Total Reimbursements	<u>1,647.36</u>	<u>279.00</u>	<u>1,926.36</u>
Services			
Boarding	25,328.00	595.00	25,923.00
Lessons		9,625.00	9,625.00
Total Services	<u>25,328.00</u>	<u>10,220.00</u>	<u>35,548.00</u>
Subsidy	<u>3,000.00</u>		<u>3,000.00</u>
Total Income	<u>29,975.36</u>	<u>12,209.00</u>	<u>42,184.36</u>
Gross Profit	29,975.36	12,209.00	42,184.36
Expense			
Advertising and Promotion		674.05	674.05
Bank Service Charges	(0.10)		(0.10)
Bedding		36.00	36.00
Boarding Expense		1,425.00	1,425.00
Camp Expenses		100.00	100.00
Commissions			
Town of Los Altos		2,845.00	2,845.00
Total Commissions		<u>2,845.00</u>	<u>2,845.00</u>
Feed, Grain and Hay	21,313.82	1,300.71	22,614.53
Insurance			
Equine Insurance	1,093.50	1,093.50	2,187.00
Total Insurance	<u>1,093.50</u>	<u>1,093.50</u>	<u>2,187.00</u>
IPN Fees	6.50		6.50
Licenses and Fees		170.00	170.00
Office Supplies	12.27	38.06	50.33
Outside Services	550.00		550.00
Payroll Expenses			
Health Insurance	413.60		413.60
Officer Salary	4,000.00		4,000.00
Processing Fee	9.60	4.80	14.40
Taxes	874.25	458.20	1,332.45
Wages	7,428.19	1,597.40	9,025.59
Work Comp	2,436.46	1,044.20	3,480.66

Victoria Dye Equestrian, LLC
Profit & Loss-By Class

December 2014

	<u>Boarding</u>	<u>School</u>	<u>TOTAL</u>
Total Payroll Expenses	15,162.10	3,104.60	18,266.70
Postage and Delivery		13.00	13.00
Professional Development		250.00	250.00
Professional Fees			
Accounting	940.00	250.00	1,190.00
Total Professional Fees	<u>940.00</u>	<u>250.00</u>	<u>1,190.00</u>
Repairs			
Facility Repairs	362.21		362.21
Total Repairs	<u>362.21</u>		<u>362.21</u>
Shoeing		650.00	650.00
Supplies	235.50	3,301.41	3,536.91
Telephone & Communications	219.35	77.70	297.05
Tractor Expense			
Rental	50.00		50.00
Total Tractor Expense	<u>50.00</u>		<u>50.00</u>
Travel & Ent			
Meals		91.19	91.19
Total Travel & Ent		<u>91.19</u>	<u>91.19</u>
Utilities			
Gas and Electric and Propane	9.53		9.53
Water	417.00		417.00
Total Utilities	<u>426.53</u>		<u>426.53</u>
Vet		1,189.00	1,189.00
Total Expense	<u>40,371.68</u>	<u>16,609.22</u>	<u>56,980.90</u>
Net Ordinary Income	<u>(10,396.32)</u>	<u>(4,400.22)</u>	<u>(14,796.54)</u>
Net Income	<u><u>(10,396.32)</u></u>	<u><u>(4,400.22)</u></u>	<u><u>(14,796.54)</u></u>

The Los Altos Hills Youth Commission presents:

Annual Teen Movie Night

2/6/15

7-9 pm

Where: Council
Chambers at
Town Hall

26379 Fremont
Road, Los
Altos Hills

When: February
6th, 2015. From
7:00-9:00 p.m.

There will be
free snacks!



GUARDIANS OF THE GALAXY